



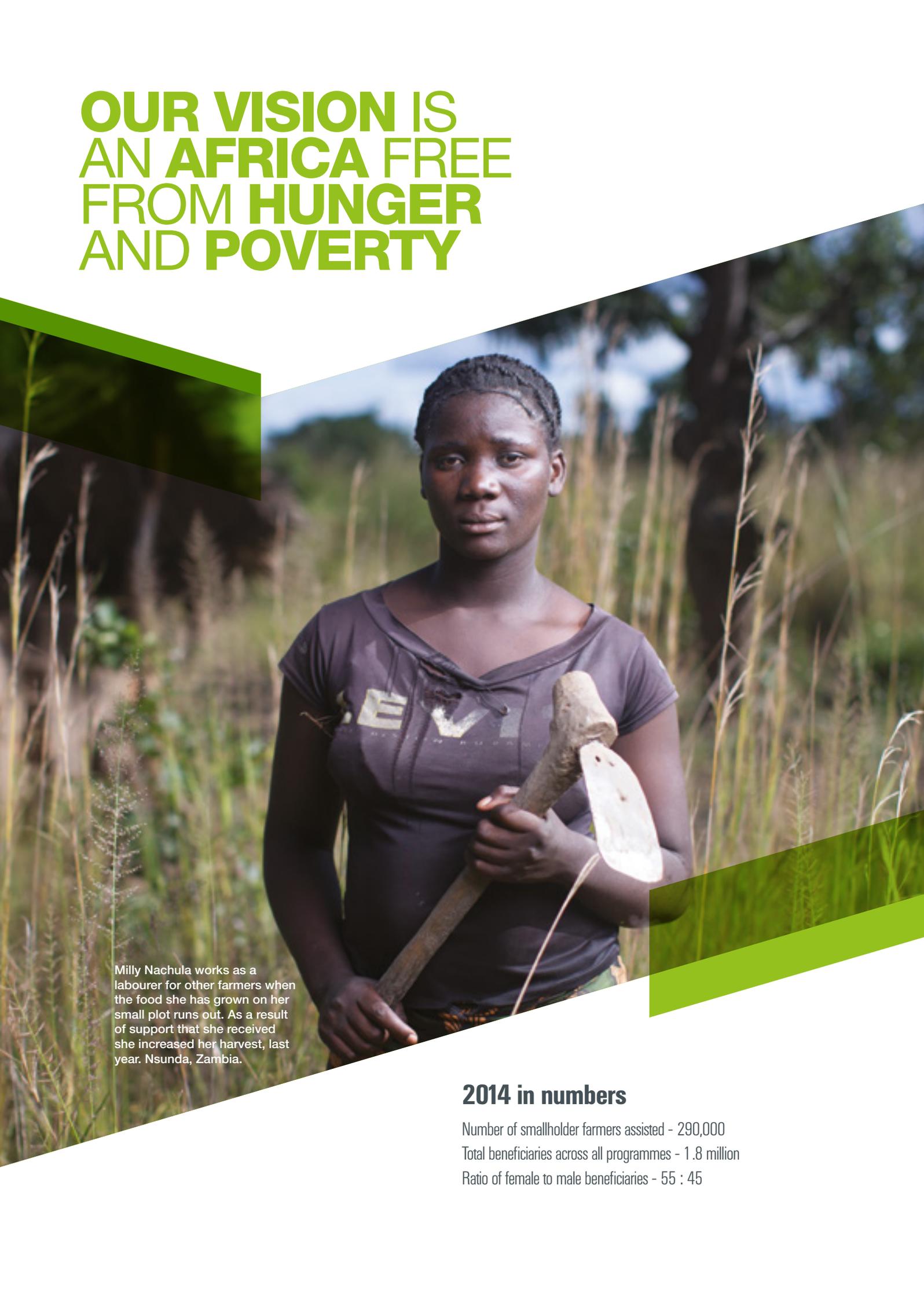
**Self Help  
Africa**



## **2014** Annual Report

[www.selfhelpafrica.org](http://www.selfhelpafrica.org)

# OUR VISION IS AN AFRICA FREE FROM HUNGER AND POVERTY



Milly Nachula works as a labourer for other farmers when the food she has grown on her small plot runs out. As a result of support that she received she increased her harvest, last year. Nsunda, Zambia.

## 2014 in numbers

Number of smallholder farmers assisted - 290,000

Total beneficiaries across all programmes - 1.8 million

Ratio of female to male beneficiaries - 55 : 45

# HELPING FARMERS BETTER FEED THEIR FAMILIES

Grenda Nampondwe with her two children, Sanka Nayame (right) and Tama Siyame (left). Nsunda, Zambia.



**ETHIOPIA**  
PO Box 1204  
Addis Ababa  
Tel. +251 116 620 659

**KENYA**  
PO Box 25503-00100  
Nairobi  
Tel. +254 703 946477

**MALAWI**  
PO Box B-495  
Lilongwe  
Tel. +265 175 0568

**WEST AFRICA**  
12 PO Box 418  
Ougadougou 12  
Burkina Faso  
Tel. +226 503 68960

**ZAMBIA**  
87 Provident Street  
Fairview, Lusaka  
Tel. +260 211 236 604

**UGANDA**  
PO Box 34429  
Plot 44 Ministers' Village  
Ntinda, Kampala  
Tel. +256 414 286 305

**USA**  
Self Help Africa Inc.  
41 Union Square West, Suite 1027  
New York, NY 10003, USA  
Tel. +1 212 206 0847



# FARMING FOR AFRICA'S FUTURE



**Self Help  
Africa**

Self Help Africa - Shrewsbury,  
Westgate House, Dickens Court  
Hills Lane, Shrewsbury, SY1 1QU  
Tel. +44 (0)1743 277170

Self Help Africa - London,  
14 Dufferin Street,  
London, EC1Y 8PD  
Tel. +44 (0) 20 7251 6466

**gorta**

Self Help Africa

**Cover:** Emma Keyala, Nsunda, Zambia. **Back:**  
Kombate Bigale is involved in rice production in  
Tonte village near Dapaong, Togo.



Emma Keyala, Nsunda, Zambia.

## WORKING THEIR WAY OUT OF POVERTY



**T**he woman pictured above is Emma Kayala. She's 59, a widow who lives on her own in Nsunda village in a remote part of Northern Zambia.

Emma is just one of hundreds of thousands of people with whom we worked last year, so why single her out in this report?

For me, Emma epitomises not only the depth of poverty typical of so many smallholder farmers in Africa. She also embodies the hard-working small-scale farmer who is determined to improve her circumstances.

With support from you, we have provided Emma with seed so that she can grow beans, tomatoes and groundnuts, alongside the maize (corn) that has been grown on her farm for generations.

She also receives small loans from a village savings group we support, and is able to buy flour and oil to make fritters to sell locally. She borrows 50 Zambian Kwacha (£4.25) a time and earns around 80 ZMW (£6.80) from each loan.

Emma says that the roof of her thatched house is in danger of collapsing in the rain, and wants to replace it with tin sheeting.

**Much of the work of  
Self Help Africa is about  
common sense.**

Emma's farm work and her enterprise is helping her to achieve her modest goals. With your help, we can do much more.

The historic merger of Gorta and Self Help Africa in 2014 enabled us to work with approximately 1.8 million people, across 10 countries, over the last 12 months.

It is often simple, practical work: providing training so that farmers can produce more, supporting the development of small farm businesses, and helping farmers to secure markets and fair prices for their surplus.

Supporting people like Emma so that she can put a secure roof on her home and work her way out of poverty.

In a region where up to 80% of people are small-scale farmers - and where the rural poor have hardly any access to credit - simple interventions like these are making a real difference to millions of people who still live below the poverty line in sub-Saharan Africa.

*Raymond Jordan*

Raymond Jordan  
Chief Executive Officer



# WHERE WE WORK

## THE BOTTOM LINE

- Half of the farmers in sub-Saharan Africa are women.
- 69% of all sub-Saharan Africans work in agriculture. In the European Union, the figure is 5.1%.
- The poorest 20% of people benefit most from economic growth in agriculture. GDP growth in agriculture is twice as effective in reducing poverty as in other industries.



All statistics courtesy of The World Bank.

## » WEST AFRICA

Benin, Burkina Faso, Ghana & Togo

WEST AFRICA: Self Help Africa's West Africa regional programme operates across four countries - Burkina Faso, Ghana, Togo and Benin. Projects are implemented through local partners, with the focus on adding value to farm production and creating links between small-scale agricultural producers and private sector companies.

