

**Sight Savers International (Ireland)**

**Charity Number CHY 15437**

**Company Number 377692**

**FINANCIAL STATEMENTS FOR THE YEAR**

**ENDED 31 DECEMBER 2006**

# **Sight Savers International (Ireland)**

## **Financial statements together with Independent Auditors' report 2006**

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# **Sight Savers International (Ireland)**

## **Officers and other information**

### **Patron**

Her Excellency Mary McAleese, President of Ireland

### **Members**

Chairman: Mr Frank Fell  
Mr John Bines  
Ms Joan Burton TD  
Ms Caroline Casey  
Mr Simon Coveney TD  
Mr Frank Fell  
Sightsavers International

Mr Fintan Glynn  
Ms Mary Moorhead  
Mr Michael Murphy  
Ms Fiona O'Malley TD  
Senator Mary O'Rourke

### **Directors**

Chairman: Mr Frank Fell  
Mr John Bines  
Mr Fintan Glynn  
Mr Michael Murphy

### **Company Secretary**

Mr John Fleming

### **Senior Management Team**

Mr John Fleming

### **Registered Office**

98 Patrick Street  
Dun Laoghaire  
Co. Dublin

### **Solicitors**

McCann FitzGerald  
2 Harbourmaster Place  
International Financial Services Centre  
Dublin 1

### **Principal Bankers**

Allied Irish Bank  
7/12 Dame  
Dublin 2

Ulster Bank  
College Green Branch  
PO Box 145  
33 College Green  
Dublin 2

### **Auditors**

Deloitte & Touche  
Deloitte & Touche House  
Earlsfort Terrace  
Dublin 2

# Sight Savers International (Ireland)

## Report of the Directors for the Year Ended 31 December 2006

The directors present their annual report and the financial statements for the year ended 31 December 2006.

### 1. ORGANISATION AND STATUS

#### Legal status

Sight Savers International (Ireland) was incorporated as a company limited by guarantee on 5 November 2003, with the purpose of establishing a permanent presence in Ireland of Sightsavers International, a non-governmental organisation that operates programmes in 33 countries in the developing world and has four fundraising offices in Europe and the USA.

Sight Savers International (Ireland) is the registered company name. The company number is 377692. Sight Savers International (Ireland) is recognised by the Revenue Commissioners as having registered charity status registration number CHY 15437.

#### Organisation

Sight Savers International (Ireland) is based in Dublin and has no other offices in Ireland. It is administered by the directors and members that are listed on page 2.

The membership is the ultimate governing authority of the organisation. There are eleven members listed on page 2.

The statement of the directors' responsibilities is set out in section 6 of this report. The Directors meet on a quarterly basis; they are responsible for the finance review and monitoring of the charitable work. In between meetings, the day-to-day management of the organisation is delegated to Mr John Fleming, Head of Sight Savers International (Ireland).

#### The challenge

Millions of people in developing countries go blind for lack of simple treatment. Millions more stay blind for lack of simple surgery or are excluded because of their disability.

every five seconds a person goes blind  
37 million people in the world are blind  
nine out of ten blind people live in the developing world  
75% of global blindness can be prevented or cured  
124 million people have low vision  
153 million people severely visually impaired for the want of a pair of glasses

#### The vision

Sight Savers International (Ireland)'s vision is of a world in which no-one is needlessly blind and where everyone who is irreversibly blind or severely visually impaired enjoys the same rights, responsibilities and opportunities as people who are sighted.

# Sight Savers International (Ireland)

## Report of the Directors for the Year Ended 31 December 2006

### The mission

Sight Savers International (Ireland) is dedicated to combating blindness in developing countries, primarily in Africa and Bangladesh, by working with partner organisations in the poor and the least served communities to support ongoing activities that prevent and cure blindness, restore sight and provide education and training for people who are blind.

## 2. OBJECTIVES AND ACTIVITIES:

Sight Savers International (Ireland) works in partnership with a range of organisations to help prevent and combat blindness in developing countries. We also support people who are irreversibly blind through the provision of education, counselling and training. The majority of blindness (globally 75%) is avoidable and a loss of sight often leads to social exclusion, leaving people who are blind vulnerable to abuse, poverty and early death. 90% of blind children do not go to school and less than half of all children who lose their sight will survive to adulthood.

Income is raised from Sight Savers International (Ireland) fundraising activities in Ireland and from donations. The government of Ireland has donated money to Sight Savers International (Ireland). The income and property of the company will be applied solely towards the promotion of the main objective of the company and no portion shall be paid or transferred by way of dividend, bonus or profit to members of the company.

### What we do:

Sight Savers International (Ireland) has developed a range of different strategies and activities aimed at addressing the complexity of the challenge. Long term and sustainable impact is important to us and this informs many of our decisions; for example our decision to work in partnership with local organisations rather than use expatriate staff. Our partners, who deliver the services we support, range from government ministries of health and education to community-based non-governmental organisations. We continue to develop and improve our partnerships and are committed to mutually beneficial relationships in which we learn from our partners and share training, best practice and technical support with them.

