



## Voluntary Service Overseas (Ireland)

Reports and Financial  
Statements for the Financial  
Year ended 31 March 2016



Reference and Administrative Details:

Charity name:	Voluntary Service Overseas (Ireland) Limited	Voluntary Service Overseas (Ireland) Limited is a Company Limited by Guarantee and not having a Share Capital.
Charity registration:	CHY 15048	
Company registration:	351799	
Charities Regulatory Authority number:	20050863	
Registered office:	Unit 7 Whitefriars Aungier Street Dublin 2	
Board of Trustees (as at 31 March 2016):	Iarla Mongey (Chairperson) Olive Fives Gerard Murphy Wendy Osborne Richard Landon Eileen Sheehan Jane Meehan Hazel Chu Daire O’Criadáin (appointed 22 October 2015) Trayc Kevans (co-opted Director)	
Management Team (as at 31 March 2016):	Megan Munsell (Executive Director) Paul Cahill (Financial Controller)	
Bankers:	Allied Irish Bank plc 7/12 Dame Street Dublin 2	
Auditors:	Deloitte Chartered Accountants and Statutory Audit Firm Deloitte & Touche House Earlsfort Terrace Dublin 2	
Solicitors:	Beauchamps Solicitors Riverside Two Sir John Rogerson’s Quay Dublin 2	

Cover image: Dr Siobhán Neville, a paediatrician from Dublin, spent six months sharing her medical skills in Neonatal Intensive Care Units in Lindi, Tanzania.  
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Martha Lokuda, Sarah Saum Nakayenze, Nancy Ayoo, Grace Akello, and Fatuma Nafuma at Kasimeri Primary School in Moroto District, Karamoja, Uganda where VSO volunteers are helping girls get the education they deserve.

## Chair and Executive Director Introductions



2015 has seen many positive developments within Voluntary Service Overseas (Ireland) Limited (VSO Ireland) which have helped strengthen the organisation and further our development aims around the globe. In this, the European Year of Development, it is fitting that we have extended our reach in terms of volunteer recruitment and engagement, fundraising and advocacy. Our staff and returned volunteers continue to bring fresh ideas and new thinking to the table, making it a very exciting time to chair the organisation.

The Sustainable Development Goals (SDGs) were adopted in August 2015, covering everything from education and health to gender equality and climate change. Unlike their predecessors, the Millennium Development Goals (MDGs), the SDGs also brought about a new understanding of the important role of volunteering in development – a conversation we were actively involved in through chairing the Post-2015 Volunteering Working Group. These ‘Global Goals’ recognise that volunteering is an essential component of sustainable development and urge governments to work closely with volunteer-sending organisations. This very much aligns with VSO’s view that ‘people are the best agents of change’ and that ‘progress is only possible through working together’.

The importance of volunteering was affirmed also by the Valuing Volunteering research we carried out with the UK’s Institute of Development Studies over the last two years. Using researchers in four countries, it found that volunteering provides the means through which some of the essential pre-conditions for sustainable change – inclusion, innovation, ownership, participation and inspiration – can be best realised. We’ve seen first-hand the incredible impact that Irish volunteers have had as they integrate into marginalised communities, taking time to understand the needs of local people and collaborate to create positive change.

As well as our amazing volunteers, I’d like to thank Irish Aid, our corporate partners, trusts and foundations, and the many individual givers amongst the generous Irish public who continue to support our work year-on-year. We are extremely grateful for their enormous contribution to VSO. Without this vital assistance, many of our overseas programmes would simply not be possible. We look forward to building on these relationships even further and enjoying even greater success in addressing our global mission in the coming year.

**Iarla Mongey, Chair**



This year, VSO Ireland has continued to expand our work, tackling poverty by implementing programmes that deliver sustainable change, with volunteers at the heart of what we do. All of our programmes put people first and through our volunteers, partners and supporters we reduce poverty by enabling people to influence the decisions that affect their lives.

VSO Ireland is proud of our volunteers and the special relationship we have with them. The contribution that Irish volunteers make to their host communities while on their VSO placements goes significantly beyond the role that they are recruited for. It is that combination of living and working in the communities that ensures that volunteers appreciate the challenges and cultural context of their placements. They are able to collaborate with their local colleagues and peers to develop solutions that are locally appropriate and locally owned. Solutions that are co-created are more durable and evolve long after the VSO volunteer has moved on.

After their placements, many of our returned volunteers continue to volunteer – some with VSO and others with community groups around Ireland. Last year, six of our returned volunteers became Voluntary Selectors to support future VSO volunteer selection. Other returned volunteers participated in the Irish Aid Volunteer Fair at Dublin Castle, telling potential volunteers about their experiences, and what they had gained from it.

VSO supporters are the lifeblood of our work and we are deeply grateful to each and every one of our supporters for their continued commitment that enables us to implement successful programmes with wonderful volunteers.

On behalf of the staff team at VSO Ireland I would like to say a very big thank you to you all, as we embark on the next steps of our journey together.

**Kate O'Donnell, Interim Executive Director (from 15.07.16)**



# What makes VSO Ireland Different?

## Why people come first

VSO Ireland believes that putting people at the heart of development is the only way to make a real difference in the world. To fight poverty effectively, it is essential for us to fully understand the factors affecting the communities we work in – it’s not enough to assume a role without collaborating with local partners, communities and individuals. This is why the majority of our placements are long-term. No matter the programme, our volunteers need time to fully integrate into the societies they are working in, develop trusting relationships and understand how best to support sustainable change.

Our People First strategy defines the unique contribution we make in the global fight against poverty and highlights the directions we are taking as an organisation to best achieve our goals. Aid alone is not enough. We must work closely with partners and ensure that their input is central to the development of programmes and reflects their needs. By linking people together in unique ways, VSO enables them to share life-changing ideas, perspectives and practices – knowledge we harness for policymakers and those with influence to achieve maximum impact. Thinking globally and appreciating diversity, we transform lives and communities – not only overseas, but also here in Ireland.

The adoption of the Sustainable Development Goals (SDGs) in August 2015 further emphasised the relevance of this strategy. For the first time, the UN recognised that governments cannot act alone – volunteerism has now been acknowledged as a powerful way of transferring skills and creating new spaces for implementing the goals. Whether it’s a neonatal health programme in Ethiopia, an agribusiness project in Cambodia or an education programme in India, volunteers are our best resource. Working with developing communities helps to narrow the distance and break down binaries of “them” and “us”, ensuring our projects continue to transform lives over the long term. Irish Aid have recognised the fruitful efforts of VSO’s Irish volunteers under the Volunteering Initiative and continue to help us to reach our aims.

## Empowering overseas communities

What makes VSO stand out as a volunteer-sending organisation is that our roles are completely demand-driven and determined in the countries where we work. Local partners outline the skills that are required on our programmes and out of this we create a role. In the past year, much more of the decision-making about volunteer applications has been done at country-level. Applications from prospective Irish volunteers come through VSO Ireland, but it is ultimately up to local partners whether or not they are a good fit for the programme. In this way, our selection process is always mindful of the needs of the communities we work in, and puts these needs first.

Another venture that has made VSO stronger in the past year is the development of our Core Programme Areas – thematic areas where our methodology and approach holds the greatest value in addressing issues of poverty. Our six Core Programme Areas are Inclusive Education, Unlocking Talent through Technology, Maternal, Neonatal and Child Health, Adolescent and Youth Sexual and Reproductive Health and Rights, Empowered Youth for Employment and Entrepreneurship, and Agri-based Value Chains. By focusing on these Core Programme Areas, we are playing to our strengths and helping in the best way we know how. This approach encourages VSO country offices to share learning, improve the quality of programming, deepen funding relationships and develop policy positions.

Nancy Oromo, a member of the Lacan Kow Lewet youth co-operative group which has benefited from VSO’s Youth Education and Local Governance programme in Uganda.



VSO’s Unlocking Talent through Technology project uses tablet computers and apps to improve numeracy, literacy and English in schools across Malawi.





# VSO Ireland's Contribution to Poverty Reduction

- VSO Ireland volunteers who were overseas in the period 2015/16
- VSO Ireland eminent volunteers in the period 2015/16
- VSO Ireland fundraising partners who made contributions to programmes in 2015/16

## Bangladesh

Corporate Business Model Development Adviser	Secure Livelihoods
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## Cambodia

Education Management Adviser	Education
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## Ethiopia

Project Management Expert	Health
Ministry of Health Adviser	Health
Hospital Administrator	Health
Paediatric Nurse	Health
Anesthesiologist	Health
Global Campaign for Education Proposal Development Adviser	Education
Irish Aid	Health

## Kenya

Advocacy Adviser	Secure Livelihoods
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## Mozambique

Bentley Foundation	Secure Livelihoods
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## Myanmar

English Language Teacher	Education
English Language Teacher	Education
English Language Teacher Trainer	Education

## Nepal

Community Mobiliser	Education
Paediatrician	Health
Disaster Management Coordinator	Health

## Papua New Guinea

Monitoring and Evaluation Capacity Builder	Health
Teacher Trainer	Education

## Rwanda

Literacy and Numeracy Adviser	Education
Teaching Methodology Adviser	Education
Youth Employment Strategy Adviser	Secure Livelihoods
Global Campaign for Education Proposal Development Adviser	Education

## South Africa

Prisons Advocacy Adviser	Health
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## Tanzania

Internal Medicine Specialist	Health
Paediatrician	Health
Paediatrician	Health
Quality Teaching Facilitator	Education
School Leadership Facilitator	Education
School Leadership Facilitator	Education
Obstetrician/Gynaecologist	Health

## Uganda

Volunteer Programme Advisor	Participation and Governance
Maternal, Newborn and Child Health Adviser	Health
Gender Education Research Specialist	Education
Teacher Educator	Education
Teacher Educator	Education
Inspection Adviser	Education
Maternal, Newborn and Child Health Adviser	Health
Irish Aid	Education

## Zambia

Financial Management Adviser	Participation and Governance
Monitoring and Evaluation Adviser	Participation and Governance
Physical Planning Adviser	Participation and Governance
Irish Aid	Participation and Governance