Because of the hot, dry climate and unpredictable weather patterns of the region, there is a particular emphasis on promoting farming approaches that are 'climate smart', and enable farming communities to diversify their production.



## » KENYA



KENYA: Supporting smallholder farmers to move from subsistence to prosperity is at the core of our programme work in Kenya.

Our largest scheme in Kenya is supporting 20,000 people to increase farm production and establish enterprises in the Keringet region of the drought-prone Rift Valley Province. The project focusses primarily on dairy and potato production.

Other projects include poultry rearing, rainwater harvesting, livestock rearing and banana and cashew production which focus on improved food and nutrition.

## » ETHIOPIA



ETHIOPIA: Increasing farm production, supporting new enterprise and developing market opportunities for farmers is at the core of Self Help Africa's work in Ethiopia.

Current projects in the country also focus on strengthening community-based seed production, improving the resilience of local agricultural communities to changing climate, and on improving productivity and livestock value chains.

In 2014, close to a dozen development projects were being carried out, mainly in Oromia and SNNP provinces. This work was undertaken in collaboration with a range of local and international partners.

## » TANZANIA



TANZANIA: A broad range of agricultural development programmes have been implemented in Tanzania over the past 50 years.

The current focus of the Tanzania programme work is on the introduction of drought-tolerant crop varieties, effective natural resources management, improvement of irrigation facilities and the protection of catchment area resources. Projects are all implemented through local partners. The geographic focus is in the far north and in the eastern coastal regions of the country.

## » UGANDA



UGANDA: Self Help Africa is the lead agricultural adviser in a USAID-funded development project in Uganda. The nutrition-focussed scheme is underway in 15 districts across the country and is one of Self Help Africa's largest projects.

Elsewhere, work is underway to develop community-based seed enterprises, to develop agri-based enterprises and to tackle the impact of climate change on rural farming households.

The Uganda programme has moved from direct implementation to working through local partners in all projects.

## » ZAMBIA



ZAMBIA: Self Help Africa's largest project is a five-year Irish Aid funded local development project that commenced in Northern Province in early 2013.

Programme focus is on two key areas: sustainable agriculture and nutrition.

Current projects cover: food and nutrition security; research into and production of improved varieties of seeds; rural enterprise development; savings and credit; income generation; watershed management; sustainable agriculture and environmental rehabilitation.

The country programme works primarily through farmer commodity producer groups, seed producer groups, research stations, local NGOs, civil society organisations and local government to reach smallholder farmers.

## » MALAWI



MALAWI: Self Help Africa is working on a combination of directly implemented and partner-led projects in Malawi. The programme goal, to support smallholder farming communities to achieve sustainable livelihoods, is in line with the government's current Growth and Development Strategy II.

The largest single project is DISCOVER, a five-year collaborative venture with a number of international partners that is seeking to support households to adapt to climate change. DISCOVER is at its mid-point, with our work taking place in the far north, in Karonga district.

Separately, a farm enterprise project reaches its final year in Chitipa and Lilongwe in 2015, while in the central and south-central region a major Big Lottery Fund backed sustainable livelihoods project was started in the Balaka district.



Showthem Sikombe and his wife Elizabeth Namfukwe in their groundnut field, Nsunda village, Zambia.

Smart farming practices are essential to ensure that soils – the foundation for all crops – are managed for the future.

# DOWN TO EARTH



In sub-Saharan Africa, home to hundreds of millions of the world's poorest people, the solution to hunger and poverty is at their feet – literally.

Small-scale farming families who are amongst the most vulnerable have the answers to the challenges they face in their fields.

Self Help Africa works each year to enable hundreds of thousands of rural poor households to grow more on their land. But the solution to hunger and poverty is not a question of increasing productivity alone. That's unsustainable.



In a region of the world where climate can be harsh, water can be scarce, families survive on small plot sizes, and soil nutrition is often poor, smart farming practices are needed to ensure that the soil required to grow crops is tended with care.

In an age of high technology, it's easy to forget that we owe our very existence to a 15cm layer of topsoil, and the rains that nourish it.

As the ancient 3,500 years old Sanskrit scripture observed: "Upon this handful of soil our survival depends. Husband it and it will grow our food... Abuse it

and the soil will collapse and die, taking humanity with it."

As we mark 'International Year of Soils' in 2015, Self Help Africa is assisting farmers across sub-Saharan Africa to produce food in a manner that will allow them to do so on the same small plots, years from now.

There's no 'one size fits all' here – as climate, soil type and a host of other factors must be taken into account – but there are various practices being carried out by hard-working farming communities, which are making a difference.

preventing soil from being washed from the fields in the rainy season.

- The careful use of mineral fertilisers alongside organic matter is being supported, to assist production while nourishing the soil. The practice of planting food crops in 'zai pits' (fertility pits) in West Africa and training in the use of home-made liquid manure in Malawi and Zambia are further examples of this.

## Careful management of the soil is critical to the sustainable production of food in sub-Saharan Africa today, and in the years to come.

- The promotion and encouragement of 'agro-forestry,' which integrates trees and shrubs alongside crops and/or livestock is assisting both soil and water conservation. Farm families are raising fruit trees alongside other crops in their home gardens, while homestead woodlots are being planted to provide fuel and often fodder for animals. Further, intercropping with 'leguminous' crops such as groundnuts and soya enriches the soil through nitrogen fixation.

Careful management of the soil is critical to the sustainable production of food in sub-Saharan Africa today and in the years to come.

Just as recent studies have shown that productivity on backyard allotments fed by organic matter in the West can produce between four and eleven times more food per acre than many large scale European and American farms, so too the use of compost, manure and other practical methods can, and are, having a positive impact on crop yields, while conserving the soil, in Africa.

- 'Conservation agriculture' activities – which encourage farmers to reduce tillage, plant with minimal soil disturbance, recycle crop residue and rotate crops - are protecting soil quality, improving moisture content and increasing yields.
- Rainwater runoff gathering, together with earthen trenches and stone walls (bunds) are

# MOBILES ANSWER AGRICULTURE QUESTIONS



**A** mobile phone information service established by Self Help Africa in 2014 to provide timely information to rural poor farmers, has been used more than a quarter of a million times since its launch.

Established in Malawi late last year, the '321' voice-activated service provides subscribers to the country's largest mobile phone network with farm information and advice that they can access at the push of a button. And it's all free.

The service is a collaboration between Self Help Africa, Airtel Malawi and HNI, a US-based organisation seeking to promote the use of technologies to support development work. The service allows users to access voice recorded information on a range of agricultural practices via their telephones.

Content for the service has been created by a consortium that includes Self Help Africa, representatives of the Ministry of Agriculture, research scientists and other specialists in agriculture. In its pilot phase 321 answered a range of questions relating

Farmer enquiries are currently being received at a rate of 30,000 per month.

to the production of groundnuts and maize.

"As the service becomes more established it is proposed to extend the range and scope of information available, while the potential also exists to provide information to farmers on the prices they can receive for their crops", says Self Help Africa's Malawi director Amos Zaindi.

A call-centre is currently being established to provide lead farmers with up-to-date advice in real-time from farm experts.

The new service has received almost a quarter of a million calls in the past five months, with enquiries currently being received at a rate of approximately 30,000 per month.

In a country where only 5% of rural households have electricity, but upwards of 65% have access to mobiles, the ability of farmers to access

information via telephone is invaluable.

Self Help Africa and HNI are currently in discussions with a view to rolling out this innovative phone advice service in Zambia, Burkina Faso and Uganda.





Emmanuel Ngororano gets information via mobile phone from extension worker Peace Ndongyereye. Kanungu, Uganda.



# COMMUNITY KEY TO SEED SUCCESS

Local multipliers are improving farmer access to quality seed across Africa.

**P**roviding rural farming communities with access to good quality seed and planting materials is vital to efforts to increase yields and reduce hunger in sub-Saharan Africa.

Across the region Self Help Africa is mobilising local communities to play their part in these efforts.

Farming families are central to an innovative series of community-based seed multiplication projects that are improving the access that local farmers have to good quality seed.

In sub-Saharan Africa, farm extension and support services are weak, and the more remote the location, the poorer that support. As a consequence the cycle of poverty already concentrated in rural areas is perpetuated and the people most in need of support lose out.

Many farm households are forced to plant poor quality seed that they have saved themselves from the previous year. This often leads to diminishing yields. In times of need households are often forced to eat the seed they have stored themselves because other food is scarce. When the time to plant arrives they often then buy poor seed from others.

In Africa, as little as 10% of all seed available to farmers comes from state-run agricultural services, with the large majority of farmers saving their own seed from year to year.