In addition to the provision of services we develop and implement advocacy strategies, often in partnership with others, aimed at influencing governments and other stakeholders.

Funding is vital in underpinning our work and our future plans. We continue to employ a variety of different fundraising techniques to secure funds and manage our income-to-cost ratio very effectively. Increasingly we are looking towards diversifying our sources and types of funding.

Our success to date is also underpinned by the strength of our organisation. We are committed to maintaining a high level of organisational effectiveness and to ensuring the appropriate management of the organisation and our resources.

### Strategic Framework:

Globally Sightsavers International works within a timed strategic framework process. The current framework is due to end in 2008 and a new one is being developed for the period 2009-2013. The

# Sight Savers International (Ireland)

## Report of the Directors for the Year Ended 31 December 2006

framework identifies strategic priorities. The relevant priorities for each national office of Sightsavers International around the world are then identified and plans put in place to support them. The table below highlights the strategic priorities for Sight Savers International (Ireland) in 2006 and examples of what was achieved in that year are listed below the table against the priorities.

| Sightsavers International (Ireland) Intended Impact  | OUTCOMES THAT WE WERE WORKING TOWARDS - 2006  |   |  |   |   |
|--|---|---|--|---|---|
|  | SERVICE DELIVERY  | ADVOCACY  | PARTNERSHIP  | FUNDING   | ORGANISATIONAL EFFECTIVENESS  |
| A reduction in the level of avoidable blindness in the world   | <p>Sustainable Comprehensive Eye Care (CEC) programmes that prevent, treat and cure the priority blinding conditions and that:</p> <ul style="list-style-type: none"> <li>▪ are owned and integrated into local health systems.</li> <li>▪ have the required numbers of eye health workers who are properly trained and supported to do their work.</li> <li>▪ are able to access affordable equipment, consumables and drugs.</li> </ul> | <p>Play and active part in the Global Campaign for Education Ireland.</p>   |  |   |   |
| Ensure that people with a visual impairment are able to benefit from the same social & economic opportunities as sighted people. | <p>Sustainable Comprehensive Eye Services programmes that deliver services and opportunities to people whose visual impairment is irreversible and that:</p> <ul style="list-style-type: none"> <li>▪ promote the rights of visually impaired people.</li> <li>▪ provide access to affordable assistive technology.</li> <li>▪ are built upon sustainable CEC programmes</li> </ul>   | <p>All children with a visual impairment are able to attend and participate fully in primary level education.</p> | <p>A broad portfolio of partners with whom Sightsavers International can work to achieve our service delivery, advocacy and research outcomes and deliver our intended impact.</p> | <p>Secure income growth that enables us to expand our impact in the future.</p> | <p>A learning organisation that is constantly seeking to improve its performance and maximise its impact.</p> |

### Examples of what we achieved in 2006

- Service Delivery: Continued to support with Irish Aid a CEC project in Zanzibar, Tanzania including the building of an eye unit as part of the project
- Advocacy: Brought the issue of disability and development to the Global Campaign for Education (GCE) Ireland and incorporated it into operational plans for GCE Ireland. A case study on a blind

# Sight Savers International (Ireland)

## Report of the Directors for the Year Ended 31 December 2006

child in India is as a result included in GCE learning materials for 2<sup>nd</sup> year students, putting the issue of disability and development into school curriculum materials for the first time.

- Partnership: Developed a partnership with Kilkenny Carlow Local Radio (KCLRFM) to promote the issues relating to disability and development in a series of radio documentaries. This project was funded by Irish Aid's media challenge fund.
- Funding: Increased the level of committed income from individual supporters by 8%. This contributed to an overall increase of programme expenditure of 10% compared to 2005.
- Organisational Effectiveness: A staff survey was carried out to gather the views of staff and highlight any areas that the organisation needed to improve upon. The results were distilled into an action plan which is being implemented.

### 3. REVIEW OF THE YEAR

There was a positive performance of the company in 2006 with income from all sources growing significantly. Overall income grew by 29%.

The main driver for income growth was increased funding from Irish Aid, the government's overseas aid organisation. Sight Savers International (Ireland) was successful in the three grant applications it made to Irish Aid and secured contracts to the value of €1.5 million over three years. Over €560,000 of this was paid in 2006. The grants cover projects in Zambia, Tanzania and Sierra Leone.

In global terms the impact of Sightsavers International's work increased significantly as the table below illustrates:

|   | 2004       | 2005       | 2006       |
|---|------------|------------|------------|
| No. screened  | 4,439,400  | 4,729,800  | 4,670,000  |
| No. needing treatment   | 3,063,186  | 2,932,476  | 3,102,800  |
| No. of operations   | 212,100    | 261,700    | 274,000    |
| No. people treated to prevent onchocerciasis                    | 11,005,600 | 13,019,100 | 14,208,700 |
| No. staff trained   | 71,400     | 57,400     | 65,900     |
| No. people given rehabilitation training                        | 5,600      | 9,200      | 9,500      |
| No. children receiving specialist support in mainstream schools | 7,600      | 9,400      | 4,800      |

Direct marketing income continued to grow as a result of increased investment. Donations made in 2006 will be eligible for the government's tax efficient giving programme. The scheme allows Sight Savers International (Ireland) to claim the tax back on donations of €250 or above in a year. During the year there was an ongoing programme to ask donors to bring their support over the €250 threshold.