## Zimbabwe

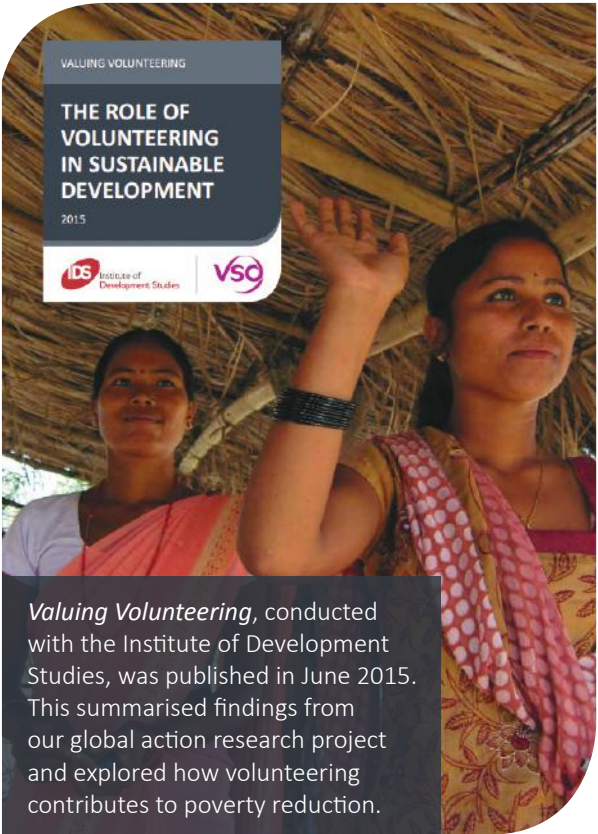
Bishop's Appeal	Secure Livelihoods
Unnamed at donor's request	Secure Livelihoods



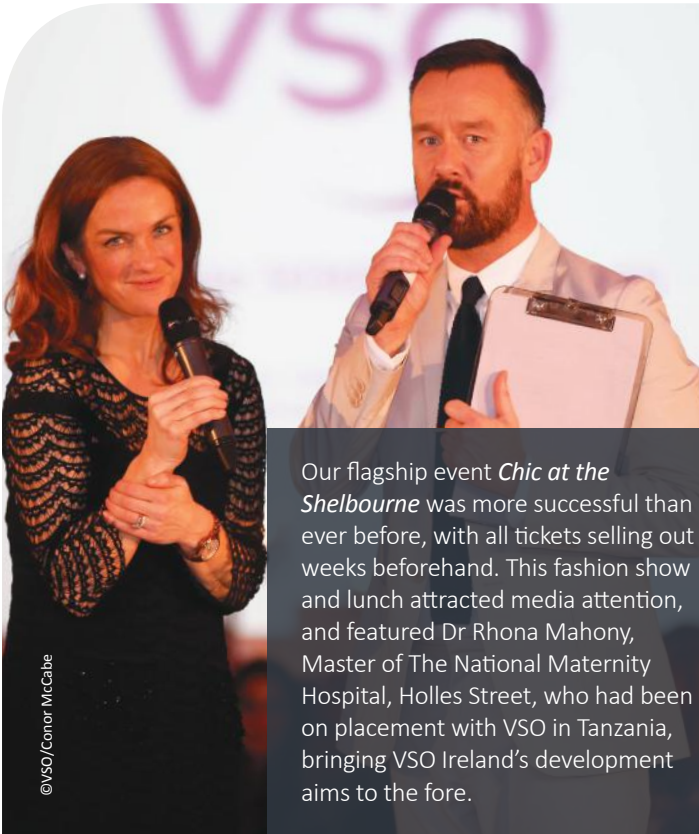
# Highlights



Returned volunteer Lisa McMahon discussed the personal and professional benefits of volunteering in Rwanda at the Irish Aid Volunteering Fair in October 2015.



*Valuing Volunteering*, conducted with the Institute of Development Studies, was published in June 2015. This summarised findings from our global action research project and explored how volunteering contributes to poverty reduction.



Our flagship event *Chic at the Shelbourne* was more successful than ever before, with all tickets selling out weeks beforehand. This fashion show and lunch attracted media attention, and featured Dr Rhona Mahony, Master of The National Maternity Hospital, Holles Street, who had been on placement with VSO in Tanzania, bringing VSO Ireland's development aims to the fore.



Returned volunteer Jim Ferguson spoke at the National Conference of the Irish Coalition of the Global Campaign for Education, and VSO Ireland's Research and Advocacy Manager James O'Brien presented at a Dóchas/Beyond2015 event to introduce the post-2015 agenda to domestic NGOs.



VSO volunteer Pauline Faughnan carried out ground-breaking research on barriers to girls' education in Uganda. This research, which is to be published, will inform VSO's future education programming in sub-Saharan Africa.



# Education

Every child has a right to education, no matter where in the world they are or what circumstances they live in. VSO’s education volunteers help to secure brighter futures for marginalised children in some of the world’s poorest communities. They work with local partners to ensure that their work best reflects the needs of those children.

## VSO’s approach to education

Education is one of VSO Ireland’s core programme areas for two reasons – it is where we have demonstrated expertise in the past and where we have access to a pool of high-quality professional volunteers. There is a long history of Irish educators travelling overseas. Within VSO Ireland, we have focused primarily on sub-Saharan Africa, where about 30 million children are out of school (UNICEF, 2015) and our support is most needed. Improving the education systems in countries such as Rwanda, Uganda and Ethiopia leads to better health outcomes, increases employment opportunities, and reduces the risk of civil unrest and violence.

Empowering people through training and the exchange of ideas is at the heart of what we do. Our education volunteers don’t just go into classrooms and teach for a limited period of time. They support sustainable change by sharing their skills at individual, community, district and national level. They train teachers, improve inspection services, update curricula and inform government policies to ensure that more children are given access to the education they deserve.

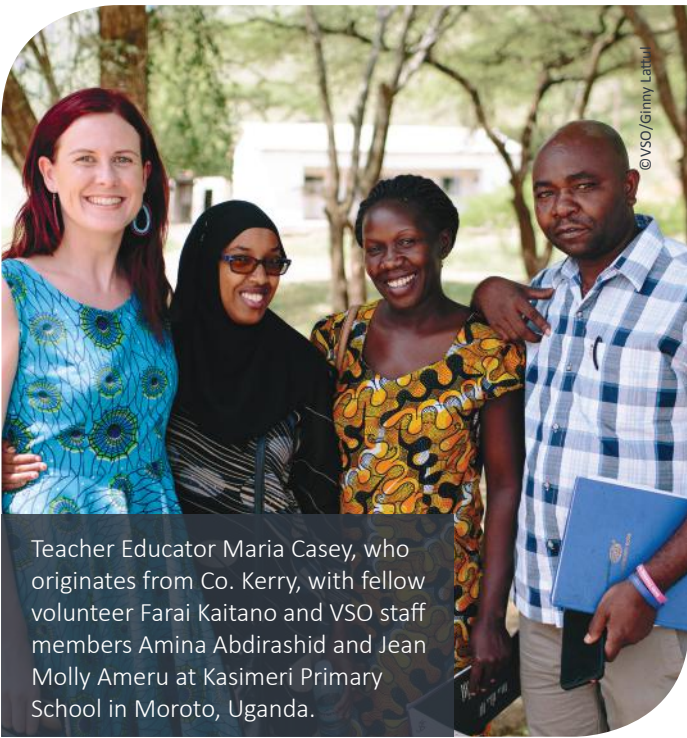
To have the greatest impact possible, we have further aligned our work around two core programme areas in education. The first is Inclusive Education – improving equity of access to quality education for all children. This means that even the most disadvantaged, such as girls, those with disabilities, ethnic minorities and those affected by HIV and AIDS, are also able to go to school. The second is Unlocking Talent through Technology – innovating education practices to increase their scale, reach and effectiveness. Projects in Ethiopia and Malawi, involving the use of tablets to deliver lessons in numeracy, literacy and English language learning have been very successful.

## Case study: Evaluating and improving the quality of primary education in Karamoja, Uganda

VSO Ireland’s education programme in Uganda, funded by Irish Aid, continued into its second year in 2015. Irish volunteers Maria Casey and Padraic McKeon worked alongside volunteers from the Global South, Farai Kaitano and Onani Peter in Karamoja, a region in the north of the country where marginalisation and food insecurity has contributed to low quality education. This programme aims to improve standards of teaching in 20 primary schools, to increase literacy and numeracy outcomes and to increase community participation in school development.

This programme to date has improved school inspection services and increased support offered to teachers in Karamoja in two districts, Moroto and Kotido. 20 schools received at least two visits per month by skilled VSO volunteers who observed lessons, mentored teachers and developed new learning materials. Already, 50% of teachers trained are applying new methods in their classrooms, which has contributed to a significant increase in the pass rate at Primary Seven in both districts – by 7% in Moroto and 3% in Kotido.

Teacher Educators Maria Casey and Padraic McKeon also worked with School Management Committees (SMCs) and Parent Teachers Associations (PTAs) to create realistic School Improvement Plans (SIPs) that can now be monitored and measured against agreed targets. 70% of schools in Moroto and 90% of those in Kotido now have SIPs that meet national guidelines. To encourage sustainability, SMCs and PTAs meet at least once a term to discuss how best to achieve targets. This was Padraic’s third VSO placement, having previously volunteered in South Sudan and Myanmar.



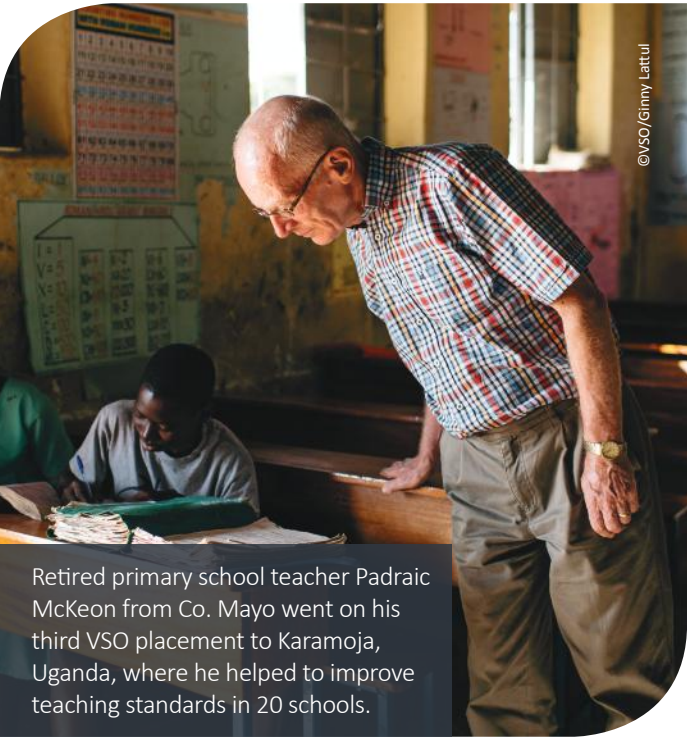
Teacher Educator Maria Casey, who originates from Co. Kerry, with fellow volunteer Farai Kaitano and VSO staff members Amina Abdirashid and Jean Molly Ameru at Kasimeri Primary School in Moroto, Uganda.

## Case study: Researching girls’ education in Uganda

Social Inclusion and Gender is a VSO Core Approach, informing everything that we do, within the organisation and in our programmes. Despite progress in recent years, girls continue to be excluded from education systems.