By providing training and technical support in seed multiplication to rural village communities, linking these groups to testing laboratories for quality certification and to farm businesses for distribution and sale, Self Help Africa is enabling farm families to access planting seed when they need it.

The venture is also establishing successful locally-based seed producer enterprises, whose members are earning more from the sale of seed than they would from their cereal crops.

Currently, there are projects underway in Ethiopia, Uganda, Malawi, Zambia,



Kenya, Burkina Faso and Togo that are supporting village-based farmer groups to multiply seed and sell it commercially.

Indeed, so successful was a recent pilot project on cereal seed multiplication in Ethiopia that the enterprise received national recognition, and a government undertaking to replicate the model in other areas themselves.

A new project is underway in Ethiopia that supports farmers to produce

their own basic and pre-basic wheat seed. A venture in the Amhara region is supporting farmer-produced maize seed and a project in the south of the country is enabling farmers' groups to produce and distribute wheat, barley, haricot bean and teff (cereal) seed.

In Kenya's Rift Valley and Nyanza provinces, pigeon peas and green grams are being produced by farmer led groups; in Uganda, maize, cassava and groundnut seed is

being produced, while in Zambia a collaboration is underway between Self Help Africa supported farmers and the agricultural and seed institutes, which is developing systems to allow seed grower associations to produce beans, groundnuts and cowpeas.

In arid regions of Togo in West Africa the focus is on supporting seed grower associations to produce drought-tolerant varieties of soya beans, maize, rice, sorghum and millet.



Mibirima bean producers in Malawi. From left: Victor Nyundo, Stanford Nyundo and Margaret Nkisi with their seed.



Patrick is confident that he will be able to sell his crossbreeds for almost twice the price at market.

Although his kids are not yet at a stage where they can be sold, Patrick is already benefiting in other ways. He has rented his new goat as a breeding animal to other farmers in the region, and is earning a small fee each time from the rental. In time he will also return a kid to the project so that it can be provided to another farmer to start goat breeding.

The increased income this provides means that he has more disposable income.

*“We are already eating better and I will be able to afford a solar panel next year.”*

“With light, my children will be able to study at night. I can work, and my wife can weave baskets for money.

“It means the day will no longer end the moment it gets dark,” he says.

## GOAT SCHEME MAKES LIGHT OF CHALLENGE

Patrick Kakuru is looking forward to a time when the day no longer ends with the setting of the sun.

Like 95% of rural Ugandans, he lives ‘off the grid’ with no access to mains electricity. However, thanks to support he is receiving on a Self Help Africa project, the future is looking a little brighter.

Goat farmer Patrick (53) has lived without electricity since he first returned to his village, and the home he inherited from his parents 30 years ago.

Each evening he puts a match to the smoky kerosene lamps that light his home. He has long dreamed of

installing a solar panel to provide his family with enough light to study and work, but the problem is the cost.

At 200,000 shillings (£37), a solar panel is beyond the reach of a typical subsistence farmer like Patrick, who admits it is a constant struggle just to keep his children fed and in school.

Fortunately, a Self Help Africa goat breeders project has provided him with training and support.

As a group member he received an improved breed male goat, which has enabled him to crossbreed his local goats to produce offspring that both give more meat and produce more milk.



Above: Patrick Kakuru with some pumpkins he is growing on his farm in Uganda.

Top: Patrick and his wife Evas and the oil lamp that currently lights their home.



Left: Alice Banda on her farm in Kagunga village in Eastern Zambia.

Below: Alice Banda and her daughter Esther next to the grain silo beside her home.



## YOUNG MUM **DOUBLES** INCOME FROM NUT SEED

**M**other-of-four Alice Banda (32) grows cotton and maize on the small family farm where she lives in Eastern Zambia.

In recent times Alice has also become a groundnut seed producer, and she has seen her income virtually double as a result of the enterprise.

She is amongst 6,000 small-scale growers now supplying seed under contract for a seed growers cooperative, who trade groundnut seed with farmers across Zambia and into a number of other Southern African countries.

"The price that I get is nearly twice as much as I am paid selling cotton and maize," says Alice.

"The money I make allows me to keep my teenage daughter in school. She is in grade 11, and is working very hard."

Alice and her husband farm just over seven acres in Kagunga village. They planted groundnuts for seed production on three acres, grow maize for household consumption on three acres, and use the remaining acre of land for cotton.

*"We used to earn all of our income from cotton, but the market is unpredictable, and sometimes we wouldn't make enough to support a family. That has changed."*

"There were times when we wouldn't even have enough money to buy food for the children. We would have to work for other farmers to supplement our income and keep the family," she says.

Two of her older children are attending school, and the two younger ones will start in the coming years.

"I want them all to get a proper education, and to do well in the world," she says.

Alice says that she is proud to know that the seed she is producing on her land is helping other farm households across the region and even outside Zambia to grow food and earn a living.

"I am now cultivating all of my land and growing different crops. We are living better than we did in the past," she added.



Schmegie Kulbla in her field of wheat seed, Ethiopia.

## ETHIOPIAN WIDOW'S SEED SUCCESS

**E**thiopian widow Schmegie Kulbla never believed she would be providing a solution to food shortages in her area.

But since becoming a community-based producer and supplier of seed, Schmegie finds herself in a position where her work is not only boosting her own yields, but is also helping the farm production of dozens of households in her locality.

Upwards of 90% of Ethiopia's farmers produce their own seed from year to year, with the result that standards are poor, and crop yields per acre are just a fraction of what they might be.

A small-scale farmer who has just over four acres in Getma village in Ethiopia's Southern Nations, Nationalities and Peoples' (SNNP) Region, Schmegie is amongst 1,350 community-based seed producers attached to Edget Seed Growers Cooperative growing certified wheat seed to meet local demand.

She has been earning a good income from the venture since she started producing seed on her land nearly three years ago, and expects to earn £645

from the sale of seed alone this year. The 30 quintals that she will produce on the half-acre site used for wheat seed production will provide planting material for 30 farmers in her locality.

A mother of ten, Schmegie estimates that her income has doubled since she started growing seed alongside her traditional crops, teff (local cereal) and maize. She has been reinvesting her additional income too, and has used the money earned to build a new house and buy a cow. It has since produced two calves.



*"Life was hard for me in the past. My husband died ten years ago and left me alone. The family was young. It was a struggle.*

"Now it is easier. We have a better home, a better way of living. I can buy meat and vegetables, and when our cows are reared we will also have milk," she says.

Wheat seed, Ethiopia.

Members of Mukirwa-Kantora  
Tukwafanise Group, sorting potatoes,  
Uganda.



Anyone who has ever followed the price of food from a farm to the table knows that farmers receive a fraction of the 'retail' cost of the food they produce.

Now, a new initiative from Self Help Africa is aiming to turn the tables on 'market forces', helping to pull down more of the value of crops to the smallholder farmers who grew them.

Typically, smallholder farmers in Africa struggle to survive. Soils are poor, rain is erratic, good seeds are hard to find, and markets are unpredictable.



## FAIR TRADING FOR AFRICA'S POOR FARMER

Because farmers often don't have the means to store, refrigerate or transport their crop, they are often forced to accept whatever price they are offered by 'middle men' traders.

Self Help Africa's new initiative – TruTrade – has established a transparent and secure trading and payment service that enables brokers to link with small-scale producers in a manner that ensures transparency, enhances market efficiency and controls risk, while adding value for

farmers. In short, it enables farmers to earn more for their produce than they did previously.

A network of brokers and agents operate collection points for commodities for which a market has been identified and price agreed. A service commission is paid. This is linked to what the farmer has received.

In pilot testing in 2014, Self Help Africa was able to pay Malawian peanut farmers up to 40% more for their crop using the TruTrade system than they would otherwise have earned through traditional trading mechanisms. It put money directly into the hands of the farmers who produced the crops.



# SUPPORTING SELF HELP AFRICA

## TV STAR SUPPORTS WORK WITH WOMEN

An award-winning star of one of America's most successful TV shows provided a ringing endorsement for Self Help Africa at the organisation's gala ball in New York, late last year.

Uzo Abuda, of the hit series 'Orange is the New Black', was guest of honour at the fifth annual 'Change-Maker's Ball', which attracted 600 guests to Manhattan in November.

The Emmy-Award winning star, whose mother emigrated to the US from Nigeria, praised Self Help Africa and said its work "was transforming Africa by supporting the economic empowerment of women."