Another initiative in 2006 was the launch of the "Gift of Sight". This allowed supporters to buy gift vouchers at Christmas as presents. This project will be rolled out in 2007.

# Sight Savers International (Ireland)

## Report of the Directors for the Year Ended 31 December 2006

Corporate fundraising received extra investment in 2006 which was rewarded with income from this source almost doubling. This activity was mainly as the result of one significant donation from an anonymous donor and from direct marketing to companies.

Staffing in Ireland in 2006 increased from 3 to 4 with the recruitment of a direct marketing manager.

The policy of concentrating larger levels of programme expenditure on fewer countries was continued with the larger grants being made to countries in east Africa, such as Kenya, Malawi, Tanzania, Uganda and Zambia. There was also a significant grant made to Sightsavers International West Africa office to cover programmes that covered a number of countries in that region.

### 4. FINANCIAL REVIEW

The results for the year are shown in the statement of financial activities on Page 12 and the cash flow statement on page 14. The financial position at the end of the year is shown in the form of the balance sheet on page 13.

Total incoming resources for the year exceeded €5.3 million, primarily generated by individual donations but supported more significantly than in previous years by company donations, grants and legacies which all performed very well.

There was a project in 2006 to move regular supporters from standing order to direct debit. Direct debits are easier to administer making the donor's support more cost effective.

While regular support is the foundation of Sight Savers International (Ireland)'s income from individuals, increased efforts were made to encourage people to give one-off support to the charity. The two main new vehicles for this were the Gift of Sight voucher campaign at Christmas and a raffle held in the second half of the year. Both these campaigns led in total to support from 2,000 new supporters and it is planned to encourage these new supporters to become regular donors.

During the year over €3.1 million was spent on charitable activities, an increase of 10% on 2005. This was spent working with partner organisations to support eye care and social inclusion programmes. Partners are carefully selected to ensure that they can fulfil the objectives of Sight Savers International (Ireland). In addition, funds are also expended on education and rehabilitation work, combined with partnership development, advocacy and information and awareness raising

Part of the income raised in 2006 from Irish Aid (€482,052) has been held over to 2007 to reflect the start date of the projects related to the grants in Zambia and Tanzania.

Investment in fundraising increased during the year in support of new campaigns to recruit and develop donors. It is anticipated that this investment will be reflected in increased income from 2007 onwards. Fundraising costs during the year include the costs of advertising, producing publications and printing and mailing fundraising materials.

### Outlook for 2007

It is forecast that the income for 2007 will exceed €6 million for the first time. Part of that increase will be as a result of Sight Savers International (Ireland) being able to take advantage of the government's tax efficient giving scheme for the first time. It is anticipated that this will generate in the region of €200,000. As a consequence of this it is planned that expenditure on our programmes will be in the region of €4 million.

# Sight Savers International (Ireland)

## Report of the Directors for the Year Ended 31 December 2006

It is also planned to roll out the Gift of Sight campaign and the raffle campaign as well as investing in new campaigns aimed at companies.

The relationship with Irish Aid will continue to be developed and will involve an education and lobbying programme to help it understand the issues around disability and development. Sight Savers International (Ireland) will do this through involvement with a Dóchas working group. In this group we will be highlighting the issues around being blind or having low vision and living in a less developed country. There will also be up to four applications made for three year programmes during 2007.

It will be necessary to re-locate the Sight Savers International (Ireland) office currently based in Dun Laoghaire during 2007 to cater for the extra staff being recruited. It is planned that this will take place in the second half of the year.

### 5. DIRECTORS

The list of directors and the members is shown on page 2. There were no changes in directors or secretary in the period. Neither members nor directors received any remuneration for their work during the period. Expenses are re-imbursed where appropriate.

### 6. RESPONSIBILITIES OF THE DIRECTORS

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company's financial activities for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and which enable them to ensure that the financial statements comply with the Companies Acts, 1963 to 2005 as applicable to a company limited by guarantee. 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.

### 7. EVENTS SINCE THE YEAR END

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

### 8. POLITICAL DONATIONS

The company did not make any political donations in the year.

### 9. BOOKS OF ACCOUNT

To ensure that proper books and accounting records are kept in accordance with Section 202, Companies' Act, 1990, the directors have engaged appropriately qualified accounting personnel and have maintained appropriate computerised accounting systems. The books of account are located at the Company's premises at 98 Patrick Street, Dun Laoghaire, Co. Dublin.

## **Sight Savers International (Ireland)**

### **Report of the Directors for the Year Ended 31 December 2006**

#### **10. AUDITORS**

Deloitte & Touche, continue in office in accordance with Section 160(2) of the Companies Act, 1963.