In total, it is estimated that 31 million girls of primary school age and 32 million girls of lower secondary school age are out of school globally (UNICEF, 2015). In sub-Saharan Africa, only two out of 35 countries have gender parity. Girls’ education is a critical lever to eradicating poverty and reaching development goals, as educated women are less likely to marry early or die in childbirth and more likely to play an active and valued role in the societies in which they live.

In 2015, an Irish Aid monitoring visit with VSO Ireland provided insight into the social and cultural factors impacting girls’ education in Karamoja, recognising that only one in ten girls in Moroto complete their education. Following this, Irish VSO volunteer researcher Pauline Faughnan spent three months visiting schools in the region, interviewing teachers, pupils and community members on their attitudes to girls getting educated. Her research report showed that teachers were well aware of the barriers to girls’ education, including lack of private hygiene facilities, poorly equipped classrooms, negative parental and societal attitudes to education, and early marriage. Pauline commented, “There are cultural factors and attitudes that have built up over generations. Quite a bit of staying power is required.” Our improved understanding of the obstacles to education that girls face in Karamoja will inform our current programme and future education programmes. We will work to ensure girls are empowered in their communities and have the same education opportunities as boys.



Retired primary school teacher Padraic McKeon from Co. Mayo went on his third VSO placement to Karamoja, Uganda, where he helped to improve teaching standards in 20 schools.





# Health

Around the world, millions of people are dying and suffering unnecessarily because of a lack of access to quality healthcare. Poor health is one of the primary factors that keeps people trapped in a cycle of poverty. VSO Ireland's projects and volunteers help health workers, communities and governments to improve access to health services.

## VSO's approach to health

Each year, over 2.6 million babies die within the first 28 days of life. Most of these deaths happen in the developing world and, sadly, from preventable causes. The neonatal mortality rate in Tanzania, for instance, is 12 times higher than that in Ireland. This is why Maternal, Neonatal and Child Health (MNCH) is one of our Core Programme Areas. VSO health volunteers fight against these statistics, training frontline health workers, improving the management of health services and promoting the use of low-cost technology and data to improve those services. Last year, they contributed to a massive 40% decrease in the rate of new-born deaths in Ethiopia.

Our other Core Programme Area in health is Adolescent and Youth Sexual and Reproductive Health and Rights (AYSRRH). A mapping exercise by VSO identified that over 60% of sub-Saharan Africans approaching 18 years are predicted to be already sexually active, yet they lack access to sex education. These adolescents and youths are disproportionately vulnerable to sexually transmitted infections, including HIV. Young women and girls are especially at risk from the effects of unsafe abortion, complications caused by pregnancy and all forms of gender-based violence. We work with youth populations in developing countries to improve sexual and reproductive health services, and advocate for young people to be able to make decision about their own bodies, including through partnerships like Girls Not Brides.

## Case study: Maternal, neonatal and child health in Ethiopia

Our work in maternal and neonatal health care in Ethiopia, funded by Irish Aid, has been going from strength to strength. We have seen more women and children having increased access to Maternal, New-born and Child Health (MNCH) services in two regions in Ethiopia, Tigray and the Southern Nations, Nationalities and Peoples Region (SNNPR). This is thanks to the hard work of our partners in Tanzania, working with Irish health volunteers, Stephanie Galvin (Westmeath), Ann Brennan (Dublin) and Carole Barry Kinsella (Dublin).

Neonatal Intensive Care Units (NICUs) are critical in reducing the risks to new life in the first 28 days, which is the most dangerous time for mothers and their new-born babies. VSO Ireland supports the development of NICUs by upgrading infrastructure and services, championing the use of standard medical equipment and ensuring relevant guidelines and manuals are being used. Rooms are also provided to care for babies with different levels of vulnerability, such as premature babies that need to be kept warm and children suffering from infections that need to be nursed separately to avoid spreading illness.

Four out of the six planned NICUs have already been successfully established and are operational under this programme. As well as improving facilities, the programme has worked to increase the level of care received by patients. Stephanie Galvin, who volunteered as a Paediatric Nurse in Jinka in South Western Ethiopia, mentored ward nurses and organised training for health professionals in the area. Since she has returned home to Ireland, the Jinka NICU still runs well, with staff continuing to use the guidelines and the workbooks introduced during Stephanie's placement. This has substantially improved the survival chances for babies.

## Case study: Saving babies lives in Tanzania and Uganda

2015 marked the beginning of a special new partnership with the Royal College of Physicians of Ireland (RCPI). Three RCPI Paediatric trainees, Dr Siobhán Neville (Dublin), Dr Peter O'Reilly (Kerry) and Dr Aisling Walsh (Limerick), shared their skills on six-month VSO placements. Siobhán and Peter were based in Lindi and Mtwara, Tanzania, while Aisling worked in Gulu, Uganda.

In Lindi, about 34 babies die per 1,000 live births. In Nyango hospital, one of the hospitals in which Siobhán was based, there are only three qualified medical doctors, including one surgeon. Limited resources, such as soap and running water, mean that it is extremely difficult to perform basic medical procedures. While on placement, Siobhán led the implementation of standard operating procedures for essential new-born care, resuscitation and infection prevention practices. She said, "My placement has enabled me to share my skills to improve the lives of women and children in Tanzania, and the experience has also made me a better clinician."

The VSO Ireland and RCPI Paediatric Programme enables Higher Specialist Trainees to gain six months' training credit, while sharing their skills overseas. This is a very exciting venture for VSO Ireland and marks our first partnership with a third level institution. We look forward to working closely with RCPI and welcoming more Paediatric trainees onto our programmes in the future.



Dr Peter O'Reilly (Co. Kerry) examines a patient in the children's ward of St Walburg's Hospital, Lindi, Tanzania, during his daily rounds.



Dr Aisling Walsh (Limerick) swapped the paediatric ward of Cork University Hospital for the Neonatal Intensive Care Unit of Gulu Hospital, Uganda where she helped to save babies' lives.





# Secure Livelihoods

Shockingly, the annual income of the richest 100 people in the world is enough to end global poverty four times over (Oxfam, 2013). Concentration of resources in the hands of the top one per cent make things even harder for the extremely poor. VSO Ireland works with communities, partner organisations and individuals to enhance the economic environment in some of the world’s most marginalised areas.

## VSO’s approach to secure livelihoods

Although the global incidence of extreme poverty is falling, 22% of the world’s population still live on less than \$1.25 a day (UN, 2013). The majority of these people, around 70%, live in rural areas and are dependent upon agriculture and agriculture-related enterprises for their livelihoods. VSO recognises the important role played by small farmers in developing countries and the challenges they face. This is why Agri-Based Value Chains is one of our Core Programme Areas – we provide quality training and technical support to actors within the value chain to improve agriculture processes and increase farmers’ incomes.



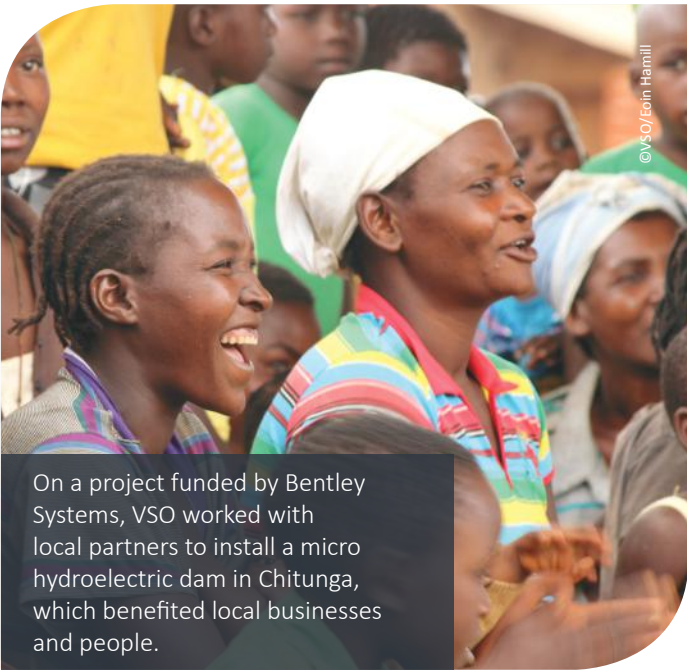
The Tanzania Local Enterprise Development (TLED) project helps small business owners like Augusta Mayemba Mtema develop their entrepreneurial skills and increase profits.

## Case study: Creating renewable energy in Mozambique with Bentley Systems

Partnering with corporates that understand our mission and have similar values is of utmost importance for our livelihoods programmes. In 2015, we continued to work with Bentley Systems to create an affordable and reliable supply of energy to the people of Chitunga, Mozambique. The Manica Province has an abundant supply of water yet its inhabitants rely on wood, charcoal and fuel for energy, all sources that are costly, inefficient and environmentally damaging. Working with local partners, we installed a micro hydroelectric dam, which now generates renewable energy as water is fed into the turbine. The electricity produced has been connected to enterprises and households to benefit the local community and align with Mozambique’s Clean Energy Policy.

To ensure that our work best reflected the needs of the people of Chitunga, we worked with two local partners. The first was Resilencia, a company that boasts a wealth of experience with hydro power and irrigation projects. The second was KSM, well-known for its community mobilisation work in and around the Manica Province. KSM carried out door-to-door consultation and held community meetings to gather viewpoints on the project and increase engagement.

As well as being much more environmentally friendly, the provision of electricity from the new hydroelectric system has improved small business operations in Chitunga, leading to longer operating hours, improved quality of services and new jobs. Shop owners interviewed explained that refrigeration would allow them to sell cold products and generate profit. The electricity provided by the micro hydroelectric dam has also advanced clinical services – round-the-clock lighting means that the local health clinic no longer has to close at 3.30pm and health workers in the 24-hour maternity ward don’t have to use torches to work at night.



On a project funded by Bentley Systems, VSO worked with local partners to install a micro hydroelectric dam in Chitunga, which benefited local businesses and people.

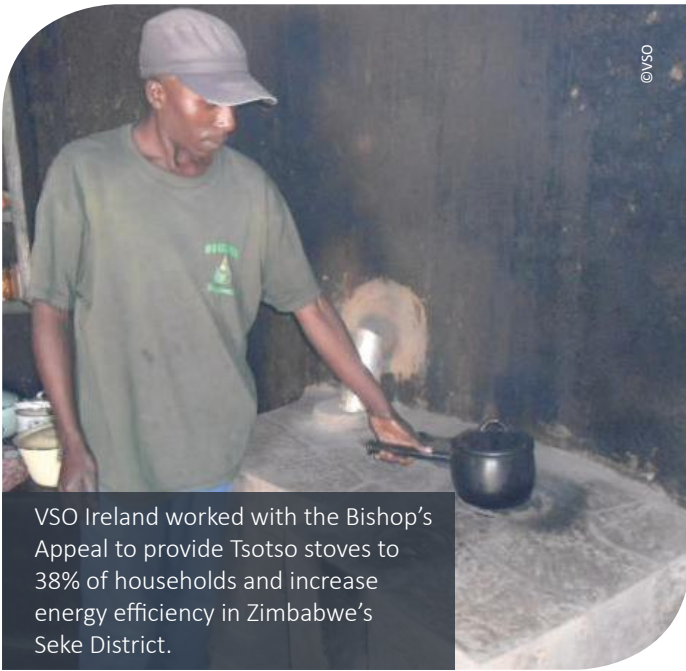
## Case study: Promoting energy efficiency in three communities in Zimbabwe

Zimbabwe has been ranked among the slowest growing economies in sub-Saharan Africa. Unemployment is high, so many people have relocated to peri-urban areas, which has resulted in a high demand for firewood and deforestation. Women and girls travel an average of 16km to collect firewood, putting themselves at the risk of being apprehended by law enforcement agents, mandated with preventing firewood collection, or of being sexually abused.

