

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
SERVE IN SOLIDARITY IRELAND**

We have audited the financial statements of Serve In Solidarity Ireland for the year ended 31st January 2014 on pages 19 to 27. The financial reporting framework that has been applied in their preparation is Irish law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

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

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities the directors are responsible for the preparation of the financial statements giving a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's [APB'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 Directors' Report and Chairperson's Statement to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of the company's affairs as at 31st January 2014 and of its surplus for the year then ended; and
- the financial statements have been properly prepared in accordance with the requirements of the Companies Acts 1963 to 2013.

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

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion proper books of account have been kept by the company.

The financial statements are in agreement with the books of account.

In our opinion the information given in the directors' report and chairperson's statement is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the provisions in the Companies Acts 1963 to 2013 which require us to report to you if, in our opinion the disclosures of directors' remuneration and transactions specified by law are not made.

Ciarán Murray for and on behalf of;
HAYDEN BROWN
Grafton Buildings,
34, Grafton Street,
Dublin 2.

Chartered Accountants and
Registered Auditors

4th December 2014

SERVE IN SOLIDARITY IRELAND
(being a company limited by guarantee and not having a share capital)

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST JANUARY 2014**

	Notes	Restricted Funds 2014	Unrestricted Funds 2014	Total Funds 2014	Total Funds 2013
	1	€	€	€	€
Incoming Resources					
Income Resources From Generated Funds		750,857	227,428	978,285	547,310
Income Resources From Charitable Activities		1,050,324	-	1,050,324	856,338
Interest Income		-	7,097	7,097	-
Total Incoming Resources		1,801,181	234,525	2,035,706	1,403,648
Resources Expended					
Charitable Activities	5	(1,524,440)	(239,296)	(1,763,736)	(1,178,102)
Cost of Generating Funds	3	-	(10,299)	(10,299)	(14,781)
Governance Costs	4	-	(3,019)	(3,019)	(7,781)
Total Resources Expended		(1,524,440)	(252,614)	(1,777,054)	(1,200,664)
Net Outgoing Resources Before Transfers		276,741	(18,089)	258,652	202,984
Transfers					
Transfers Between Funds	7	(17,435)	17,435	-	-
Surplus/(deficit) for the year		<u>259,306</u>	<u>(654)</u>	<u>258,652</u>	<u>202,984</u>

The statement of financial activities has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the statement of financial activities.

A detailed breakdown of the above items is included in supplementary information part of the notes to the financial statements.

The financial statements were approved by the board on 4th December 2014 and signed on its behalf by

John Gerard O'Connor
Director

Noel Gerard Kehoe
Director

SERVE IN SOLIDARITY IRELAND
(being a company limited by guarantee and not having a share capital)

BALANCE SHEET
AS AT 31ST JANUARY 2014

	Notes	€	2014 €	€	2013 €
Current Assets					
Debtors	9	30,000		30,000	
Cash at bank and in hand		1,372,465		1,113,612	
		<u>1,402,465</u>		<u>1,143,612</u>	
Creditors: amounts falling due within one year					
	10	<u>(4,633)</u>		<u>(4,432)</u>	
Net Current Assets			<u>1,397,832</u>		<u>1,139,180</u>
Total Assets Less Current Liabilities			<u><u>1,397,832</u></u>		<u><u>1,139,180</u></u>
Contingency Reserve Fund					
Restricted Funds	13		1,237,523		978,217
Unrestricted Funds	13		<u>160,309</u>		<u>160,963</u>
Funds of the Charity			<u><u>1,397,832</u></u>		<u><u>1,139,180</u></u>

The financial statements were approved by the Board on 4th December 2014 and signed on its behalf by

John Gerard O'Connor

Director

Noel Gerard Kehoe

Director

SERVE IN SOLIDARITY IRELAND
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CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST JANUARY 2014

	Notes	2014 €	2013 €
Reconciliation of operating surplus to net cash inflow from operating activities			
Operating surplus		258,652	202,984
(Increase) in debtors		-	65,282
Increase in creditors		201	562
Net cash inflow from operating activities		<u>258,853</u>	<u>268,828</u>
 Cash Flow Statement			
Increase in cash in the year		<u>258,853</u>	<u>268,828</u>
 Reconciliation of net cash flow to movement in net funds (Note 16)			
Increase in cash in the year		258,853	268,828
Net funds at 1st February 2013		<u>1,113,612</u>	<u>844,784</u>
Net funds at 31st January 2014		<u>1,372,465</u>	<u>1,113,612</u>

SERVE IN SOLIDARITY IRELAND
(being a company limited by guarantee and not having a share capital)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JANUARY 2014**

1. Accounting Policies

1.1. Compliance with Accounting Standards

The financial statements are prepared under the historical cost convention, and are in accordance with applicable accounting standards and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

1.2. Incoming Resources

Income is accounted for when amounts receivable on grant and funding applications are approved or paid.