ON BEHALF OF THE DIRECTORS

Mr Frank Fell

Mr Michael Murphy

Date 16 May 2007

### Independent Auditors' Report to the members of Sight Savers International (Ireland)

We have audited the financial statements of Sight Savers International (Ireland) for the year ended 31 December 2006 which comprises the statement of financial activities, the balance sheet, the cash flow statement with notes A and B to the cash flow statement and the related notes 1-18. These financial statements have been prepared under the accounting policies set out therein.

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

The directors are responsible for preparing the annual report, as set out in the Responsibilities of the Directors in accordance with applicable law and accounting standards issued by the Accounting Standards Board and published by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

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

We report to you our opinion as to whether the financial statements give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland, and are properly prepared in accordance with Irish statute comprising the Companies Acts, 1963 to 2006, as applicable to companies limited by guarantee. We also report to you our opinion whether proper books of account have been kept by the company and whether the information given in the Report of the Directors is consistent with the financial statements. In addition, we state whether we have obtained all the information and explanations necessary for the purposes of our audit and whether the company's balance sheet and statement of financial activities are in agreement with the books of accounts.

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

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatement or material inconsistencies within the financial statements. Our responsibilities do not extend to other information.

#### Basis of opinion

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

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

## Sight Savers International (Ireland)

### Independent Auditors' Report to the members of Sight Savers International (Ireland)

#### Opinion

In our opinion the financial statements:

- give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of affairs of the company as at 31 December 2006 and of its net incoming resources for the year then ended; and
- have been properly prepared in accordance with the Companies Act, 1963 to 2006, as applicable to companies limited by guarantee.

We have obtained all the information and explanations we consider necessary for the purposes of our audit. In our opinion proper books of account have been kept by the company. The company's balance sheet and its statement of financial activities are in agreement with the books of account.

In our opinion, the information given in the Report of the Directors is consistent with the financial statements.

Deloitte & Touche

16 May 2007

Chartered Accountants and Registered Auditors

Dublin

## Sight Savers International (Ireland)

### Statement of financial activities

(Including the Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

### For the Year Ended 31 December 2006

|  | Note  | Unrestricted<br>funds<br>€ | Restricted<br>funds<br>€ | Total<br>2006<br>€ | Total<br>2005<br>€ |
|--|-------|----------------------------|--------------------------|--------------------|--------------------|
| <b>Income and expenditure</b>              |       |                            |                          |                    |                    |
| <b>Incoming resources</b>                  |       |                            |                          |                    |                    |
| Incoming resources from generated funds    |       |                            |                          |                    |                    |
| Voluntary income                           |       |                            |                          |                    |                    |
| donations and gifts                        | 3     | 4,410,907                  | 285,914                  | 4,696,821          | 3,989,473          |
| Legacies                                   | 3     | 48,542                     | -                        | 48,542             | 17,250             |
| grants                                     | 4     | -                          | 561,809                  | 561,809            | 96,396             |
| <b>Total incoming resources</b>            |       | <u>4,459,449</u>           | <u>847,723</u>           | <u>5,307,172</u>   | <u>4,103,119</u>   |
| <b>Resources expended</b>                  |       |                            |                          |                    |                    |
| Costs of generating funds                  |       |                            |                          |                    |                    |
| Costs of generating voluntary income       |       |                            |                          |                    |                    |
| costs of raising current years income      | 6     | 1,323,926                  | -                        | 1,323,926          | 1,115,371          |
| investment to raise income in future       | 6     | 387,987                    | -                        | 387,987            | 125,024            |
|  |       | <u>1,711,913</u>           | <u>-</u>                 | <u>1,711,913</u>   | <u>1,240,395</u>   |
| <b>Charitable Activities</b>               |       |                            |                          |                    |                    |
| Eye care                                   | 5 / 6 | 1,955,654                  | 363,067                  | 2,318,721          | 2,107,405          |
| Social inclusion                           | 5 / 6 | 690,674                    | 2,493                    | 693,167            | 750,463            |
| Information and awareness raising          |       | 124,543                    | 111                      | 124,654            | -                  |
|  |       | <u>2,770,871</u>           | <u>365,671</u>           | <u>3,136,542</u>   | <u>2,857,868</u>   |
| Governance costs                           | 6     | 11,672                     | -                        | 11,672             | 9,265              |
| <b>Total resources expended</b>            |       | <u>4,494,456</u>           | <u>365,671</u>           | <u>4,860,127</u>   | <u>4,107,528</u>   |
| <b>Net (outgoing) / incoming resources</b> |       | (35,007)                   | 482,052                  | 447,045            | (4,409)            |
| Fund balances at 1 January 2006            |       | 55,261                     | -                        | 55,261             | 59,670             |
| <b>Fund balances at 31 December 2006</b>   |       | <u>20,254</u>              | <u>482,052</u>           | <u>502,306</u>     | <u>55,261</u>      |

There are no recognised gains or losses other than the net incoming resources for the year. All the above results are derived from continuing activities.