To address this, VSO Ireland teamed up with The Church of Ireland’s Bishop’s Appeal on the Energy Efficient Tsotso Stoves Programme. The aim of the project was to increase the number of Tsotso stoves in the Seke District to 500, 38% of all households. These stoves use significantly less fuel than traditional stoves, meaning they are better for the environment and require less firewood. Working with Bless the Child Zimbabwe (BTCZ), we trained people in the community to build the stoves and raise awareness about conservation issues.

Globally, indoor smoke kills more people than malaria and nearly as many as AIDS (WHO, 2014). In Africa, children are the biggest victims of indoor smoke with 500,000 children under the age of five dying annually from pneumonia attributable to indoor pollution. One of the main benefits of using Tsotso stoves is that they result in less smoke in the home. This means that people in the area are healthier and don’t suffer from the same respiratory problems as before.

Additionally, the stoves reduce the amount of time and distance women and girls have to search for firewood, thereby reducing the very real risk of sexual assault. This also means that females in the district have more time to focus on other essential activities. This project is a great example of how something as simple as a stove can have long-lasting health and environmental benefits for a whole community.



VSO Ireland worked with the Bishop’s Appeal to provide Tsotso stoves to 38% of households and increase energy efficiency in Zimbabwe’s Seke District.





# Participation and Governance

VSO Ireland works with local and national governments to advocate the rights of marginalised groups. We aim to support the development of governance systems, structures, policies and practices that empower disadvantaged people to participate in the decisions that affect their lives.

## VSO’s approach to participation and governance

Our approach includes addressing issues of gender equality that mean women are under-represented in society at all levels and therefore less able to claim their basic rights. We also work to tackle discrimination that other vulnerable groups face, such as young people, refugees, ethnic minorities, people with disabilities and people with HIV and AIDS. Our work in participation and governance also means strengthening civil society organisations and promoting peace between different religious and ethnic groups.

## A new focus on Social Accountability

Social Accountability is one of the primary means whereby VSO can strengthen civil society, giving people a voice, choices and power over decisions that influence their lives. This improves quality of and access to services like health and education, and influences governments to implement pro-poor policies and projects. Social Accountability has been introduced as a VSO Core Approach, so it will inform all of our programmes. Our experience of work in this area is deep and wide-ranging – VSO volunteers have previously engaged in social accountability on programmes in Zambia, Rwanda and Myanmar to ensure services were inclusive and marginalisation was reduced. Change does not happen overnight – discrimination and conflict stem from deep-seated issues rooted in social norms and power dynamics. Our volunteers must take time to understand the complexities of the communities they are working in and collaborate with local actors, civil society organisations and governments to create sustainable change. A people-centred approach is key – instead of assuming the needs of marginalised people, they learn and focus on what really matters to them. In this way, social accountability tools are not ‘one size fits all’ – careful analysis of context is critical to success. VSO also promotes national volunteering – local people and community groups volunteering for development. These volunteers are well equipped to understand the needs of the communities and groups for whom they are advocating.

## Case study: Building the capacity of the Ministry of Local Government and Housing in Zambia

Income distribution is very inequitable in Zambia, with almost two thirds of the population living in poverty and having little say in the policies that affect them. VSO Ireland, supported by Irish Aid, has been working to improve and extend public services in the north of the country. This programme exemplifies decentralisation, the movement of power to local councils who are better equipped to address the needs of local people. Communities are brought together as they consider what services matter most to them and what changes need to occur to improve livelihoods in the area.

VSO planning volunteers are working well with local districts to introduce and implement changes that will enable better planning. A provincial level Geographic Information System (GIS) group has been created to support a switch to geo-tagging land for use in planning. Supported by a volunteer, councils have been able to identify staff to help with land administration. Because the new GIS maps are linked to particular buildings, councils can more accurately determine what taxes need to be collected. This improvement in collection of taxes means that there is more revenue that can then be used to provide better services.

A common failure in the development sector is making assumptions about the needs of poor and marginalised communities but not asking people on the ground. It is not enough to have more money – it needs to be spent wisely and in a way that best reflects the needs of local people. What services are required in one community will differ to another. This is why community participation is a key component of the project. Local people participate regularly in meetings to share their views on how revenue should be allocated and spent, and get involved in monitoring and evaluating the programme. Financial volunteers are also on hand to support local authorities in managing and monitoring budgets that will help them reach their aims.



Monitoring and Evaluation Officer Alick Shuko Zulu, speaks with women during their support group meeting.

# Eminent Volunteering

At VSO Ireland, we are always asking the question, “How will this lead to sustainable change?”. Long-term placements are important as they give a volunteer the time to settle into a new culture, assess the current work situation, collaborate with local counterparts and implement changes. This cannot happen overnight. However we recognise that in exceptional cases specialised short-term volunteers, with skills that are in high demand, can make significant contributions in particular programme areas. In 2015, volunteers with a mix of CEO-level and intercultural experience shared their skills overseas as part of our Eminent Volunteering programme.

As Master of The National Maternity Hospital, Holles Street, Dr Rhona Mahony was not in a position to volunteer for six months or a year overseas. She was, however, able to travel to Mtwara, Tanzania to provide short term training on Comprehensive Emergency Obstetric Care, in collaboration with the Regional Health Management Team and the Obstetrician/Gynaecologist.

In Tanzania, the neonatal mortality rate is 12 times higher than that in Ireland – and even higher in poorer regions, such as Mtwara. Dr Mahony’s work formed part of VSO’s “No baby left out” project, which aims to tackle the neonatal death problem. The initiative introduced the New-born Triage Checklist (NTC) to assess the health of newborns and determine danger signs. Dr Mahony said of her placement, “There was a real exchange of ideas. I learned an awful lot as well. It is not all one way. They are now scaling up that project.” This initial visit may be the seed for further collaboration in the future between Tanzania and Ireland.



Dr Rhona Mahony (Dublin) training local healthcare workers in neonatal care during her volunteer placement in Tanzania.

Another eminent health volunteer, Dr Fiona Hardy (Donegal), also went on placement in 2015. Dr Hardy spent six weeks working as Health Programme Adviser in northern Uganda. Based in Gulu, she provided technical support for the review and development of VSO Uganda’s health programme strategy for 2015 to 2018. Dr Hardy engaged with health workers in the field to determine what steps needed to be made to improve maternal, neonatal and child health services in the region.

Eminent volunteering placements can also work on education programmes. To meet the demands laid out in the Sustainable Development Goals to deliver universal primary education, a massive 1.1 million teachers are needed in Africa. Having previously volunteered on VSO education programmes in Sierra Leone, Ethiopia and Mozambique, Jim Ferguson (Dublin) was familiar with the complicated context of education in Africa and the need to improve teaching standards. In January 2016, he undertook two back-to-back week-long placements with the national coalitions of the Global Campaign for Education (GCE) in both Rwanda and Ethiopia. He provided advice to the coalitions on how best to allocate funds and supported the production of a final report on their overall capacities.



Healthcare workers that benefited from Dr Rhona Mahony’s skills at the Mkomindo nursing training college in Southern Tanzania.



# Partnerships

At VSO Ireland, we believe that progress is only possible when we work together. Our success would not be possible without collaboration at all levels.

## VSO’s approach to partnerships

Immersed in a new community, volunteers develop trusting relationships with local people and take time to understand their frustrations. They are trained to ask localised research questions and adapt development processes to suit the society in which they are based. Instead of simply sharing their skills, they work closely with local organisations to create the best possible solution.

They work with schools, hospitals, business co-operatives, community associations and national governments that have specifically asked for our help. It’s this merge of ‘insider’ and ‘outsider’ knowledge that brings about innovative, sustainable change and ensures the needs of local people are always put first.

Our programmes are also supported by donors, campaigners, unions and professional bodies here in Ireland. Some offer funds, more offer advice but all get behind our aims and join us in the fight against poverty. VSO Ireland deliberately partners with like-minded organisations whose values are in line with our own. In exchange, we offer businesses the chance to engage their employees and meet their corporate social responsibility objectives.

## Irish Aid

Since 2013, VSO Ireland and Irish Aid have had a strategic partnership which focuses on leveraging the skills and experience of VSO volunteers to contribute to development outcomes in Ethiopia (Maternal and Neonatal Health), Uganda (Access to Education) and Zambia (Good Governance). Building on the success of the first phase, this pilot programme has been extended until December 2016. Such long-term support and funding from Irish Aid is invaluable as it enables VSO to develop and implement sustainable programmes that have a long-lasting impact. In these programmes Irish volunteers are embedded in the community and partner organisations. They work closely with local counterparts and deliver training that doesn’t just consider immediate needs but also addresses future ones. This ensures that improvements made in health, education and livelihoods continue even after the volunteer has returned home.

An example of this is our neonatal health programme in Ethiopia. This programme, in which we established Neonatal Intensive Care Units (NICUs), was very innovative for VSO Ireland. In addition to placing volunteers to share their skills with local health workers, we improved the resources available. Creating these NICUs has led to a noticeable reduction in neonatal mortality rates in programme areas. Following this success, the Ethiopian Government is now looking to set up NICUs in other regions. This work on NICUs has also informed VSO’s global programmes on neonatal health.

VSO Ireland participates in all relevant Irish Aid events with the aim of increasing public awareness about the importance of volunteering and current development issues, both at home and abroad. The Irish Aid Volunteering Fair took place in Dublin Castle on 10th October 2015 and was attended by 230 members of the public interested in exploring volunteering opportunities. VSO Ireland had a stand at the event and answered queries from potential volunteers throughout the day. Returned volunteer Lisa McMahon (Down), who spent one year as Teaching Methodology Advisor in Rwanda, gave an inspiring presentation and participated in the panel discussion, which also included Julian Clare from Irish Aid. Our Executive Director also made a presentation, outlining the work of VSO Ireland and touching on current development issues.