"By investing, particularly in African women, this organisation is investing



Actors Uzo Abuda (right) and Danielle Lloyd from hit TV series 'Orange is the New Black' at the 2014 New York Ball.

in the families, education, health and communities of generations today and generations unborn across Africa," she told the attendance.

Meanwhile, close to 250 West of Ireland supporters attended Self Help Africa's second annual Christmas Ball in Galway.

Guest of honour, Ireland's Minister for Trade and Development, Sean Sherlock TD, commended the organisation on its work, and said that its focus on improving farming systems and agricultural production was making a real difference to the lives of tens of thousands of households across the continent.



President Higgins meets Malawi Director Amos Zaindi.

## WORKING TOGETHER FOR GREATER IMPACT IN AFRICA

The historic merger of Self Help Africa and Gorta in summer 2014 has paved the way for us to achieve much more in Africa in the years ahead.

The amalgamation, to create 'Gorta-Self Help Africa' in Ireland, will enable the newly merged organisation to support up to three million people across ten countries in sub-Saharan Africa this year.

The organisation estimates that by working together up to €600,000

will be achieved in annual savings on administration costs and overheads.

The move was praised by President of Ireland Michael D Higgins when he visited the organisation's work in Malawi during a state visit to Africa, last autumn.

"Self Help Africa and Gorta have contributed a great deal in the fight against poverty on behalf of the people of Ireland over many years, and by working together they can do much more in the future," he said.

## STEPPING OUT TO END POVERTY

**T**he annual Great Ethiopia Run in Addis Ababa has been a popular event on the calendar for Self Help Africa supporters, for the past five years.

And in 2014 a team of over 20 supporters journeyed to The Horn of Africa to take part in the annual event -

with their efforts raising almost £22,000 in sponsorship for our work.

Recruitment for participants in the 2015 edition of the Great Ethiopian Run is currently underway, and those who might be interested in competing in this year's flagship event can contact our Irish or UK offices for more information.

The 10k run in Addis Ababa is just one of a broad range of challenges we are running this year too - as Self Help Africa is currently also recruiting

volunteers to take part in a four-day trip to Turkey to participate in the Vodafone Marathon across the Bosphorus in Istanbul, together with associated short races.

Get in touch if you would like to receive further details about any of these upcoming events. Tel. 01743 277170 for more info.



Diners enjoying their surprise supper at Eat Up, Shrewsbury.

## SHREWSBURY'S SECRET SUPPER

**C**lose to 200 friends of Self Help Africa enjoyed a night of epicurean intrigue on a mystery tour of Shrewsbury's finest eateries.

Staged in the market town for its second successive year, Shrewsbury's Secret Supper plated up a mouth-watering array of fine foods - and raised thousands of pounds to support our food production work in Africa.

Run as part of the increasingly popular Shrewsbury Food Festival (now in its third year), the event has gone from strength to strength and following this year's success will undoubtedly be back next year with more foodie festivities.

The night wouldn't have been such a success without the fun-loving spirit of the guests, and the time and dedication of the volunteers and venues. A big thanks to everyone involved - see you for next year's serving of mystery!

## ROTARY BACKING FOR KENYA

**T**he Rotary Club of Ireland is embarking on a major three-year campaign to raise close to £220,000 to support Self Help Africa's work in Kenya.

Rotarians involved with the country's 73 clubs are being asked to support the endeavour and are hoping to raise a total of £110,000 from their own membership to support the campaign. Match funding will be provided by the organisation's international headquarters in the United States.



Funds raised by Rotary will be invested in a range of water development projects in Keringet in Kenya's Rift Valley - and specifically focus upon the establishment of 'rainwater harvesting' systems for homes and schools in the region.

Collection of rainwater provides safe drinking water for families and communities, and also gives farming families water that they need to irrigate their crops.



# REPORTS AND CONSOLIDATED FINANCIAL STATEMENTS

## CONTENTS

Chairman's Address	20
Directors and Other Information	22
Report of the Directors	24
Statement of Directors' Responsibilities	32
Independent Auditors' Report	33
Statement of Accounting Policies	35
Consolidated Statement of Financial Activities	38
Consolidated Balance Sheet	39
Company Balance Sheet	40
Consolidated Cash Flow Statement	41
Notes to the Financial Statements	42

Pascalina Mulenga and her baby daughter, Ephamia, with sister-in-law Purity, Malela, Zambia.

# MERGER A BOLD AND POSITIVE STEP FOR THE FUTURE

**T**wenty-fourteen was a landmark year in the history of both Gorta and Self Help Africa.

By merging our two organisations into a single entity – Gorta-Self Help Africa - we brought impact, scale and importantly stability to the operations at a time of great change within the charity sector.

The creation of a single organisation enabled us all to refocus our efforts and re-examine our strategies and approaches. It also positioned Gorta-Self Help Africa as one of the leading international development organisations working through agriculture in sub-Saharan Africa.

The merger of Gorta and Self Help Africa also allowed us to make significant cost savings on administration, while increasing the impact that we have in our work with rural poor communities in Africa.

This year our development programmes in sub-Saharan Africa will assist upwards of 500,000 rural households – approximately 3,000,000 people - in the fight to end hunger and poverty in their lives.

It was heartening for all associated with

Gorta-Self Help Africa that the merger of the two organisations was so well received. Supporters, donors, members and the wider public embraced the amalgamation of the two charities as a bold and positive step forward for our company.

Separately, the merger was welcomed by the Minister for Overseas Development, Sean Sherlock, and at a function hosted by President Michael D Higgins on an occasion that formally marked the 50th anniversary of Gorta and 30th anniversary of Self Help Africa's foundation.

While the merger was the major 'stand out' event to take place during the year, we made every effort to ensure that the development did not distract us from our core operations – the many development projects being carried out to end poverty in rural Africa.

During 2014 we undertook close to 70 separate projects – and provided support to hundreds of thousands of rural farming families across ten countries to work their way out of poverty.

The variety of project activities was diverse, and ranged from providing agricultural training and advice

Fidelia Chungu and Blandina Nkandu, Zambia, preparing cassava.



to supporting measures to help communities adapt to changing climate.

We collaborated with agricultural cooperatives to assist small-holder farmers to gain access to national, regional and international markets with their produce; assisted women to access small loans to establish income generating businesses; and worked alongside many different national and international partners to support rural poor households to realise the potential of their farms.



I am enormously proud of our work in Africa – overseen by an executive in Dublin and directed by a remarkable team of committed and professional African staff, and am sincerely grateful to the many donors – individual and institutional – who have made this possible.

We could not achieve what we do without the backing of so many people, and would urge you to continue to join with us and support us in our efforts to end hunger and poverty in Africa.

We believe that our approach works. Recent studies and analysis shows this too – with Ethiopian farmers reporting substantially increased yields as a result of having access to better quality seed, several projects providing indications that levels of malnourishment amongst children is in decline, and endless ‘on the ground’ indicators instructing us that support for small-scale farming is turning the tide on poverty for many.

In a region where upwards of 240 million people cannot produce enough to feed their families throughout the

year, there remains a real need for practical and effective support.

**We are committed to providing that, and to playing a key role in ending hunger and poverty in sub-Saharan Africa in the years ahead.**

Tom Kitt  
Chairman  
Gorta-Self Help Africa

## DIRECTORS & OTHER INFORMATION

---

### DIRECTORS

Mr. Tom Kitt (Chairman)	(Appointed 26/7/2014)	
Mr. Seán Gaule		
Mr. Brian Kehoe		
Ms. Deirdre Fox		
Ms. Carmel Fox		
Prof. Denis I. F. Lucey		
Mr. Tom Kirley		
Mr. Pat Murphy		
Mr. Jeremy Woolwich		
Mr. Tom Corcoran	(Appointed 26/7/2014)	
Mr. Teddy O'Mahony	(Appointed 26/7/2014)	
Ms. Helen Brophy	(Appointed 26/7/2014)	
Ms. Paula Murray	(Appointed 26/7/2014)	
Mr. John Carroll	(Appointed 26/7/2014)	
Mr. David Martin	(Appointed 26/7/2014)	
Mr. Michael Hoevel	(Appointed 26/7/2014)	
Prof. Adrian Wood	(Appointed 26/7/2014)	
Mr. Paul Adams	(Appointed 26/7/2014)	
Mr. Joe O'Dwyer	(Appointed 26/7/2014)	(Resigned 3/11/2014)
Mr. Jim Kinsella	(Appointed 26/7/2014)	(Resigned 24/11/2014)

### SECRETARY

Mr. Malachy Cardiff	(Resigned 24/7/2014)	(Appointed 13/8/2014)
Mr. Ambrose Duffy	(Appointed 24/7/2014)	(Resigned 13/8/2014)