Voluntary Income

Voluntary income, which consists of monetary donations from the public and from corporate and major donors together with related tax refunds, is recognised in the period in which the organisation is entitled to the resource, receipt is virtually certain and when the amount can be measured with sufficient reliability. In the case of monetary donations from the public this income is generally recognised when the donations are received.

Restricted Income

Income received by the company, the application of which is restricted to a specific purpose by the donor, is treated as restricted income and any unspent amounts as restricted assets. Such specified purposes are within the overall aims of the organisation

Unrestricted Income

Other income, apart from restricted income, is used by the company in the furtherance of its work and objectives. Such funds may be held in order to finance working capital or may be used at the discretion of the organisation for specified purposes that are within the aims of the organisation.

1.3. Resources Expended

Expenditure is recognised when a liability is incurred. Funding provided through contractual agreements and performance related grants are recognised as goods or services are supplied. Other grant payments are recognised when a constructive obligation arises that results in the payment being an unavoidable commitment.

Costs of generating funds are those costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Governance costs include those incurred in the governance by the directors of the company's assets and are primarily associated with constitutional and statutory requirements of operating the organisation.

1.4. Contingency Reserve Fund

The Contingency Reserve Fund is a restricted and unrestricted fund, which is designed for ongoing projects which the organisation is committed to. Unrestricted funds are funds, which are expended at the discretion of the directors in furtherance of the objects of the company. If a part of an unrestricted fund is earmarked for a particular project it may be designated as a separate fund, but the designation has an administrative purpose only, and does not legally restrict the directors to apply the fund.

SERVE IN SOLIDARITY IRELAND
(being a company limited by guarantee and not having a share capital)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JANUARY 2014**

..... continued

1.5. Fund Accounting

Unrestricted funds are general funds that are available for use at the boards discretion in furtherance of any objects of the organisation.

Restricted funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose and the restriction means that the funds can only be used for specific projects or activities.

2. Operating surplus	2014	2013
	€	€
Operating surplus is stated after charging:		
Auditors' remuneration	1,562	1,496
	<u> </u>	<u> </u>
and after crediting:		
Government grants		
Irish Aid	290,573	290,573
Misean Cara	759,753	565,765
	<u> </u>	<u> </u>
3. Cost of Generating Funds	2014	2013
	€	€
Fundraising Costs	8,263	13,058
Printing and Promotion	2,036	1,723
	<u> </u>	<u> </u>
	10,299	14,781
	<u> </u>	<u> </u>
4. Governance Costs	2014	2013
	€	€
Professional Fees	-	2,601
Strategic Planning Costs	764	1,086
Motor Expenses	432	566
Staff Training	261	2,032
Audit	1,562	1,496
	<u> </u>	<u> </u>
	3,019	7,781
	<u> </u>	<u> </u>

SERVE IN SOLIDARITY IRELAND
(being a company limited by guarantee and not having a share capital)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JANUARY 2014**

..... continued

5. Direct Charitable Expenditure	2014	2013
	€	€
Direct Costs	1,717,804	1,135,237
Support Costs		
Staff Costs	15,948	14,124
Computer Costs	3,057	3,005
Rent Payable	6,656	6,326
Insurance	4,470	4,717
Telephone	1,737	1,365
Printing, Postage & Stationery	3,067	5,727
Subscriptions	3,212	2,991
Office Expenses	433	969
Bank charges	1,686	2,211
Miscellaneous Administrative Expenditure	5,666	1,430
	<u>1,763,736</u>	<u>1,178,102</u>

6. Employees
Number of employees
The average monthly numbers of employees were:

	2014	2013
	Number	Number
Administration	5	4
	<u>5</u>	<u>4</u>

Employment costs	2014	2013
	€	€
Wages and salaries	144,058	127,532
Social welfare costs	15,420	13,710
	<u>159,478</u>	<u>141,242</u>

7. Transfer
In 2014 an amount of €17,435 from Irish Aid was transferred from restricted income to unrestricted income. In 2013 this transfer was €17,435.