VSO Ireland were also present at Africa Day, supported by Irish Aid, on 25th May 2015. This fun-filled event took place at Farmleigh Estate in Dublin’s Phoenix Park and saw thousands of people turn out to experience the culture and traditions of Africa. VSO Ireland had a stand where staff and returned volunteers shared their knowledge of volunteering placements and programme areas. Africa Day was an excellent opportunity for public engagement as it brought development issues to the fore in a relaxed and jovial setting.

## Corporate

VSO Ireland understands that the corporate sector has a big role to play in the fight against poverty. We work in partnership with compatible businesses that are focused on changing lives in developing countries. Many of the organisations we approach have already shown an interest in development or are experienced in a sector that VSO Ireland is currently supporting overseas. They are generous with their time, money and knowledge to ensure our programmes are the best they can be. One such organisation is Bentley Systems, with whom we worked to create a hydroelectric dam and produce renewable energy in Chitunga, Mozambique. Bentley Systems were closely involved in this project, and made a visit to Mozambique in January 2016 to view the impact of their support.

Our main corporate fundraising event, *Chic at the Shelbourne*, returned for its sixth year on 2nd December 2015. *Chic at the Shelbourne* offers the opportunity to showcase diverse design talent, while also illustrating the impressive impact that Irish volunteers are having on our programmes overseas. Dr Rhona Mahony, Master of The National Maternity Hospital, Holles Street, shared her experiences from her placement in Tanzania with the guests. *Chic at the Shelbourne* has now become an established event in the fashion and development calendar, and once again was possible due to the support of Hays Recruitment as the title sponsor.

## Trusts and Foundations

Funding received by VSO Ireland from Irish trusts and foundations has changed the lives of marginalised people in some of the world’s poorest communities. It has enabled

women in Zimbabwe to reduce the time they spend collecting fuel through the provision of energy-efficient stoves (Bishop’s Trust), helped to improve neonatal mortality rates on a healthcare project in Ethiopia (Electric Aid) and facilitated a mangrove project in Mozambique (Dublin City Council). We have also continued to work closely with the Irish National Teachers’ Organisation (INTO), having regular meetings to better understand the needs of Irish educators and raise awareness about VSO volunteering opportunities.

## Academic partnerships

Every year, a million babies die on the first day of life, the majority of them in developing countries and, sadly, from preventable causes. At the beginning of 2015, paediatricians volunteered overseas as part of the VSO Ireland and Royal College of Physicians of Ireland (RCPI) Paediatric Programme for the first time. This Programme enables RCPI higher specialist trainees, with at least two years’ experience, to work on a neonatal and paediatric programme and gain six months’ training credit. These volunteers have trained health workers and improved processes to ensure children and babies get the care they need.

## Coalitions/umbrella groups

VSO Ireland is a proud member Dóchas, the Irish Association of Non-Governmental Development Organisations. We are signatories of the Code of Conduct on Images and Messaging, fulfilling all nine criteria for the Code. This Code calls on organisations to present a realistic portrayal of the lives people lead and the role of NGOs. This means that all marketing and communications campaigns are designed in a respectful and ethical manner that does not sensationalise subjects or situations. We only choose images and related messages that truthfully represent our programmes and help to improve public understanding of the complexities of development. The Marketing and Communications Manager is on the working group for the Code, liaising with other organisations about how best to uphold these practices.

We are also a member of Comhlámh, a membership and supporter organisation for volunteers and development workers, and continue to be a committed signatory to the Comhlámh Code of Good Practice for Volunteer Sending Agencies. This is a set of standards put in place for organisations involved in facilitating international volunteer placements in developing countries. The focus of this is to ensure that a positive impact is made on the volunteer, volunteer sending organisation and local community. Being a member of Comhlámh has allowed us to nurture relationships with compatible development organisations and increase public engagement in development issues. In this period we also attained the Comprehensive Compliance Award for the Comhlámh Code of Good Practice. VSO Ireland’s Research and Advocacy Manager James O’Brien chaired the Post-2015 Volunteering Working Group (now the Volunteer Groups Alliance) until October 2015, which saw us join forces with other volunteer-involving organisations for the support and recognition of volunteering

in the Sustainable Development Goals. James represented VSO at the intergovernmental negotiations on the Means of Implementation component of the post-2015 agenda in April 2015. We were major contributors to the 500 Days 500 Ways online project. 500ways.org featured a different volunteer story every day to raise awareness among target audiences of the positive role that volunteers play in development. James was also heavily involved in Beyond2015, a global campaign that influenced the Sustainable Development Goals framework.

Jim Ferguson, a returned volunteer, spoke on behalf of VSO Ireland on a panel discussion at the National Conference on Sustainable Development Goals in Education (now the Irish Forum for Global Education) in April 2015. This event was hosted by the Irish Coalition for the Global Campaign, an alliance of teacher unions, development NGOs and others who work to promote the Sustainable Development Goals at governmental level, in the education sector and wider society.

## Individual donor engagement

Last year, we continued to engage with our individual monthly donors, through our Changemakers newsletter. This is a bi-annual newsletter that documents the lives of Irish volunteers in the field and the incredible work they are carrying out with VSO partners. Our Summer 2015 issue focused on Dr Michael O’Donovan’s (Westmeath) experience at St Francis Hospital in Tanzania and how our donors are contributing to VSO healthcare programmes around the world. Our last issue in Spring 2015 followed the journeys of educators Claire Nic Gabhann (Monaghan) and Tom O’Donoghue (Wexford) in Tanzania. Changemakers received great feedback from recipients who were delighted to see the very real impact their monthly donations were making.



Thanks to a new partnership between VSO Ireland and the Royal College of Physicians of Ireland, Dr Siobhán Neville (Dublin) volunteered on a neonatal health programme in Lindi, Tanzania and gained six months’ training accreditation.



# Structure, Governance, Management and Risk Management

## Our structure

VSO Ireland is a company limited 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 family, an international network of development organisations, who share a common vision of a world without poverty, in which people work together to fight poverty. VSO Ireland is a self-governing not-for-profit legal entity.

The governing body for VSO Ireland Limited is the Board of Directors, who are the legal directors and members of the organisation, currently comprising nine Directors. At the last AGM in October 2015 one new Director was appointed. Since the last AGM, one additional Director has been invited to join the Board and this appointment will be ratified formally at the next AGM. All Directors serve for an initial period of three years, with an option for a further extension of three years. Directors are recruited from diverse professional backgrounds and bring a range of experience and skills to the organisation. They serve on a voluntary basis and are reimbursed only for out-of-pocket expenses.

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

The Board is committed to ensuring VSO Ireland employs best-practice standards of corporate governance in line with the recommendations in the Irish Development NGOs Code of Corporate Governance. VSO Ireland abides by the Code of Practice for Good Governance for the Community, Voluntary and Charity Organisations in Ireland. VSO Ireland adheres to a number of relevant best practices and standards and is compliant with the International VSO Criminal Practices and Whistleblowing Policy, and the Dóchas Code of Conduct on Images and Messages, a signatory of the Comhlámh Code of Good Practice for Volunteer Sending Agencies, and provides training on the appropriate use of images and messages to outgoing volunteers. VSO Ireland is compliant with the Irish

Charity Tax Reform Group’s Guiding Principles for Fundraising and adheres to the Data Protection Acts 1988 and 2003. VSO Ireland prepares and presents its Financial Statement using the latest Charities SORP 2015 and is in line with the new Companies Act 2014. VSO Ireland welcomes the appointment of the Charity Regulator and is fully compliant with the CRA regulations and reporting requirements.

## Board sub-committees

During the year 2015/16, the Board had two formal sub-committees:

- **Audit, risk and remuneration committee:** responsible for assessing the effectiveness of operational and financial risk management and internal controls including recommending remuneration
- **Programme committee:** responsible for the oversight of programme strategy and to oversee, guide, advise and evaluate VSO Ireland’s fundraising efforts

The Audit, Risk and Remuneration Committee consists of Richard Lundo (Chair), Eileen Sheehan and Iarla Mongey, along with the Executive Director, Megan Munsell and the Financial Controller, Paul Cahill (Sep 2015 – Mar 2016). Sinead Lee from the management team also sat on the committee for the period Apr 2015 – Jul 2015. Six formal meetings were held during the year. The temporary Strategic Review Committee was discontinued this year. The Programme Committee has terms of reference, but did not meet formally this financial year.

## Management

The Board delegates day to day management of VSO Ireland to the Executive Director and the management team. The team members have responsibilities that reflect the scale and scope of VSO Ireland’s work, including finance, human resources and organisational development. The management team meets every month 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.

## Public benefit

We developed our strategy and corporate business plan to advance our charitable objectives, while ensuring we provide public benefit. VSO volunteers contribute to VSO programmes in health, education, participation and governance and secure livelihoods. VSO volunteers live and work alongside their colleagues and beneficiaries, and gain a valuable perspective on the lives of the world’s poorest people and what can be done

to support them to fight poverty more effectively. This report shows how our organisation operates for the public benefit by detailing our objectives, activities, achievements and performance.

## Risk management

The senior management team identifies the key risks facing VSO Ireland. These key risks are documented in a risk register which is reviewed 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 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 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. Country office and programme level risk registers are maintained by all Country Offices who report to VSO 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.

Three of the high risks that have been identified through the risk management process are:

- Risk of not maintaining quality programme implementation
- That governance and funding model pose risk to meeting income targets.
- That there is delay in matching volunteers with the programme demands.

# Reference and Administrative Details

Charity name:	Voluntary Service Overseas (Ireland) Limited
Charity registration:	CHY 15048
Company registration:	351799
Charities Regulatory Authority number:	20050863
Registered office:	Unit 7 Whitefriars Aungier Street Dublin 2
Board of Trustees (as at 31 March 2016):	Iarla Mongey (Chairperson) Olive Fives Gerard Murphy Wendy Osborne Richard Lundo Eileen Sheehan Jane Meehan Hazel Chu Daire O’Criadáin (appointed 22 October 2015) Trayc Keevens (co-opted Director)
Management Team (as at 31 March 2016):	Megan Munsell (Executive Director) Paul Cahill (Financial Controller)
Bankers:	Allied Irish Bank plc 7/12 Dame Street Dublin 2
Auditors:	Deloitte Chartered Accountants and Statutory Audit Firm Deloitte & Touche House Earlsfort Terrace Dublin 2
Solicitors:	Beauchamps Solicitors Riverside Two Sir John Rogerson’s Quay Dublin 2



# Financial Review

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

VSO continues to put significant emphasis on improving its economy and efficiency, as well as better understanding and articulating its effectiveness. Improved monitoring and evaluation systems across the whole of VSO have provided better resource tracking and a stronger evidence base for decision making about resource allocation.