### CHIEF EXECUTIVE

Mr. Ray Jordan

### REGISTERED OFFICE

Kingsbridge House, 17-22 Parkgate Street, Dublin 8

### SOLICITORS

Gallagher Shatter & Co.  
4 Upper Ely Place  
Dublin 2

McKeever Rowan Solicitors  
5 Harbourmaster Place  
International Financial Services Centre  
Dublin 1

Withers LLP.  
16 Old Bailey  
London EC4M 7EG  
England

## DIRECTORS & OTHER INFORMATION (CONTD.)

---

### PRINCIPAL BANKERS

Bank of Ireland  
Lower Baggot Street  
Dublin 2

Bank of Ireland  
65 St Vincent Street  
Glasgow  
G25HT  
Scotland

Barclays Bank Plc,  
P.O. Box 89  
Shrewsbury, Shropshire, SY1 1QU  
England

Permanent TSB  
2-4 Upper Baggot Street  
Dublin 4

AIB  
1-4 Lower Baggot Street  
Dublin 2

### AUDITORS

Deloitte & Touche  
Chartered Accountants and Statutory Audit Firm  
Deloitte & Touche House  
Earlsfort Terrace  
Dublin 2

### REGISTERED NUMBER

28228

### CHARITIES REGULATORY AUTHORITY NUMBER

20008895

### CHARITY NUMBER

CHY 5678

# REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST DECEMBER 2014

---

The directors present herewith the reports and audited consolidated financial statements of the charity for the year ended 31st December 2014.

Gorta-Self Help Africa is a leading international development, non-governmental organisation. We work with farmers and agricultural businesses in Africa to help them grow and sell more food, diversify their income and their diets, and make their livelihoods more sustainable and resistant to external shocks.

## **Vision, mission and beliefs**

Our vision is an economically thriving and resilient Africa with opportunities for all smallholder farmers, women and men, to make a sustainable livelihood and contribute positively to their local economy.

Our mission is to help large numbers of female and male African smallholder farmers to help themselves to grow and sell more food and expand their economic activity in an environmentally sustainable manner.

Our beliefs:

- We believe food security is a fundamental human right and, in this age of increasing global prosperity, it is an outrage that more than 800 million people suffer from chronic hunger.
- We believe in the capacity of the people we work with and, as such, we work to empower people to become agents of their own development.
- We have a strong belief in solidarity over charity, that interventions can only be solutions if we work in tandem, as equal partners, with local authority at the community, national and/or regional level.
- In line with the Sustainable Development Goals we believe in long-term, sustainable, market-based solutions that respect the natural environment.

## **Merger**

On 26th July, 2014 the members of Gorta and Self Help Africa at their respective extraordinary general meetings approved a merger of their two organisations to form Gorta-Self Help Africa. The complementarities between the two organisations have led to the creation of a strong and vibrant merged entity that aspires to be a leading force in the promotion of agriculture and enterprise as a catalyst for improving the lives of smallholder farmers in sub-Saharan Africa. The merger of Gorta and Self Help Africa allowed us to make significant cost savings, while increasing the impact that we can have in our work with rural poor communities in Africa.

The development programmes of the merged entity across ten countries in sub-Saharan Africa will continue to assist upwards of 500,000 rural households – approximately 3,000,000 people - in their fight to end hunger and poverty in their lives.

The directors of the organisation are particularly grateful to the respective chairmen, Tom Corcoran of Self Help Africa and Sean Gaule of Gorta, for the manner in which they led negotiations that resulted in the historic merger, and to both for their work during the integration period that followed in the second half of 2014.

It was heartening for all associated with Gorta-Self Help Africa that the merger of the two organisations was so well received – with virtually all supporters, donors, members and other stakeholders, embracing the amalgamation of the two charities as a bold and positive step forward for our company.

The historic joining of two of Ireland's longest established overseas charities was positively welcomed by the Minister for Overseas Development Sean Sherlock. A subsequent function was hosted by President Michael D Higgins at Aras an Uachtaráin, on an occasion that formally marked the 50th anniversary of Gorta and 30th anniversary of Self Help Africa's foundation.

We were greatly encouraged too that our merger received extensive positive media coverage, with all of the major national newspapers and several national broadcasters presenting the story in a positive light. At a time when the charity sector more widely had been on the receiving end of considerable negative publicity, the creation of Gorta-Self Help Africa contrasted with much of that commentary.

# REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST DECEMBER 2014 (CONTD.)

---

Due to the relative strengths and recognition of the names of “Gorta” and “Self Help Africa” in different geographical regions, the board have decided to operate as “Gorta-Self Help Africa” in Ireland and “Self Help Africa” in Africa, the UK and the US. This policy will be monitored by the board on an ongoing basis.

## **Our work in Africa**

Our primary client targets are poor and vulnerable rural communities in sub-Saharan Africa, with particular focus on Benin, Burkina Faso, Ethiopia, Ghana, Kenya, Malawi, Uganda, Tanzania, Togo and Zambia. In addition we support key initiatives in Rwanda and The Gambia.

We support both small projects and large programmes. We seek to leverage small projects into larger programmes to maximise the extent of their positive impacts. We are respectful of the culture, needs and wishes of the communities we work with and proactively seek out their views on and participation in programme development and implementation.

We are committed to the principle of empowering communities and helping them to help themselves, rather than simply providing funds. We work with local government and the business community to create sustainable linkages that last beyond the life-cycle of projects.

Gorta-Self Help Africa employs professional development staff and agronomists in all its countries of operation. We believe that indigenous staff best understand the context, culture and languages of people and are best placed to lead country programmes. We work with and through local partners from civil society, the public sector and business community and provide training and support to help them develop.

## **Our approach**

Through capacity and capability building, Gorta-Self Help Africa encourages individuals and communities to invest in diversified and economically viable initiatives that lead to sustainable and prosperous livelihoods, while at the same time building communities’ resilience to shocks.

Gorta-Self Help Africa has achieved much through the power of collaboration, working with local community groups, exchanging knowledge and learning with other organisations, lobbying and consulting with governments and joining forces with private sector companies on pioneering projects. In 2014 we worked with over 240,000 smallholder farmers to increase their average crop production levels by 25% or more and to more than double turnover from smallholder enterprises.

We focus on the three areas of Food Security and Nutrition, Enterprise Development and Influencing Policy.

- **Food Security & Nutrition:** We support smallholder farmers to improve their agricultural practices by promoting and increasing crop production and diversification while, at the same time, enhancing nutritional outcomes.
- **Enterprise Development:** We support business skills training and value chain interventions to overcome bottlenecks in supply chains and we support access to credit and financial services.
- **Influencing Policy:** We maximise policy impact by using an approach that brings together field experience and community based initiatives with research and advocacy at national and international levels.

## **Organisation structure**

Gorta is the parent company of the group and now trades as Gorta-Self Help Africa. On merging, for operational efficiency, Self Help Africa became a subsidiary of Gorta and transferred its assets to Gorta. Both Gorta and Self Help Africa are companies limited by guarantee and registered in Ireland. Gorta is the sole member of Gorta UK and Self Help Africa UK and Self Help Africa is the sole member of Partner Africa. Gorta UK, Self Help Africa UK and Partner Africa are independent charities and companies limited by guarantee, registered in the United Kingdom.

Each of the group companies is a registered charity in its own jurisdiction. Gorta UK is a registered charity with the Office of the Scottish Charity Regulatory under registration number SC 272970. Self Help Africa UK is a registered charity with the Charity

# REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST DECEMBER 2014 (CONTD.)

---

Commission for England and Wales under registration number 298830. Partner Africa is a registered charity with the Charity Commission for England and Wales under registration number 1144815. Gorta-Self Help Africa's charitable activities in the developing world are carried out in association with each of the group companies.

Gorta-Self Help Africa was established as a legal charitable entity in the Republic of Ireland in 1965 and its governing document is the Memorandum and Articles of Association (most recently amended in July 2014).

## Results for the year

The financial results are set out in the Consolidated Statement of Financial Activities on page 18. The consolidated financial statements have been prepared using the principles of Merger Accounting. Under merger accounting, the results and cash flows of the companies are combined from the beginning of the financial period in which the merger transaction occurred. Income and expenditure account and balance sheet comparatives are restated on a combined basis.

Overall income levels for the year totalled €16.5 million, a decrease of 10% on 2013. There was a net increase in funds of €521,000 in the year which is allocated €967,000 increase in unrestricted funds and €446,000 decrease in restricted funds. The total unrestricted funds balance of €10.3 million at year end reflects a strong financial position for the organisation.