The accompanying notes form an integral part of this statement.

ON BEHALF OF THE DIRECTORS

Mr Frank Fell

Mr Michael Murphy

Date 16 May 2007

## Sight Savers International (Ireland)

### Balance sheet 31 December 2006

|   | Note | 2006<br>€        | 2005<br>€      |
|---|------|------------------|----------------|
| <b>Fixed assets</b>                                       |      |                  |                |
| Tangible assets   | 11   | 7,148            | 1,587          |
| <b>Current assets</b>                                     |      |                  |                |
| Debtors   | 12   | -                | 170,701        |
| Cash at bank and in hand                                  | 13   | 1,076,171        | 64,868         |
|   |      | <u>1,076,171</u> | <u>235,569</u> |
| <b>Creditors: amounts falling due<br/>within one year</b> | 14   | <u>581,013</u>   | <u>181,895</u> |
| <b>Net current assets</b>                                 |      | <u>495,158</u>   | <u>53,674</u>  |
| <b>Total assets less current liabilities</b>              |      | <u>502,306</u>   | <u>55,261</u>  |
| <b>Represented by:</b>                                    |      |                  |                |
| Unrestricted funds  | 15   | 20,254           | 55,261         |
| Restricted funds  | 15   | 482,052          | -              |
|   |      | <u>502,306</u>   | <u>55,261</u>  |

The accompanying notes form an integral part of this balance sheet.

ON BEHALF OF THE DIRECTORS

Mr Frank Fell

Mr Michael Murphy

Date 16 May 2007

## Sight Savers International (Ireland)

### Cash flow statement

For the Year Ended 31 December 2006

|   | Notes | 2006<br>€        | 2005<br>€       |
|---|-------|------------------|-----------------|
| Net cash inflow / (outflow) from operating activities | A     | 1,019,918        | (19,606)        |
| Capital expenditure and financial investment          |       |                  |                 |
| Payments to acquire fixed assets                      |       | <u>(8,615)</u>   | <u>(1,328)</u>  |
| Increase/(decrease) in cash in the period             | B     | <u>1,011,303</u> | <u>(20,934)</u> |

### Notes to the cash flow statement

|   | 2006<br>€        | 2005<br>€       |
|---|------------------|-----------------|
| <b>A Reconciliation of net incoming resources for the period to net cash inflow / (outflow) from operations</b> |                  |                 |
| Net incoming / (outgoing) resources   | 447,045          | (4,409)         |
| Depreciation  | 3,054            | 1,370           |
| Decrease / (Increase) in debtors  | 170,701          | (2,596)         |
| Increase / (Decrease) in creditors  | <u>399,118</u>   | <u>(13,971)</u> |
| Net cash inflow / (outflow) from operating activities   | <u>1,019,918</u> | <u>(19,606)</u> |

|  | 1<br>January<br>2006<br>€ | Cash flow<br>€   | 31<br>December<br>2006<br>€ |
|--|---------------------------|------------------|-----------------------------|
| <b>B Analysis of changes in net cash</b> |                           |                  |                             |
| Cash at bank and in hand                 | <u>64,868</u>             | <u>1,011,303</u> | <u>1,076,171</u>            |

The accompanying notes form an integral part of this statement.

# Sight Savers International (Ireland)

## Notes to the financial statements For the Year Ended 31 December 2006

### 1. Accounting policies

#### Basis of accounting

The financial statements have been prepared under the historical cost convention in accordance with applicable accounting standards. The financial statements are drawn up to reflect the format of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities", published in March 2005 by the Charities Commission (UK).

#### Connected organisations

Sight Savers International (Ireland) was registered in November 2003, with the purpose of expanding the fundraising operations and establishing a permanent presence in Ireland.

#### Fund accounting

General Funds are unrestricted funds that are available for use at the discretion of the members in furtherance of the general objectives of the company and that have not been designated for other purposes.

Designated Funds comprise unrestricted funds that have been set aside by the members for particular purposes. The use of each Designated Fund is set out in the notes to the financial statements.

Restricted Funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. Details of restricted funds are set out in note 15.

#### Incoming resources

Income is recognised in the period in which Sight Savers International is entitled to receipt and where the amount can be measured with reasonable certainty. Grants from Governments are recognised on a receivable basis. Unspent balances are carried forward within the relevant restricted fund.

#### Charitable expenditure

Sight Savers work in developing countries with partner organisations. Expenditure by partners on overseas projects is charged when remitted. Other direct charitable expenditure is charged on an accruals basis. Expenditure is incurred on the continued support of medical projects, including the provision of surgical instruments and medical supplies, the rehabilitation, training and resettlement of blind adults, the education of blind children and the payment of bursaries to overseas students studying outside their home countries. All direct charitable expenditure is channelled through Sightsavers International on a contract basis with Sight Savers International (Ireland).

All other expenditure is inclusive of irrecoverable VAT. Salaries are allocated according to the nature of the work performed by each member of staff. Other costs are allocated on a direct basis where possible or proportionate to departmental activity.