- VSO demonstrates three elements of value for money, through the following:
- **Economy:** robust procurement, budget management, internal and external audit processes
  - **Efficiency:** synergies achieved through global sharing of support services and more efficient allocation of resources
  - **Effectiveness:** monitoring and evaluation activities both in-country and globally

## Income

Total incoming resources for the year totalled €1,520,923, which is a decrease of €1,366,312 (47.3%) on the previous year (2015: €2,887,235). There was no fundraising investment received from VSO during the year, a decrease of €538,111(100%) on the previous year (2015: €538,111).

VSO Ireland received funding from Department of Foreign Affairs and Trade (Irish Aid) who continued to support programmes in three priority countries: Ethiopia (maternal and neo-natal healthcare), Uganda (teacher training & inspection) and Zambia (local government effectiveness and planning). The total value of this agreement is in excess of €2 million over three years, with €344,839 received during 2016 for the period of September 2015 to March 2016 (a final tranche of funding (€344,839) covering the remainder of the programme to December 2016 was received in April 2016). Irish Aid funding represents 22.7% of VSO Ireland’s total income for 2015/16, a decrease of 0.1% from 2014/15. VSO Ireland is appreciative of Irish Aid for its continued support.

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

- Regular giving from individuals will result in income over future years. Income from regular giving for the year totalled €646,437, a decrease of 12.2% on the previous year (2015: €736,000). This represents 42.5% of VSO Ireland’s total income for 2015/16 up from 25.5% in 2014/15. VSO Ireland and our overseas volunteers would especially like to thank these donors for their continued support.

- The corporate investment programme strategy focuses on VSO’s areas of work that are best suited to a corporate CSR plan. VSO continued to engage with companies to build an active pipeline to achieve future partnership success. Bentley, a global engineering infrastructure software firm, partnered with VSO to create a micro hydroelectric power project in Mozambique, which was completed in early 2016. The project enables 18,000 people in rural Mozambique to have access to electricity for the first time. Bentley has made a commitment to donate €88,224 to this work over two years, of which €74,631 was received in 2015/16.

Income from trusts and foundations received during the year totalled €17,000 (2015: €29,132). We are extremely grateful for the support of organisations including the Irish National Teachers Organisation and a donor who does not wish to be named. The team has solidified partnerships with trusts and foundations by carrying out ongoing monitoring and evaluation and providing donors with detailed reports on each of the projects supported.

VSO Ireland is also in receipt of donation/services in kind totalling €28,716 (2015: €38,361). The matched costs in relation to these donations/services in kind are included under expenditure. We would like to thank the companies that supported VSO through donating their services or giving discounts, including Google and AIB.

## Expenditure

Charitable expenditure is presented in accordance with VSO Ireland’s cost of generating funds, charitable activities and donations in kind. This has been achieved through the direct allocation of costs to activities undertaken, together with the indirect allocation of costs where they cannot be directly attributed to a single charitable activity.

The charity spent €1,406,330 on charitable activities, amounting to 89% of our total expenditure.

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

- Costs to support our volunteers from application through to post placement has decreased by 25%.
- Volunteer placement costs show a 57% decrease despite volunteer departure numbers increasing by 50%.
- Volunteer recruitment costs have decreased by 58%.
- Programme management and administration has increased by 82% due to the focus by the organisation to increase VSO Ireland’s programme accountability.
- Overseas programme costs have decreased by 48% due to timing differences between VSO’s financial year end and the funding cycle for the three year Irish Aid programme which runs until December 2016.

Many of the savings detailed above are as a direct result of streamlining the volunteering processes.

We have continued to adopt a more focused approach with regard to the cost of generating funds. In note 4 of the accounts the cost of raising funds is shown between:

		Movement:
• Voluntary income	€26,815	(-2%)
• Investment in fundraising	€140,146	(74%)

The investment in fundraising has been directed towards growing income from regular giving, the results of which should be apparent in future years. The regular giving campaigns’ expected return of investment is based around a five year programme.

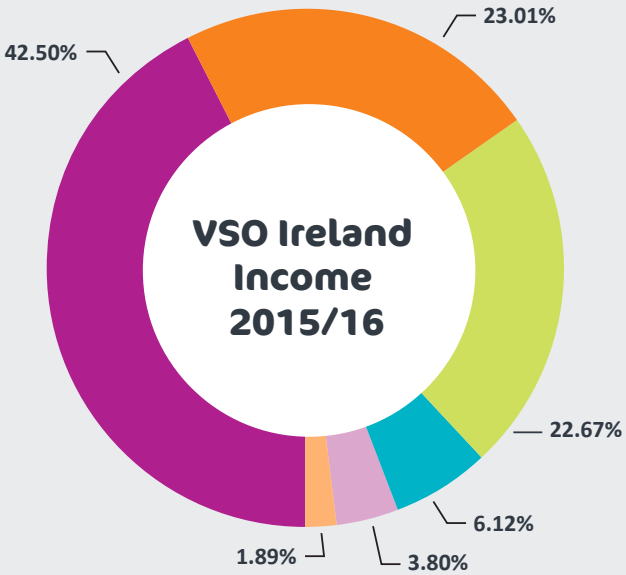
## Funds held

- Total funds carried forward at 31 March 2016 amounted to €1,069,229 (2015: €1,121,597):
- €47,285 relates to restricted funds.
  - €1,021,944 relates to unrestricted funds, an increase from €697,653 in 2014/15. Unrestricted funds are further divided as follows:
    1. €500,000: General Fund to allow for uncontrollable fluctuations in income and expenditure, and for unbudgeted essential expenditure, without disproportionate disruption to operations
    2. €271,944: Designated fund reflecting the under-spend in the investment in fundraising which will be deployed in future years
    3. €250,000: Designated fund to absorb setbacks and the (adverse) effects of large scale external events; and to take advantage of unbudgeted opportunities in future financial periods that cannot be effectively planned such as programme development or matching funding requirements.

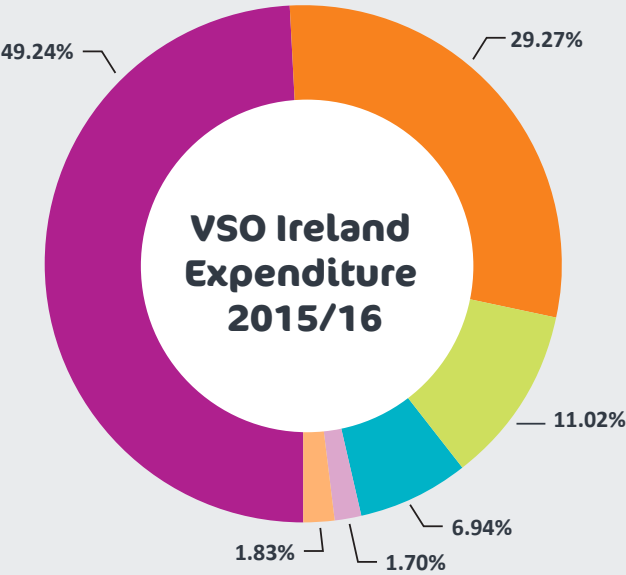
The restricted income fund represents income, which has been received and recognised in the financial statements, and is subject to specific conditions imposed by the donors or grant making institutions.

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 resulting from an operational review that identified cost saving opportunities and ways of streamlining processes. Part of this process was the relocation of the VSO Ireland office to Aungier Street in Dublin
- Under-spend in the investment in fundraising which will be deployed in future years



- Individual Giving
- VSO International Core Grant
- Irish Aid Funding
- Corporates, Trusts and Foundations
- Community Fundraising
- Donations in Kind



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



# Financial Review (continued)

## Reserves policy

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

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

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

VSO Ireland continues to adopt the VSO 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 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.

At the last review in March 2016, it was agreed that the appropriate level of reserves for VSO Ireland be set at €1,006,975, split between a general fund of €500,000 and designated funds of €506,975. 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.

VSO holds a free reserve of €8.5million, with an agreed minimum target level of £7.5 million. This was considered appropriate to address what will be needed over the coming years. When adding their fixed asset reserve, which is depreciated over three to 10 years, the reserves stand at £9.9 million. The adoption of Charities SORP 2015 in 2015/16 requires the recognition of a liability for any additional

repayment plans agreed in relation to deficits on multi-employer pension plans, which are accounted for as defined contribution schemes. VSO currently has an agreed deficit reduction payment plan with a present value of £4.3 million. This amount has been provided for in 2015/16 in arriving at the free reserves total of £9.9 million.

## Going concern

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.

## Results and dividends

The results for the financial year are set out on page 29.

## Directors and Secretary

The directors, who served at any time during the financial year except as noted, were as follows:

- Directors:**
- Iarla Mongey (Chairperson)
  - Olive Fives
  - Gerard Murphy
  - Wendy Osborne
  - Richard London
  - Eileen Sheehan
  - Jane Meehan
  - Hazel Chu
  - Daire O’Criadáin (appointed 22 October 2015)

**Secretary:**

Eileen Sheehan

The present membership of the board is as listed on page 29. In addition to the above list Trayc Kevans served as a trustee during the year and will be formally appointed at the next AGM.

## Post balance sheet events

There have been no significant events affecting the company since the financial year end.

## Credit and liquidity risk

**Credit risk:**

The authority manages its financial assets and liabilities to ensure it will continue as a going concern. The principal financial assets of the authority are bank and cash balances, which represent the maximum exposure to credit risk in relation to

financial assets. The principal financial liabilities of the authority are creditors and other payables.

The credit risk within the authority is primarily attributable to its cash at bank and the credit risk on liquid funds is mitigated by the spreading of deposits over a number of financial institutions.

**Liquidity risk**

The liquidity risk is managed by regular reviews of cash flow forecasts and regular monitoring of cash balances and short-term liquidity trends.

## Accounting records

The measures that the directors have taken to secure compliance with the requirements of sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company’s accounting records are maintained at the company’s registered office at Unit 7 Whitefriars, Aungier Street, Dublin 2.

## Political donations

During the financial year the company contributed €Nil to political parties.

## Auditors

The auditors, Deloitte, Chartered Accountants and Statutory Audit Firm, continue in office in accordance with Section 383(2) of the Companies Act 2014.

Approved by the Board and signed on its behalf by:

  
**Iarla Mongey**  
Chairperson

  
**Richard London**  
Director

27 October 2016

# Directors’ Responsibilities Statement

The directors are responsible for preparing the directors’ report and the financial statements in accordance with the Companies Act 2014 and the applicable regulations.

Irish company law requires the directors to prepare financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland (“relevant financial reporting framework”). Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the profit or loss of the company for the financial year and otherwise comply with the Companies Act 2014.

In preparing those financial statements, the directors are required to:

- Select suitable accounting policies for the Company Financial Statements and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether the financial statements have been prepared in accordance with the applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; 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 ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and directors’ report comply with the Companies Act 2014 and enable the financial statements to be audited. 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. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company’s website.



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

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

We have audited the financial statements of Voluntary Service Overseas (Ireland) Limited for the financial year ended 31 March 2016 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes 1 to 21. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland (“relevant financial reporting framework”).