## Review of activities

As referenced above, the merger of Gorta with Self Help Africa was the defining event of the year. Gorta's strong partner network and unrestricted funding base together with Self Help Africa's institutional funding relationships and local country teams have gelled in the second half of 2014 to become one of the key international development organisations working through agriculture in sub-Saharan Africa. Due to the presence, greater recognition and active registration of Self Help Africa country teams and their stronger relationships with local government and institutional donors, the Self Help Africa name will continue to be used on the ground in Africa.

## Overseas programmes

### Ethiopia

Ethiopia experienced a bumper harvest in 2014, however production levels still fell short of demand with the government importing wheat from abroad to bridge the gap. Smallholder farmers targeted by SHA Ethiopia continued to fare well above average with noted production and income levels at 80-100% above the base measurement in 2011. A major achievement for the programme in 2014 was to have our community based seed multiplication initiative recognised by the government and incorporated in the Ethiopian seed policy, leading to scale up in seed multiplication. The programme has diversified from wheat seed multiplication to focus on barley seed multiplication to meet the growing demands from breweries for quality grain suitable for malting, a potentially lucrative business for smallholder farmers in a developing economy. SHA Ethiopia conducted an initial project with 22 primary cooperatives affiliated to two unions to improve production and storage of grain, as a result farmers received a 20% premium on grain prices from the government owned malting factory that serves Diageo plc and Heineken plc.

### Kenya

The Kenya programme operates on the fringes of arid and semi-arid lands (ASAL) where the effects of climate change are acutely experienced by smallholder farmers and their families. Unreliable rainfall patterns and prolonged dry spells are common and 2014 was no exception resulting in low yields in the ASAL areas. During 2014, the Kenya programme amalgamated projects from Gorta and Self Help Africa into one common programme and began a process of deregistration of Gorta to transfer partner contracts and assets to SHA Kenya. The programme focuses on climate smart agriculture, drought resistant crops and diversified agriculture to ensure smallholder farmers become increasingly resilient to shocks. SHA supported 708 dairy farmers in Keringet County to bulk and chill their milk and market through two major dairies. Total earnings exceeded €378,093 and provided 65 new jobs in the area. The programmes focus on value addition for cassava, a valuable drought tolerant commodity in Kenya, working with a partner in Homa Bay county, Rheel Solutions, the Subaron Cassava Farmers Cooperative sold over 28 tons of dried chipped cassava tubers to the National Cereals and Produce Board (NCPB).

# REPORT OF THE DIRECTORS

## FOR THE YEAR ENDED 31ST DECEMBER 2014 (CONTD.)

---

### Uganda

During 2014 the Uganda programme consolidated the Gorta and SHA projects successfully creating an expanded reach geographically and in scale. Uganda achieved an excellent harvest in 2014 thanks to sufficient rains; however this led to a downturn in farm gate prices for grain. With increasing inflation the store prices remained high. The Ugandan government's decision to disband the National Agricultural Advisory services (NAADS), while developing a new approach, left farmers without access to much needed extension support during the year. SHA Uganda bridged the gap by retaining some of the retrenched NAADS staff in our areas of operation to continue to provide plant clinics, an advisory service to farmers to quickly identify and treat pests and diseases affecting crops to minimise losses in the field. Despite Uganda's bountiful harvests, high levels of malnutrition persist. SHA Uganda continued to combat malnutrition through its Community Connector project in 18 counties in Northern and South Western Uganda. The Community Connector combines crop diversification and improved agriculture practice with public health messaging and food preparation advice. The Uganda team have started to monitor the impact that this approach is having on diet and eating habits through Food Consumption Score surveys. 93% of the surveyed households had an acceptable score demonstrating improvements in the range of foods eaten.

### Malawi

Prolonged dry spells affected northern Malawi during the main cropping season in 2014 resulting in localised food shortages, which impacted on Karonga district where SHA is supporting smallholder farmers to become resilient to intermittent shocks. SHA Malawi has been promoting drought tolerant winter crops in Karonga, including the nutrient rich sweet potato and cassava, which has benefited targeted smallholder farmers and their families and provided protection against the worst effects of unpredictable weather patterns. 55% of households are now practicing three or more diversification strategies (13 points above baseline) to increase resilience. This includes integration of livestock, crop diversification, conservation agriculture practices, irrigation or agro-forestry. SHA Malawi, along with other INGO partners, entered into a contract with Malawi's largest mobile network provider, Airtel, to develop an innovative platform that is capable of transmitting both push and demand information to farmers in an attempt to support the overstretched extension service in the country. Push messages include weather and planting information, outbreaks of pest or disease affecting crops in certain areas and actions to take, and market prices. The platform is intended to develop further and provide an interactive paid service, where farmers can seek tailored information based on queries sent by text. Development of this innovative service is principally being funded by USAID.

### Zambia

Zambia experienced a regular cropping season in most parts of the country in 2014 with the exception of Eastern province, however declining copper prices (Zambia's main export), depreciation of the Kwacha and rising inflation continued to have a negative effect on the purchasing power of smallholder farmers. In Eastern province, delayed onset of rains from the normal start in November to end of December affected farmers who were practicing conventional ploughing. SHA Zambia has promoted conservation agriculture in the province to address the volatility, allowing farmers to dry plant a few weeks before the rains are predicted to start, while maintaining soil cover that conserves moisture and soil fertility. The Irish Aid funded Local Development Programme (IALDP) in Northern Province completed its second year of implementation. SHA Zambia made concerted efforts to address gender inequality and nutrition through the IALDP. A survey of women in Mbala district, Northern Province highlighted the limited decision making power of women in crop production and post harvest trading with 65% of women reporting that they had input into crop selection, 56% had no input into sale of livestock and 45% reported that they needed their husband's permission to sell grain. However the IALDP demonstrated improvements in dietary diversity as a result of the project with 81% of households achieving an acceptable food consumption score in 2014 compared with 65% in 2013.

### West Africa

While rains across Burkina Faso, northern Togo and northern Ghana started later than anticipated, harvests have in general been good. With its partner, Welthungerhilfe, SHA West Africa was awarded a UK DFID Building Resilience Against Climate Extremes and Disasters (BRACED) grant valued at £5.28 million for three years. During the inception phase, our team tested a number of different irrigation techniques with smallholder farmers to identify the most efficient and effective system that smallholder farmers could adopt for scale up during the implementation phase. The programme team also piloted the Plant Clinic approach that has been successfully developed in the Uganda, Malawi and Zambia programmes and following a positive reception from farmers will also scale up this service during the implementation of the programme. We are now three quarters way through our EU funded water and sanitation programme that aims to improve access to safe and hygienic toilet facilities in

## REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST DECEMBER 2014 (CONTD.)

---

rural areas. This programme was selected by the EU mission in Burkina Faso for inclusion in a documentary to showcase the impact of EU funding in the country.

### **Tanzania**

We continued to support two partners in Tanzania SAIPRO Trust Funds and the Sellan Agriculture Research Institute (SARI) while initiating a review of programme focus in the country. The programme focus has been on integrated watershed management, working with over 1,500 smallholder farmers to regenerate the natural resource base and introduce simple technology to conserve and manage limited water resources effectively.

### **Rwanda**

We continued to support the Medical Missionaries of Mary in Kirambi Prefecture with funding to implement the Kirambi Community Health and Development Programme. A review conducted in October 2014 recommended that the programme consolidate on its achievements to date and refocus to avoid creating dependence on subsidies. A new phase of the programme starting in 2015 will therefore build on increasing farmer production to address bottlenecks in value chains through co-operative development for bulking, storing and marketing of produce.

### **Gambia**

We finalised funding to the Agency for Development of Women and Children (ADWAC) in the Gambia to construct a training and resource centre which will promote the ongoing creation of sustainable livelihoods and improve food security for rural communities in the North Bank Division.

### **Advocacy**

In parallel to the announcement of the Global Alliance for Climate Smart Agriculture at the UN Climate Summit in September 2014, Gorta-Self Help Africa hosted a technical workshop in Burkina Faso for our agriculture coordinators and representatives from the Ministry of Agriculture, Burkina Faso, the West Africa Monetary Union, GIZ, FAO, ICRAF, IFAD and numerous national and international NGOs. The event discussed policies, strategies and enabling environment required to practically promote Climate Smart Agriculture. A range of advocacy initiatives were undertaken at headquarter and country level to call for greater focus and ultimately funding to be directed towards agriculture as the key driver for poverty reduction in Africa.