#### Depreciation

Depreciation is provided on all tangible fixed assets excluding freehold land in use at rates calculated to write off the cost or valuation of each asset over its expected useful life as follows:

|                    |        |
|--------------------|--------|
| Computer equipment | 33.33% |
|--------------------|--------|

# Sight Savers International (Ireland)

## Notes to the financial statements For the Year Ended 31 December 2006

### 1. Accounting policies (continued)

#### Foreign exchange

Income or expenditure arising from a transaction denominated in a foreign currency is translated at the exchange rate in operation on the date the transaction was incurred.

The balance sheet accounts are translated at the prevailing year end rates.

#### Pension

The company does not operate a pension scheme. The Company contributes to the personal pension plans taken out by eligible contracted employees. The contributions are charged to the Statement of Financial Activities when incurred.

#### Operating leases

Rentals payable under operating leases are charged to the Statement of Financial Activities as incurred over the term of the lease.

### 2. Taxation Status

The Company is exempt from taxation due to its charitable status in Ireland (Revenue Commissioners Registration no. CHY 15437) and in the United Kingdom (UK Charitable Commissioners Registration no. 207544).

### 3. Donations, legacies & similar incoming resources

|  | 2006<br>€        | 2005<br>€        |
|--|------------------|------------------|
| Individuals and Major Donors               | 4,295,085        | 3,803,771        |
| Trusts                                     | 34,474           | 26,500           |
| Companies                                  | 322,587          | 116,535          |
| Other organisations e.g. churches, schools | 44,675           | 42,667           |
| Legacies                                   | 48,542           | 17,250           |
|  | <u>4,745,363</u> | <u>4,006,723</u> |

### 4. Grants income

|           | 2006<br>€      | 2005<br>€     |
|-----------|----------------|---------------|
| Irish Aid | <u>561,809</u> | <u>96,396</u> |

## Sight Savers International (Ireland)

### Notes to the financial statements For the Year Ended 31 December 2006

#### 5. Direct charitable expenditure

|                                 | Eye Care<br>€    | Social<br>Inclusion*<br>€ | Information<br>and<br>awareness<br>raising<br>€ | 2006<br>€        | 2005<br>€        |
|---------------------------------|------------------|---------------------------|---|------------------|------------------|
| Bangladesh                      | 45,506           | 59,427                    | -   | 104,933          | 650,435          |
| Belize                          | 726              | -                         | -   | 726              | -                |
| Benin                           | 76,886           | -                         | -   | 76,886           | -                |
| Cameroon                        | 104,668          | -                         | -   | 104,668          | -                |
| Gambia                          | -                | 123,441                   | -   | 123,441          | 124,999          |
| Ghana                           | 97,814           | 57,792                    | 1,015   | 156,621          | 29,327           |
| Guinea                          | 43,300           | -                         | -   | 43,300           | -                |
| India                           | 51,842           | 4,830                     | -   | 56,672           | 101,880          |
| Kenya                           | 54,664           | 82,329                    | 3,999   | 140,992          | 394,961          |
| Liberia                         | 47,207           | -                         | -   | 47,207           | -                |
| Malawi                          | 82,109           | 121,441                   | 3,700   | 207,250          | 297,578          |
| Mali                            | 62,842           | -                         | -   | 62,842           | -                |
| Mozambique                      | 1,818            | -                         | -   | 1,818            | -                |
| Nigeria                         | 42,700           | 25,826                    | -   | 68,526           | -                |
| Pakistan                        | -                | -                         | -   | -                | 19,706           |
| Sierra Leone                    | 10,780           | 2,966                     | -   | 13,746           | 71,707           |
| South Africa                    | 66,145           | -                         | -   | 66,145           | -                |
| Tanzania                        | 214,477          | -                         | 62,504  | 276,981          | 371,492          |
| Togo                            | 62,569           | -                         | -   | 62,569           | -                |
| Uganda                          | 262,873          | 76,342                    | 19,668  | 358,883          | 472,450          |
| Zambia                          | 121,482          | -                         | 33,393  | 154,875          | 229,517          |
| Zimbabwe                        | 56,070           | 47,787                    | -   | 103,857          | -                |
| Regional Offices:               |                  |                           |   |                  |                  |
| East, Central & Southern Africa | 1,057            | -                         | -   | 1,057            | 93,816           |
| West Africa                     | 811,186          | 90,986                    | 375   | 902,547          | -                |
| Direct Charitable Expenditure   | <u>2,318,721</u> | <u>693,167</u>            | <u>124,654</u>                                  | <u>3,136,542</u> | <u>2,857,868</u> |

\* Social inclusion covers our work in the areas of education and rehabilitation.

Expenditure charged to the projects includes grants paid to partner organisations, representing an integral part of the company's programme work. The work of these local organisations is closely monitored.

Administration with regards funding of partner organisations is carried out through Sightsavers International on a contract basis with Sight Savers International (Ireland).