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

SERVE IN SOLIDARITY IRELAND
(being a company limited by guarantee and not having a share capital)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JANUARY 2014**

..... continued

9. Debtors

	2014	2013
	€	€
Other debtors	30,000	30,000

10. Creditors: amounts falling due within one year

	2014	2013
	€	€
PAYE/PRSI	3,071	2,936
Accruals	1,562	1,496
	4,633	4,432

11. Company Status

The company is limited by guarantee not having a share capital. The liability of each member in the event of the company being wound up is €1.

12. Statement of movements on statement of financial activities

	Statement of Financial Activities
	€
At 1st February 2013	1,139,180
Surplus for the year	258,652
At 31st January 2014	1,397,832

SERVE IN SOLIDARITY IRELAND
(being a company limited by guarantee and not having a share capital)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JANUARY 2014**

..... continued

13. Reconciliation of movements in funds of the charity

	2014	2013
	€	€
Restricted Funds		
Opening Balance	978,217	770,384
Net Movement After Taxation	259,306	207,833
	<u>1,237,523</u>	<u>978,217</u>
Unrestricted Funds		
Opening Balance	160,963	165,812
Net Movement After Taxation	(654)	(4,849)
	<u>160,309</u>	<u>160,963</u>
Balance at year end	<u><u>1,397,832</u></u>	<u><u>1,139,180</u></u>

14. Capital commitments

The company had no capital commitments at the 31st January 2013.

15. Contingent liabilities

The company had no contingent liabilities at the 31st January 2014.

16. Analysis of changes in net funds

	Opening balance	Cash flows	Closing balance
	€	€	€
Cash at bank and in hand	1,113,612	258,853	1,372,465
Net funds	<u>1,113,612</u>	<u>258,853</u>	<u>1,372,465</u>

SERVE IN SOLIDARITY IRELAND
(being a company limited by guarantee and not having a share capital)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JANUARY 2014

..... continued

17. Approval of financial statements

The financial statements were approved by the Board on 4th December 2014 and signed on its behalf by

John Gerard O'Connor
Director

Noel Gerard Kehoe
Director

SERVE IN SOLIDARITY IRELAND
(being a company limited by guarantee and not having a share capital)

**THE FOLLOWING PAGES CONTAIN
SUPPLEMENTARY MANAGEMENT INFORMATION**

SERVE IN SOLIDARITY IRELAND

RESTRICTED AND UNRESTRICTED FUNDS

FOR THE YEAR ENDED 31ST JANUARY 2014

	2014	2013
	€	€
INCOME		
Restricted Funds		
Irish Aid	290,573	290,573
Brazil	28,100	91,565
Philippines	395,259	49,774
India	6,888	15,237
South Africa	42,265	25,135
Zambia	36,638	17,987
Mozambique	10,396	32,045
Misean Cara	759,753	565,765
Third World Groups	226,665	54,409
Comhlamh	1,000	-
Haiti	2,539	3,848
Thailand - Solidarity gift	-	67
Brazil - Solidarity gift	45	90
Philippines - Solidarity gift	730	36
India - Solidarity gift	300	614
South Africa - Solidarity gift	-	493
Mozambique - Solidarity gift	30	324
Zimbabwe - Solidarity gift	-	56
	<u>1,801,181</u>	<u>1,148,018</u>
Unrestricted Funds		
Donations and Standing Orders	81,090	85,571
Reclassification of donations received	-	9,473
Misean Cara	-	7,929
Irish Aid	-	12,000
Comhlamh	-	1,900
Volunteer Contribution	99,688	95,133
Redemptorists Ireland	30,000	30,000
Flip Flop Friday	16,130	13,624
Other Income	7,617	-
	<u>234,525</u>	<u>255,630</u>
Total Income	2,035,706	1,403,648

SERVE IN SOLIDARITY IRELAND

RESTRICTED AND UNRESTRICTED FUNDS

FOR THE YEAR ENDED 31ST JANUARY 2014

	2014	2013
	€	€
EXPENDITURE		
From Restricted Funds		
Irish Aid	264,683	256,500
Misean Cara	756,049	388,796
Third World Groups	140,760	54,211
Development Appeal	322,703	188,416
Solidarity Gifts	-	2,593
Misean Cara Admin for Dev Salary	40,245	32,809
	<u>1,524,440</u>	<u>923,325</u>
From Unrestricted Funds		
Development Programme Salaries	22,382	23,968
Serve Funded Development Projects	-	47,620
Volunteering Programmes	146,090	120,019
Development Education	16,194	16,256
Global Citizenship	3,090	-
Fair Trade	5,558	4,080
Immersion Programme	-	-
Shared Advocacy	50	25
Philippines Solidarity Project	-	-
	<u>193,364</u>	<u>211,968</u>
Total Project Assistance	1,717,804	1,135,293
Surplus Funds before Administration Expenditure	317,902	268,355