### **Partnerships**

We recognise that we cannot achieve our vision on our own. It can only be achieved through developing and working in long term partnership with local and national government, local communities, other organisations, businesses and individuals who have complementary skills to our own. Meaningful partnership is central to our approach.

We raise funds through a wide range of sources. We are indebted to Irish Aid, the UK Department for International Development, the Big Lottery Fund, Jersey Overseas Aid Commission, Terrafina Micro-finance and the Irish League of Credit Unions Foundation, a range of other trusts and foundations and the public for their generosity in supporting our work.

The network of volunteers across our retail and community fundraising infrastructure has been a source of great strength and resilience over the years – this is an infrastructure we would like to maintain and develop in the years ahead.

### **Development education**

Gorta-Self Help Africa's Development Education unit undertook a broad range of activities in 2014 designed to deliver information and increase awareness and understanding amongst Irish post-primary students of the issues and challenges causing, and affecting those living with hunger and poverty in the world.

The Irish Aid funded Worldwide Global Schools programme, which Gorta-Self Help Africa manages as part of a consortium with Concern Worldwide and the City of Dublin Curriculum Development Unit, Education and Training Board, had another successful year in 2014. The programme has to date disbursed 166 grant awards (to schools, school networks and DE NGOs) to a cumulative value of €1,277,781, with a further cycle of grant disbursements scheduled for early 2015. Other key achievements of the programme in 2014 were the successful hosting of the first ever WWGS Annual Conference 2014 in Croke Park, the development and launch of a development education award for the post primary sector, entitled the WWGS Global Passport,

# REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST DECEMBER 2014 (CONTD.)

---

and the development and launch of a monitoring tool for post primary schools to measure development education, called the WWGS Self Assessment Tool (SAT).

## **Partner Africa**

The Gorta-Self Help Africa subsidiary, Partner Africa is an international not-for-profit social enterprise and a pioneer in the field of ethical and socially responsible business practice that delivers high quality and innovative ethical trade services and trade development projects across Africa and the Near East. During 2014, continued progress was made in maintaining and expanding the business. It continued to maximise its impact on improving the livelihoods of workers and producers in the African supply chain through its ethical trade and audit services and increasing its number of trade development projects. Its work in engaging with private sector enterprises is indicative of the direction in which the Gorta-Self Help Africa group is moving to improve the lives of African farmers.

## **Future developments**

2015 sees the organisation engaging in the development of a new strategic plan to take us up to 2020. Smallholder farmers and the focus on making a sustainable improvement on their livelihoods will remain the core of what we do. To maximise our impact we intend to deepen operations in current programme countries but implement financially self-sustaining, cost-effective and market-oriented programming in high growth economies and also consider, where appropriate, expansion into more fragile countries where the hunger problem is particularly severe.

In the broader context, in September 2015 UN Member States are expected to adopt 17 new Sustainable Development Goals (SDGs), which will effectively replace the Millennium Development Goals (MDGs). The correlation between our work and the post-2015 agenda is particularly encouraging, with eight of the 17 SDGs being directly relevant, and a further five partly relevant, to what we do. The SDGs will therefore place Gorta-Self Help Africa's priority areas at the heart of the global development agenda.

## **Governance**

The board is committed to maintaining the highest standards of corporate governance and has determined that Gorta-Self Help Africa must comply with the basic principles outlined in the "Irish Development NGOs Code of Corporate Governance" (as produced by the Corporate Governance Association of Ireland; partnered with Dóchas). One of the aims of the Audit Finance and Risk Committee is to continue the development of systems within the organisation in order to achieve full compliance with this code.

As part of this policy, an effective board and a competent executive management team head the organisation. There is a clear distinction between the roles of the board and the management team to which day-to-day management is delegated. The management team prepares matters for consideration and approval by the board e.g. annual budgets, policy papers. The board then monitors their implementation. On areas such as strategic planning, there is board involvement at all stages of preparation and ultimate approval is the responsibility of the board. The board met on eleven occasions in 2014 (seven in 2013). The board membership is set out on page 2.

New directors receive background and explanatory materials covering the nature and purpose of Gorta-Self Help Africa to enable them to familiarise themselves with their duties and responsibilities, the Gorta-Self Help Africa governance framework and its work overseas. Any relevant training requirements of directors are facilitated by the organisation.

As a signatory to the Dóchas Code of Conduct on Images and Messages, Gorta-Self Help Africa reaffirms its commitment to best practice in the communication of images and messages in all our public policy statements.

As a signatory to the ICTRG Guiding Principles for Fundraising, Gorta-Self Help Africa confirms its commitment to its code of practice for fundraising in all forms.

Gorta-Self Help Africa is grateful for the work of many people in making the achievements of the past year possible. Our volunteers, partners, donors, boards of directors, trustees, subcommittees and members have all played valuable and important roles, and we are grateful to each for their support and commitment. The public have been very generous in providing

# REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST DECEMBER 2014 (CONTD.)

---

gifts in kind, particularly donations of items for resale through our network of charity shops in Ireland.

## **Board of directors**

The directors in office at the date of this report are set out on page 2. At the date of the merger, the directors of Self Help Africa were co-opted to the Gorta board bringing the total number of directors to twenty. With the resignation of Joe O'Dwyer and Jim Kinsella in November the number now stands at eighteen. The board is currently undergoing a review process which aims to further reduce size of the board while ensuring that it continues to have the necessary competency mix to ensure appropriate oversight of a leading modern INGO.

## **Board sub-committees**

### **Audit, Finance and Risk Committee**

The function of the Audit, Finance and Risk Committee is to review internal financial controls, treasury and risk management processes. It liaises with external auditors and reports directly to the Board. It meets on a regular basis to monitor and review the financial performance of the organisation, internal and external audit findings, management information systems and internal control systems. It provides independent oversight of the annual budgets, management and statutory accounts and makes recommendations to the Board where relevant.

The members of the committee in 2014 were David Martin (current Chair), Paula Murray, James Wyse, Colm Dennehy, Michael Butler and Chris McDonald. Noreen Fahy and Pat Murphy also served on this committee during 2014. The committee met five times in 2014 (four times in 2013).

### **Risk management and internal controls**

The directors have responsibility for, and are aware of the risks associated with the operating activities of Gorta-Self Help Africa. They are confident that adequate systems of internal control are in place and that these controls provide reasonable assurance against such risks. Management prepares a risk register which is updated regularly and subject to detailed half-yearly reviews by the board. The directors regularly review and adopt policies and procedures that are consistent with best practice and monitor the implementation of these policies through the Audit, Finance and Risk Committee. During the year new policies on reserves and treasury management were reviewed by the committee and approved by the board.

The internal control systems aim to ensure compliance with laws and policies, ensure efficient and effective use of Gorta-Self Help Africa's resources, safeguard Gorta-Self Help Africa's assets and maintain the integrity of financial information produced.

Financial information is subject to detailed review at director level allowing for continuous monitoring of Gorta-Self Help Africa's operations and financial status. Each of our field offices is subject to an annual audit by independent external auditors, in addition to periodic internal audit review.

### **Programme Review Committee**

This committee oversees the quality and depth of programme performance on behalf of the board and provides advisory support for management on the development and delivery of programmes. In particular, it has the following delegated responsibilities:

- Ensure that all programming is delivered in line with organisational strategy, policy and governance standards.
- Ensure that an effective programmes approval process is in place and applied.
- Ensure that an effective results based management system is in place and applied.
- Support the development of country strategy papers, programme policies and programme approaches.

The members of the committee are Pat Murphy (current Chair), Bob Sherriff, Joe Phelan, Anne Fitzgerald, Martin Flatley, Prof Adrian Wood, Prof Michael Mortimore, John Geraghty, Val Ponder, Fiona Meehan and Dr James Copestake. Tom Kirley also served on this committee in 2014. The committee met six times in 2014 (five times in 2013).

# REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST DECEMBER 2014 (CONTD.)

---

## Management and staff

We appreciate and acknowledge the role played by Gorta-Self Help Africa's staff, based in Ireland, the UK and in Africa. The ongoing growth of organisation's work is due to their dedication and commitment. We are committed to the development of our staff and will continue to allocate resources annually towards a comprehensive training and development programme. Gorta-Self Help Africa is an equal opportunities employer and we recognise the need to ensure we have high calibre staff and volunteers to achieve our vision and objectives.

## Environment

As part of our vision we strive to achieve environmental justice for all. Our programmes embrace the UN Millennium Development Goals which challenge all of us to respond to tackle poverty, hunger, disease, lack of shelter and exclusion – while promoting gender equality, healthcare, education, environmental sustainability and economic opportunity.