This report is made solely to the company’s members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company’s members those matters we are required to state to them in an auditors’ report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company’s members as a body, for our audit work, for this report, or for the opinions we have formed.

## Respective responsibilities of directors and auditors

As explained more fully in the Directors’ Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014. Our responsibility is to audit and express an opinion on the financial statements in accordance with the Companies Act 2014 and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board’s Ethical Standards for Auditors.

## Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company’s circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Reports and Financial Statements for the financial year ended 31 March 2016 to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

## Opinion on financial statements

- In our opinion, the financial statements:
- give a true and fair view of the state of the company’s affairs as at 31 March 2016 and of its net expenditure and application of resources, including its income and expenditure for the financial year then ended; and
  - have been properly prepared in accordance with the relevant financial reporting framework and, in particular, with the requirements of the Companies Act 2014.

## Matters on which we are required to report by the Companies Act 2014

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the directors’ report is consistent with the financial statements.

## Matters on which we are required to report by exception

We have nothing to report in respect of the provisions in the Companies Act 2014 which require us to report to you if, in our opinion, the disclosures of directors’ remuneration and transactions specified by law are not made.

**Margarita Martin**  
For and on behalf of Deloitte  
Chartered Accountants and Statutory Audit Firm  
Dublin  
27 October 2016

# Statement of Financial Activities for the Financial Year Ended 31 March 2016

		Unrestricted Funds 2016	Restricted Funds 2016	Total Funds 2016	Unrestricted Funds 2015	Restricted Funds 2015	Total Funds 2015
	Notes	€	€	€	€	€	€
Income from:							
Donations and legacies	3a	703,710	-	703,710	788,930	10	788,940
Charitable activities	3b	39,912	398,058	437,970	38,585	685,812	724,397
Other income	3c	379,243	-	379,243	1,373,898	-	1,373,898
Total income and endowments		1,122,865	398,058	1,520,923	2,201,413	685,822	2,887,235
Expenditure on:							
Raising funds	4	(166,961)	-	(166,961)	(576,688)	-	(576,688)
Charitable activities	5	(631,613)	(774,717)	(1,406,330)	(1,461,608)	(523,371)	(1,984,979)
Total expenditure		(798,574)	(774,717)	(1,573,291)	(2,038,296)	(523,371)	(2,561,667)
Net (expenditure)/income							
Gross transfer from unrestricted funds	7	324,291	(376,659)	(52,368)	163,117	162,451	325,568
	15	-	-	-	(58,634)	58,634	-
Net movement in funds		324,291	(376,659)	(52,368)	104,483	221,085	325,568
Reconciliation of funds							
Total funds brought forward	15	697,653	423,944	1,121,597	593,170	202,859	796,029
Total funds carried forward	15	1,021,944	47,285	1,069,229	697,653	423,944	1,121,597



Balance Sheet  
as at 31 March 2016

	Notes	2016 €	2015 €
<b>Fixed assets</b>			
Tangible assets	11	18,696	4,057
<b>Current Assets</b>			
Debtors	12	75,528	11,562
Cash at bank and in hand		1,127,666	1,514,788
		1,203,194	1,526,350
<b>Creditors</b> (Amounts falling due within one year)	13	(152,661)	(408,810)
<b>Net Current Assets</b>		1,050,533	1,117,540
<b>NET ASSETS</b>		1,069,229	1,121,597
<b>FUNDS OF THE CHARITY</b>			
<b>Unrestricted Reserves</b>			
General fund	15	500,000	697,653
Supporters recruitment investment fund		271,944	-
Overseas programmes fund		250,000	-
<b>Restricted Reserves</b>			
Restricted income fund	15	47,285	423,944
<b>TOTAL FUNDS OF THE CHARITY</b>		1,021,944	697,653

The financial statements were approved and authorised for issue by the Board of Directors on 27 October 2016 and signed on its behalf by:

  
Iarla Mongey  
Chairperson

  
Richard London  
Director

Cash Flow Statement  
for the Financial Year Ended 31 March 2016

	Notes	2016 €	2015 €
<b>Cash flows from charitable activities</b>			
Net cash used in charitable activities	16	(366,848)	604,636
<b>Cash provided by investing activities</b>			
Interest received	7	527	248
Purchase of tangible assets	11	(20,801)	-
<b>Net cash used in investing activities</b>		(20,274)	248
<b>Change in cash and cash equivalents in the reporting year</b>		(387,122)	604,884
<b>Cash and cash equivalents at the beginning of the reporting year</b>		1,514,788	909,904
<b>Cash and cash equivalents at the end of the reporting year</b>		1,127,666	1,514,788
<b>Reconciliation to cash at bank and in hand: Cash and cash equivalents at end of financial year</b>		1,127,666	1,514,788



# Notes to the Financial Statements for the Financial Year Ended 31 March 2016

## 1. Accounting policies

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

### Basis of preparation of accounts

#### (i) Format of financial statements

Voluntary Service Overseas (Ireland) Limited is constituted under Irish company law as a company limited by guarantee and is a registered charity. In prior years, company law scoped out companies not trading for gain for the members from the requirements with regard to formats and content of financial statements which applied to for profit companies thus permitting the adoption of a format appropriate to a charity. Accordingly, Voluntary Service Overseas (Ireland) Limited reports its performance in accordance with the format provided for in the Statement of Recommended Practice (SORP) “Accounting and Reporting by Charities” as published by the Charity Commission for England and Wales. In particular reports its performance for the financial year in the format of the SORP’s Statement of Financial Activities (SOFA).

The Companies Act 2014 became effective in law on 1 June 2015 and from that date applies the format and content of financial statements requirements appropriate for a company trading for the profit of its members to a company that is a not for profit organisation such as Voluntary Service Overseas (Ireland) Limited.

In order to provide information relevant to understanding the stewardship of the directors and the performance and financial position of the Charity, Voluntary Service Overseas (Ireland) Limited has prepared its financial statements in accordance with the formats provided for in the Charities SORP.

Had the Companies format and content of financial statements requirements suitable for a company trading for the profit of its members been presented instead, a profit and loss account with related notes showing items such as Turnover and Cost of Sales would have been reported along with a “profit” on ordinary activities before taxation.

#### (ii) Basis of preparation

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with the Statement of Recommended Practice (SORP 2015) “Accounting and Reporting by Charities”, in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), issued by the Financial Reporting Council, and promulgated for use in Ireland by the Institute of Chartered Accountants Ireland, effective 1 January 2015, and the Companies Act 2014. No material adjustments were required on adoption of FRS 102 in the current year. For more information, see note 21.

The financial statements are presented in euro.

### Going concern

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.

### 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.

### Retirement benefit

The retirement benefit charged in the financial statements represent the contribution payable by the company during the financial 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 less the residual value of each asset systematically over its expected useful life, as follows:

- Fixtures, fittings and equipment 15% straight line
- Computer equipment 25% straight line
- Leasehold improvements 33.33% straight line

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected of its useful life.

### Financial instruments

Financial assets and financial liabilities are recognised when the charitable company becomes a party to the contractual provisions of the instrument. Financial liabilities are classified according to the substance of the contractual arrangements entered into.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charitable company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charitable company, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires. Balances that are classified as payable or receivable within one year on initial recognition are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

### Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in the Statement of Comprehensive Income as described below.

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced to below its carrying amount. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

### Comparative figures

Comparative figures for deferred income have been reclassified as restricted income fund on the same basis as current year due to the application for FRS102 SORP.



2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the company’s accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the accounting policies and notes to the financial statements.

The directors do not consider there are any critical accounting judgements or any key sources of estimation uncertainty requiring disclosure.

3. Income

Income is received from various organisations and is analysed as follows:

	Unrestricted Funds 2016 €	Restricted Funds 2016 €	Total Funds 2016 €	Total Funds 2015 €
<b>(a) Donations and legacies:</b>				
Regular giving donations	646,437	-	646,437	736,000
Volunteer fundraising	15,840	-	15,840	18,799
Fundraising events	21,914	-	21,914	19,664
Other donations	8,519	-	8,519	10,227
Other income	11,000	-	11,000	4,250
	<u>703,710</u>	<u>-</u>	<u>703,710</u>	<u>788,940</u>
<b>(b) Charitable activities:</b>				
Irish government grants	39,912	304,927	344,839	681,672
Electric Aid	-	-	-	17,082
INTO	-	6,500	6,500	-
Bishop’s Appeal	-	-	-	8,000
Unnamed at donor’s request	-	12,000	12,000	-
Dublin City Council	-	-	-	4,050
Bentley	-	74,631	74,631	13,593
	<u>39,912</u>	<u>398,058</u>	<u>437,970</u>	<u>724,397</u>
<b>(c) Other income:</b>				
Operating grant from VSO	350,000	-	350,000	1,335,289
Donations in kind	28,716	-	28,716	38,361
Bank interest	527	-	527	248
	<u>379,243</u>	<u>-</u>	<u>379,243</u>	<u>1,373,898</u>

4. Raising funds

	Unrestricted Funds 2016 €	Restricted Funds 2016 €	Total Funds 2016 €	Total Funds 2015 €
<b>Voluntary Income</b>				
Staff costs	3,512	-	3,512	10,449
Fundraising	18,993	-	18,993	11,091
Marketing and PR	-	-	-	1,200
Support costs allocation (note 6)	4,310	-	4,310	4,657
	<u>26,815</u>	<u>-</u>	<u>26,815</u>	<u>27,397</u>
<b>Investment in Fundraising</b>				
Staff costs	40,390	-	40,390	153,143
Fundraising	50,186	-	50,186	297,059
Marketing and PR	-	-	-	3,730
Support costs allocation (note 6)	49,570	-	49,570	95,359
	<u>140,146</u>	<u>-</u>	<u>140,146</u>	<u>549,291</u>
<b>Total</b>	<u>166,961</u>	<u>-</u>	<u>166,961</u>	<u>576,688</u>

5. Charitable activities

	Unrestricted Funds 2016 €	Restricted Funds 2016 €	Total Funds 2016 €	Total Funds 2015 €
Volunteer staff costs	117,103	-	117,103	121,203
Volunteer placements	5,385	-	5,385	12,237
Volunteer recruitment	28,414	-	28,414	67,841
Returned volunteers	828	-	828	226
Programme learning and advocacy	45,063	-	45,063	97,549
Programme management and admin	177,051	-	177,051	96,378
Overseas programmes	-	774,717	774,717	1,292,236
Support costs allocation (note 6)	229,053	-	229,053	258,948
Donations in kind	28,716	-	28,716	38,361
<b>Total</b>	<u>631,613</u>	<u>774,717</u>	<u>1,406,330</u>	<u>1,984,979</u>