SERVE IN SOLIDARITY IRELAND

DETAILED INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31ST JANUARY 2014

	2014		2013		
	€	€	€	€	€
Income					
Donations and Standing Orders					
Serve		52,030		91,737	
Fundraising Events		29,060		25,136	
Other Income		-		-	
		<hr/>		<hr/>	
			81,090		116,873
Volunteers Contribution					
			99,688		95,133
Flip Flop Friday					
			16,130		13,624
Development Appeal					
Brazil		28,100		91,565	
Philippines		395,259		49,774	
India		6,888		15,237	
South Africa		42,265		25,135	
Zambia		36,638		17,987	
Mozambique		10,396		32,045	
Haiti		2,539		3,848	
		<hr/>		<hr/>	
			522,085		235,591
Solidarity Gifts					
Thailand - Solidarity gift		-		67	
Brazil - Solidarity gift		45		90	
Philippines - Solidarity gift		730		36	
India - Solidarity gift		300		614	
South Africa - Solidarity gift		-		493	
Mozambique - Solidarity gift		30		324	
Zimbabwe - Solidarity gift		-		56	
		<hr/>		<hr/>	
			1,105		1,680
Other Income					
			7,617		-
Irish Aid					
			290,573		290,573
Misean Cara					
			759,753		565,765
Third World Groups					
			227,665		54,409
Redemptorists Ireland					
			30,000		30,000
			<hr/>		<hr/>
Total Income			<u>2,035,706</u>		<u>1,403,648</u>

SERVE IN SOLIDARITY IRELAND

DETAILED INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31ST JANUARY 2014

	2014		2013	
	€	€	€	€
Expenditure				
Volunteering Programme				
Wages and Salaries		57,623		51,013
Employers PRSI contribution		6,168		5,484
Overseas Programme Costs		107,460		70,210
Immersion Program		45,815		58,962
Solidarity Programme		36,377		19,022
Training Programme		12,676		11,908
Recruitment and Promotion		4,862		7,573
Belfast Volunteering Programme		-		1,430
		<hr/>		<hr/>
			270,981	225,602
Development Projects				
Wages and Salaries		57,623		51,013
Employer's PRSI contributions		6,168		5,484
Brazil		69,236		40,164
India		69,162		93,565
Philippines		145,850		127,068
Thailand		-		1,984
South Africa / Muvamba		103,415		124,998
Mozambique		254,222		221,346
Zimbabwe		186,733		179,390
Zambia		27,849		4,888
Haiti		162,005		11,686
Burkina Faso		110,910		-
Congo		47,015		-
Kenya		181,451		27,688
		<hr/>		<hr/>
			1,421,639	889,274
Development Education				
Wages and Salaries		14,406		12,753
Employer's PRSI Contributions		1,542		1,371
Development Ed/Global Citizenship		538		2,132
		<hr/>		<hr/>
			16,486	16,256
Shared Advocacy				
Shared Advocacy		50		25
		<hr/>		<hr/>
			50	25
Global Citizenship				
Global Citizenship		3,090		-
		<hr/>		<hr/>
			3,090	-

SERVE IN SOLIDARITY IRELAND

DETAILED INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31ST JANUARY 2014

	2014		2013	
	€	€	€	€
Fair Trade				
Fair Trade		5,558		4,080
			5,558	4,080
Administration				
Wages and Salaries		14,406		12,753
Employers PRSI Contribution		1,542		1,371
<u>Office Administration Expenses</u>				
Rent Payable	6,656		6,326	
Computer Costs	3,057		3,005	
Insurance	4,470		4,717	
Professional Fees	-		2,601	
Strategic Planning Costs	764		1,086	
Telephone	1,737		1,365	
Printing, Postage & Stationery	3,067		5,727	
Motor Expenses	432		566	
Subscriptions	3,212		2,991	
Office Expenses	433		969	
		23,828		29,353
<u>Fundraising</u>				
Fundraising Costs	8,263		13,058	
Printing and Promotion	2,036		1,723	
		10,299		14,781
<u>Capacity Building</u>				
Staff Training	261		2,032	
		261		2,032
Audit		1,562		1,496
Bank Charges		1,686		2,211
Miscellaneous Administration Expenses		5,666		1,430
			59,250	65,427
Total Expenditure			1,777,054	1,200,664
Operating surplus			258,652	202,984