## Sight Savers International (Ireland)

### Notes to the financial statements For the Year Ended 31 December 2006

#### 6. Total resources expended

|  | Grants<br>Payable<br>€ | Other<br>Direct<br>Costs<br>€ | Allocation<br>of<br>Support<br>costs<br>€ | 2006<br>€        | 2005<br>€        |
|--|------------------------|-------------------------------|---|------------------|------------------|
| Costs of generating funds                  |                        |                               |   |                  |                  |
| Costs of generating voluntary income       |                        |                               |   |                  |                  |
| costs of raising current years income      | -                      | 1,069,409                     | 254,517                                   | 1,323,926        | 1,115,371        |
| investment to raise income in future years | -                      | 387,987                       | -   | 387,987          | 125,024          |
| Charitable activities                      |                        |                               |   |                  |                  |
| eye care                                   | 2,125,984              | 192,737                       | -   | 2,318,721        | 2,107,405        |
| social inclusion                           | 630,855                | 62,312                        | -   | 693,167          | 750,463          |
| information and awareness raising          | 89,921                 | 34,733                        | -   | 124,654          | -                |
| Governance costs                           | -                      | 11,672                        | -   | 11,672           | 9,265            |
|  | <u>2,846,760</u>       | <u>1,758,850</u>              | <u>254,517</u>                            | <u>4,860,127</u> | <u>4,107,528</u> |

#### 7. Net incoming resources

This is stated after charging:

|                        | 2006<br>€     | 2005<br>€    |
|------------------------|---------------|--------------|
| Depreciation           | 3,054         | 1,370        |
| Auditors' remuneration | <u>11,672</u> | <u>5,000</u> |

## Sight Savers International (Ireland)

### Notes to the financial statements For the Year Ended 31 December 2006

#### 8. Staff costs

The average monthly number of Sight Savers International (Ireland) employees during the year was:

|              | 2006<br>No. | 2005<br>No. |
|--------------|-------------|-------------|
| Fundraising: |             |             |
| Full time    | 3           | 2           |
| Part time    | 1           | 1           |

Total employee remuneration for the year was:

|  | 2006<br>€      | 2005<br>€      |
|--|----------------|----------------|
| Wages and salaries                                       | 190,726        | 96,017         |
| Social welfare costs                                     | 19,594         | 10,518         |
| Pension costs  | 3,352          | 6,074          |
| Total Sight Savers International (Ireland)               | 213,672        | 112,609        |
| Allocation of staff costs from Sightsavers International | 168,405*       | 91,852         |
|  | <u>382,077</u> | <u>204,461</u> |

\* 3.69% of this figure relates to non-salary costs

The number of employees whose emoluments were greater than €50,000 was as follows:

|                      | 2006<br>€ | 2005<br>€ |
|----------------------|-----------|-----------|
| € 50,001 to € 75,000 | 2         | 1         |

Support costs and management and administration of the charity costs are an apportionment from Sight Savers International (Ireland), based on a proportion of time spent on Irish related activities.

#### 9. Members/Directors' expenses

During the year there were no expenses to either members or directors

No emoluments are paid to the directors. Directors can be reimbursed for their travel and subsistence expenses in attending board, executive committee and team review meetings. Additionally, directors may occasionally visit Sight Savers International (Ireland) partners and programmes overseas with costs of such trips being met by the company.

## Sight Savers International (Ireland)

### Notes to the financial statements For the Year Ended 31 December 2006

#### 10. Pension costs

The company does not operate any pension scheme but contributes into the personal pension plans taken out by our contracted employees, at a rate double the employee contributions up to a maximum of 10% of pensionable pay. The pension cost charge for 2006 was €3,352 (2005: €6,074).

#### 11. Tangible fixed assets

|                       | <b>Computer<br/>equipment<br/>€</b> |
|-----------------------|-------------------------------------|
| <b>Cost</b>           |                                     |
| At 1 January 2006     | 3,759                               |
| Additions             | 8,615                               |
|                       | <hr/>                               |
| At 31 December 2006   | 12,374                              |
|                       | <hr/>                               |
| <b>Depreciation</b>   |                                     |
| At 1 January 2006     | 2,172                               |
| Charge for the year   | 3,054                               |
|                       | <hr/>                               |
| At 31 December 2006   | 5,226                               |
|                       | <hr/>                               |
| <b>Net book value</b> |                                     |
| At 31 December 2006   | 7,148                               |
|                       | <hr/>                               |
| At 31 December 2005   | 1,587                               |
|                       | <hr/>                               |

## Sight Savers International (Ireland)

### Notes to the financial statements For the Year Ended 31 December 2006

#### 12. Debtors

(Amounts falling due within one year)

|                                   | 2006<br>€ | 2005<br>€      |
|-----------------------------------|-----------|----------------|
| Head office inter company account | -         | 170,701        |
|                                   | <u>-</u>  | <u>170,701</u> |