6. Support costs

	Basis of Allocation	Charitable Activities 2016 €	Raising Funds 2016 €	Total 2016 €	Total 2015 €
Staff costs	Time spent	127,242	26,438	153,680	165,445
Communications	Staff cost by function	11,186	3,444	14,630	21,907
Bank charges	By transaction numbers	357	110	467	13,201
Office rent, supplies and running costs	Per sq. metre usage	60,331	18,574	78,905	87,945
Travel and subsistence	Type of event attended	240	88	328	21,800
Professional fees	All charitable	8,610	-	8,610	7,5263
Trustees costs	All charitable	3,442	-	3,442	30
Board training	All charitable	671	-	671	300
Other costs	Staff cost by function	16,974	5,226	22,200	37,810
Total support costs		229,053	53,880	282,933	355,964

7. Net (expenditure)/income

	2016 €	2015 €
Net (expenditure)/income for the financial year is arrived at after charging/(crediting):		
Operating leases	39,402	46,342
Interest earned	(527)	(248)
Depreciation	6,162	2,780
Directors’ remuneration	-	-
Auditors’ remuneration (excluding VAT):		
Audit	8,610	7,500
Assurance services	-	-
Tax advisory services	-	-
Other financial services	-	-

8. Employees

The average monthly number of employees during the financial year was:	2016 Number	2015 Number
Full time	8	7
Part time	1	3
	9	10
The aggregate payroll costs of these persons were as follows:		
	2016 €	2015 €
Wages and salaries	430,086	520,536
Social welfare costs	47,903	53,542
Pension costs	18,441	19,976
	496,430	594,054
The number of employees whose salaries including staff benefits but excluding employer pension contributions were greater than €60,000 was as follows:		
	2016 Number	2015 Number
€70,001 - €80,000	-	1
€80,001 - €90,000	1	-

The salary including staff benefit paid to the Executive Director was €85,413 (2015: €79,566) and the employer pension contributions amounted to €8,707 (2015: €3,827).

9. Retirement benefit

VSO Ireland facilitates a PRSA scheme on behalf of all its employees. The pension charge represents contributions paid or payable by the company and amounted to €18,442 (2015: €19,976). Amounts payable at the financial ear end were €1,165 (2015: €611).

10. Taxation

The company is exempt from corporation tax due to its charitable status.



11. Tangible assets

	Computer Equipment €	Fixtures, Fittings, Equipment €	Leasehold Improvements €	Total €
<b>Cost</b>				
At 1 April 2015	4,562	8,586	-	13,148
Additions	3,193	-	17,608	20,801
<b>At 31 March 2016</b>	<b>7,755</b>	<b>8,586</b>	<b>17,608</b>	<b>33,949</b>
<b>Depreciation</b>				
At 1 April 2015	2,281	6,810	-	9,091
Charge for the financial year	1,938	1,288	2,936	6,162
<b>At 31 March 2016</b>	<b>4,219</b>	<b>8,098</b>	<b>2,936</b>	<b>15,253</b>
<b>Net book values</b>				
<b>At 31 March 2016</b>	<b>3,536</b>	<b>488</b>	<b>14,672</b>	<b>18,696</b>
At 31 March 2015	2,281	1,776	-	4,057

In respect of prior financial year:

	Computer Equipment €	Fixtures, Fittings, Equipment €	Total €
<b>Cost</b>			
At 1 April 2014	4,562	8,586	13,148
Additions	-	-	-
At 31 March 2015	4,562	8,586	13,148
<b>Depreciation</b>			
At 1 April 2014	684	5,627	6,311
Charge for the financial year	1,597	1,183	2,780
At 31 March 2015	2,281	6,810	9,091
<b>Net book values</b>			
At 31 March 2015	2,281	1,776	4,057
At 31 March 2014	3,878	2,959	6,837

12. Debtors

	2016 €	2015 €
Other debtors	5,368	11,562
Amounts due by related parties (Note 17)	2,357	-
Prepayments	67,803	-
	<u>75,528</u>	<u>11,562</u>
Amounts due by related parties are interest free and repayable on demand.		

13. Creditors

Amounts falling due within one year.	2016 €	2015 €
Trade creditors	86,043	33,203
Amounts owed to related parties (Note 17)	-	321,377
PAYE and social welfare	11,971	16,736
Accruals and deferred costs	54,647	37,494
	<u>152,661</u>	<u>408,810</u>

Amounts owed to related parties are interest free and repayable on demand.

14. Financial instruments

The carrying value of the group’s financial assets and liabilities are summarised by category below:

<b>Financial assets</b> <i>Measured at undiscounted amounts receivable</i>	2016 €	2015 €
Other debtors	5,368	11,562
Amounts due by related parties	2,357	-
	<u>7,725</u>	<u>11,562</u>
<b>Financial liabilities</b> <i>Measured at undiscounted amounts payable</i>		
Trade creditors	86,043	33,203
Amounts owed to related parties	-	321,377
Accruals and deferred costs	54,647	37,494
	<u>140,690</u>	<u>392,074</u>



15. Funds of the charity

(a) Reconciliation of funds

	Unrestricted Funds €	Restricted Funds €	Total Funds €
At 1 April 2015	697,653	423,944	1,121,597
Net movement in funds	324,291	(376,659)	(52,368)
At 31 March 2016	1,021,944	47,285	1,069,229

The balances on restricted funds at 31 March 2016 represent expenditure on overseas programmes to be incurred during the next financial year.

	Balance at 01/04/2015 €	Restricted Income €	Restricted Expenditure €	Balance at 31/03/2016 €
Bank interest	29,487	-	-	29,487
INTO	3,000	6,500	(5,000)	4,500
Irish Aid - Uganda	92,648	-	(92,648)	-
Irish Aid - Zambia	61,739	-	(61,739)	-
Irish Aid - Ethiopia	229,060	-	(229,060)	-
Irish Aid – Uganda	-	136,930	(136,930)	-
Irish Aid – Zambia	-	121,049	(121,049)	-
Irish Aid - Ethiopia	-	46,948	(46,948)	-
Bishops Appeal - Zimbabwe	8,000	-	(8,000)	-
Bentley- Mozambique	-	74,631	(61,343)	13,288
Individual donation	10		-	10
Anonymous – Zimbabwe	-	12,000	(12,000)	-
				-
Total Restricted Funds	423,944	398,058	774,717	47,285

(b) Analysis of net assets between funds

	Unrestricted Funds €	Restricted Funds €	Balance at 31/03/2016 €
Tangible fixed assets	18,696	-	18,696
Current assets	1,155,909	47,285	1,203,194
Liabilities	(152,661)	-	(152,661)
	1,021,944	47,285	1,069,229

In respect of prior financial year:

(c) Reconciliation of funds

	Unrestricted Funds €	Restricted Funds €	Total Funds €
At 1 April 2014	593,170	202,859	796,029
Net movement in funds	104,483	221,085	325,568
At 31 March 2015	697,653	423,944	1,121,597

The balances on restricted funds at 31 March 2015 represent expenditure on overseas programmes to be incurred during the next financial year.

	Balance at 01/04/2014 €	Restricted Income €	Restricted Expenditure €	Transfer of Unrestricted to Restricted €	Balance at 31/03/2015 €
Bank interest	35,157	-	(5,670)	-	29,487
INTO	3,000	-	-	-	3,000
Irish Aid - Uganda	41,284	148,216	(96,852)	-	92,648
Irish Aid - Zambia	29,637	137,545	(105,443)	-	61,739
Irish Aid - Ethiopia	71,680	357,326	(199,946)	-	229,060
Bishops Appeal - Zimbabwe	-	8,000	-	-	8,000
Electric Aid - Mozambique	-	9,000	(9,000)	-	-
Electric Aid - Ethiopia	8,332	-	(8,332)	-	-
Electric Aid - Ethiopia	-	8,082	(8,082)	-	-
Dublin City Council - Mozambique	4,050	-	(4,050)	-	-
Dublin City Council - Mozambique	-	4,050	(4,050)	-	-
Allergan - Bahaginan	9,219	-	(9,219)	-	-
Bentley	-	13,593	(13,593)	-	-
Individual donation	-	10	-	-	10
Volunteer Funding - Rwanda	500	-	(500)	-	-

T/F of funds unrestricted to restricted:

Uganda	-	-	(14,684)	14,684	-
Zambia	-	-	(40,024)	40,024	-
Ethiopia	-	-	(3,926)	3,926	-
Total Restricted Funds	202,859	685,822	(523,371)	58,634	423,944



15. Funds of the charity (continued)

(d) Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Balance 31/03/2015
	€	€	€
Tangible fixed assets	4,057	-	4,057
Current assets	1,102,406	423,944	1,526,350
Liabilities	(408,810)	-	(408,810)
	<u>697,653</u>	<u>423,944</u>	<u>1,121,597</u>

16. Reconciliation of net (expenditure)/income to cash flow from charitable activities

	2016 €	2015 €
Net (expenditure)/income for the reporting year (as per the Statement of Financial Activities)	(52,368)	325,568
Adjustments:		
Depreciation	6,162	2,780
Bank interest	(527)	(248)
(Increase)/decrease in debtors	(63,966)	21,074
(Decrease)/increase in creditors and accruals	(256,149)	255,462
Net cash used in charitable activities	<u>(366,848)</u>	<u>604,636</u>

17. Related party transactions

VSO Ireland received grants from VSO, a UK entity with common aims, missions and objectives, of €350,000 (2015:€1,335,289). As VSO is responsible for all overseas programmes including volunteers, VSO Ireland remits income to VSO to support these programmes.

VSO Ireland incur programme costs on behalf of VSO. These costs are reimbursed by VSO on a quarterly basis. The amount owing at 31st March to VSO by VSO Ireland is €Nil (2015: €321,377). The amount owed by VSO at March 31st to VSO Ireland is €2,357 (2015:€Nil). The Directors receive no payments for their services to the Company.

18. Key management compensation

The total emoluments (including Salaries, PRSI and Pension contributions) for key management personnel amounted to €136,527 (2015:€163,156).

19. Commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Buildings 2016 €	Equipment 2016 €	Buildings 2015 €	Equipment 2015 €
Within one year	26,000	3,520	20,738	4,053
Within two to five years	39,000	1,071	-	5,470
After five years	-	-	-	-

20. 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.’

21. Explanation of transition to FRS 102

This is the first year the company has presented its financial statements under Financial Reporting Standards 102 (FRS 102) issued by the Financial Reporting Council. The last financial statements under previous Irish GAAP were for the financial year ended 31 March 2015 and the date of transition to FRS 102 was therefore 1 April 2014. As a consequence of

adopting FRS 102, a number of accounting policies have been changed to comply with that standard. None of these changes have resulted in an adjustment to equity reported under previous Irish GAAP at 31 March 2015 or 1 April 2014 and there was no effect on net income previously reported for the financial year ended 31 March 2015.





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VSO Ireland is a registered charity  
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