#### 13. Cash at bank

|                    | 2006<br>€        | 2005<br>€     |
|--------------------|------------------|---------------|
| Restricted funds   | 482,052          | -             |
| Unrestricted funds | 594,119          | 64,868        |
|                    | <u>1,076,171</u> | <u>64,868</u> |

#### 14. Creditors

(Amounts falling due within one year)

|                                   | 2006<br>€      | 2005<br>€      |
|-----------------------------------|----------------|----------------|
| Other creditors                   | 223,624        | 165,847        |
| PAYE/PRSI                         | 4,622          | 6,325          |
| Accruals                          | 8,611          | 9,723          |
| Head office inter company account | 344,156        | -              |
|                                   | <u>581,013</u> | <u>181,895</u> |

## Sight Savers International (Ireland)

### Notes to the financial statements For the Year Ended 31 December 2006

#### 15. Statement of funds

|   | Balance at<br>1 January<br>2006<br>€ | Income<br>€      | Expenditure<br>€   | Transfers<br>€ | Balance at<br>31 December<br>2006<br>€ |
|---|--------------------------------------|------------------|--------------------|----------------|--|
| <b>General Reserve:</b>                   | 53,674                               | 4,459,449        | (4,494,456)        | (5,561)        | 13,106                                 |
| <b>Designated funds:</b>                  |                                      |                  |                    |                |  |
| Fixed assets fund                         | 1,587                                | -                | -                  | 5,561          | 7,148                                  |
| <b>Total Unrestricted Funds</b>           | <u>55,261</u>                        | <u>4,459,449</u> | <u>(4,494,456)</u> | <u>-</u>       | <u>20,254</u>                          |
| <b>Restricted funds:</b>                  |                                      |                  |                    |                |  |
| Institutional Funding                     | -                                    | 561,809          | (81,192)           | -              | 480,617                                |
| <b>East, Central and Southern Africa:</b> |                                      |                  |                    |                |  |
| Kenya                                     | -                                    | 152              | (152)              | -              | -                                      |
| Malawi                                    | -                                    | 3,695            | (3,695)            | -              | -                                      |
| Uganda                                    | -                                    | 502              | (502)              | -              | -                                      |
| <b>West Africa:</b>                       |                                      |                  |                    |                |  |
| Cameroon                                  | -                                    | 67,234           | (67,234)           | -              | -                                      |
| Ghana                                     | -                                    | 44,372           | (44,372)           | -              | -                                      |
| Sierra Leone                              | -                                    | 10,780           | (10,780)           | -              | -                                      |
| <b>South Asia and Caribbean:</b>          |                                      |                  |                    |                |  |
| Bangladesh                                | -                                    | 45,506           | (45,506)           | -              | -                                      |
| Belize                                    | -                                    | 726              | (726)              | -              | -                                      |
| <b>India:</b>                             | -                                    | 111,512          | (111,512)          | -              | -                                      |
| SCB Seeing is Believing                   | -                                    | 1,435            | -                  | -              | 1,435                                  |
| <b>Total restricted funds</b>             | <u>-</u>                             | <u>847,723</u>   | <u>(365,671)</u>   | <u>-</u>       | <u>482,052</u>                         |
| <b>Total Funds</b>                        | <u>55,261</u>                        | <u>5,307,172</u> | <u>4,860,127</u>   | <u>-</u>       | <u>502,306</u>                         |

**Designated funds** - the balance on the fixed asset fund represents the net book value of tangible assets at the balance sheet date.

**Restricted funds** - Included within the Institutional Funding Income figure of €561,809 is the following grant:

|            |                     |
|------------|---------------------|
| Irish Aid: | €<br><u>561,809</u> |
|------------|---------------------|

## Sight Savers International (Ireland)

### Notes to the financial statements For the Year Ended 31 December 2006

#### 16. Analysis of net assets between funds

|                    | Tangible fixed<br>assets<br>€ | Net current<br>assets<br>€ | Net assets<br>€ |
|--------------------|-------------------------------|----------------------------|-----------------|
| Unrestricted funds |                               |                            |                 |
| General            | -                             | 13,106                     | 13,106          |
| Designated         | 7,148                         | -                          | 7,148           |
| Restricted funds   | -                             | 482,052                    | 482,052         |
|                    | <u>7,148</u>                  | <u>495,158</u>             | <u>502,306</u>  |

#### 17. Leasing commitments

|                           | 2006<br>€ | 2005<br>€    |
|---------------------------|-----------|--------------|
| <b>Land and buildings</b> |           |              |
| Expiring within 1 year    | -         | 6,385        |
| Expiring within 2-5 years | -         | -            |
|                           | <u>-</u>  | <u>6,385</u> |

#### 18. Control and Related Party Transactions

In accordance with the Memorandum and Articles, the membership consists of one voting member which is Sightsavers International. The company is treated as a subsidiary of Sightsavers International.

The company is exempt from the requirements of FRS8 "Related Party Transactions" to disclose details of transactions with fellow group undertakings as its parent company, Sightsavers International prepares consolidated financial statements which are publicly available from the UK Charity Commission.