We proactively support specialist educational institutions in Uganda and Kenya focusing on agriculture, horticulture, hydrology and agro-forestry to produce graduates equipped to tackle the challenges their communities face. Gorta-Self Help Africa has a proactive approach to conducting our business in a manner that protects the environment. We are compliant with relevant environmental legislation.

## Health and Safety

Gorta-Self Help Africa is committed to managing and conducting its work activities in such a way as to ensure - so far as is reasonably practicable - the safety, health and welfare at work of its employees and volunteers. The Safety Statement, in accordance with Section 20 of the Safety, Health and Welfare at Work Act 2005, outlines the policy of Gorta-Self Help Africa in relation to the management of health, safety and welfare. Gorta-Self Help Africa management continuously monitors compliance in line with legislative requirements.

## Companies (Amendment) Act, 1986

The reporting requirements of the Companies (Amendment) Act, 1986 relating to financial statements do not apply to the Company, as it is a company limited by guarantee not having a share capital.

## Books of Account

To ensure that proper books and accounting records are kept in accordance with Section 202 of the Companies Act, 1990, the directors have employed appropriately qualified accounting personnel and have maintained appropriate computerised accounting systems. The books of account are located at the company's office at Kingsbridge House, 17-22 Parkgate Street, Dublin 8.

## Auditors

Deloitte & Touche, Chartered Accountants and Statutory Audit Firm, continue in office in accordance with Section 160(2) of the Companies Act, 1963.

Approved by the directors and signed on their behalf by:



David Martin  
**DIRECTOR**



Tom Kitt  
**DIRECTOR**

Date: 28<sup>th</sup> May 2015

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

---

Irish company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the incoming resources of the company for that year. 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements are prepared in accordance with accounting standards generally accepted in Ireland and comply with Irish statute comprising the Companies Acts, 1963 to 2013. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# REPORT OF THE INDEPENDENT AUDITORS FOR THE YEAR ENDED 31ST DECEMBER 2014

---

We have audited the financial statements of Gorta for the year ended 31st December 2014 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Cash Flow Statement, the Statement of Accounting Policies and the related notes 1 to 29. The financial reporting framework that has been applied in their preparation is applicable Irish law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

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

## **Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements giving a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

## **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and parent 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 Consolidated Financial Statements for the year ended 31st December 2014 to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

## **Opinion**

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 group's and of the parent company's affairs as at 31st December 2014 and of the group's net incoming resources for the year then ended; and
- have been properly prepared in accordance with the Companies Acts, 1963 to 2013.

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

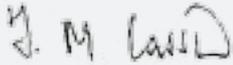
- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion proper books of account have been kept by the parent company.
- The parent company's financial statements are in agreement with the books of account.
- In our opinion the information given in the report of the directors is consistent with the financial statements.

# REPORT OF THE INDEPENDENT AUDITORS FOR THE YEAR ENDED 31ST DECEMBER 2014 (CONTD.)

---

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

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



**Thomas Cassin**

For and on behalf of Deloitte & Touche  
Chartered Accountants and Statutory Audit Firm  
Dublin

Date: 28<sup>th</sup> May 2015

# STATEMENT OF ACCOUNTING POLICIES

---

## **BASIS OF PREPARATION**

The financial statements have been prepared in accordance with accounting standards generally accepted in Ireland and Irish statutes comprising the Companies Acts 1963 to 2013. The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice (SORP) (Revised 2005) "Accounting and Reporting by Charities". The financial statements are presented in Euro (€) under the historical cost convention.

## **PRINCIPLES OF CONSOLIDATION**

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings, Self Help Africa, Self Help Africa (UK), Partner Africa and Gorta UK. At the point of the merger between Gorta and Self Help Africa, the assets of Self Help Africa were transferred to Gorta with Self Help Africa becoming a subsidiary of Gorta. Gorta is the sole member of Gorta UK and Self Help Africa UK with Self Help Africa in turn being the sole member of Partner Africa. The activities of all five companies are mutually interdependent. The financial statements have been prepared under merger accounting principles. Under merger accounting the results, assets and liabilities of the individual companies are incorporated in the consolidated financial statements for the whole of the current period in which the merger occurred and prior periods as if the entities had been combined throughout these periods.

## **INCOMING RESOURCES**

- i. Income from voluntary donations is recognised when received. As with many similar charitable organisations, independent groups from time to time organise fundraising activities and may operate bank accounts in the name of Gorta-Self Help Africa. 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 Gorta-Self Help Africa.
- ii. Proceeds from the sale of donated goods are recognised in the financial statements in the period in which they are realised. Volunteer time is not included in the financial statements.
- iii. Grants from the government and other agencies have been included as income from activities in furtherance of the charity's objects and accounted for on a receivable basis.
- iv. Legacies are included when the amount is received by the charity or into an executor bank account for distribution to the charity at a near future date.
- v. Interest income is recognised on a receivable basis.
- vi. Revenue refunds in respect of tax relief on voluntary donations are recognised on a receivable basis in so far as the receivable can be established with a reasonable amount of accuracy.
- vii. Other income reflects income earned by Partner Africa in respect of ethical trade related assignments and is recognised on a receivable basis. Such income is deferred until such time as the assignment occurs and the related expenditure is incurred.

## **RECOGNITION OF EXPENDITURE**

Direct charitable activities comprises expenditure incurred by the programme countries for the costs of the development programmes as well as costs incurred at headquarters that are directly related to the implementation of programmes. 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.

Costs of generating voluntary income comprise all expenditure incurred by Gorta-Self Help Africa on raising funds for the organisation's charitable activities.

## STATEMENT OF ACCOUNTING POLICIES (CONTD.)

---

Governance costs comprise expenditure incurred by Gorta-Self Help Africa on the strategic management of the charity and compliance with constitutional and statutory requirements.

### GIFTS IN KIND

Items donated for resale are included in shop income when sold and no value is placed on stock at the year end. Any other gifts in kind which are deemed non-material are not included in the financial statements. Gifts in kind that can be valued with reasonable confidence will be included in the financial statements.

### OPERATING LEASES

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities (SOFA).

### FIXED ASSETS AND DEPRECIATION OF TANGIBLE FIXED ASSETS

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation of fixed assets is provided on cost in equal instalments over the estimated useful lives of the assets. The annual rates of depreciation are as follows:

Shop fittings	20% Straight line
Office furniture and computer equipment	33.3% Straight line
Motor vehicles	33.3% Straight line

### CAPITAL GRANTS

Capital grants are transferred to a capital account in the year of receipt and amortised to the statement of financial activities at the same rates as the depreciation of the assets to which they apply.

### FUNDS ACCOUNTING

Funds held by the charity are:

Unrestricted funds - these are funds which can be used in accordance with the charitable objects at the discretion of the Directors.

Designated funds - these are funds which have been set aside for particular purposes by the company itself, in furtherance of the company's charitable objects.

Restricted funds - these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

### RESERVES POLICY

In order to secure the long term viability of Gorta-Self Help Africa and to maintain the smooth operation of the organisation, it is critical to ensure that the organisation has adequate reserves.

- The level of reserves is required to cover the following activities of the organisation:
- Provide funding for sustainable programmes.
- Meet contractual liabilities such as lease agreements, statutory staff payments and payments to creditors.
- Maintain a required level of funding available for overseas programmes during times of financial difficulty where fundraising income is diminished.
- To facilitate programme/project continuation especially where a partner submits a new or additional phase proposal in advance of the current activity being completed, in order to meet seasonal requirements (i.e. farming season) and prevent development gaps
- Meet unanticipated expenses such as repairs and maintenance, currency variances and legal costs.
- Cover day to day expenditure of Gorta-Self Help Africa.
- Ensure there is adequate funding should any winding up costs ever arise.
- Provide for any other unanticipated expenditure of significance.

## STATEMENT OF ACCOUNTING POLICIES (CONTD.)

---

### RESERVES POLICY (CONTINUED)

The Board may designate unrestricted reserves for specific future expenditure such as Long Term Programmes, sinking funds to cover repairs to Fixed Assets (or as required under the terms of any lease relating to premises etc.) and any other potential future requirement(s).

The board has adopted a reserves policy based on foreseeable expenditure and in particular, long-term commitments to projects. In addition, a general reserve of €7million is specifically set aside to ensure the operation of the organisation for 12 months, based on historical running costs and programme expenditure.

### INVESTMENT POLICY

All cash balances for planned development work are held in demand deposit accounts or short term investment accounts at the highest interest rates available at the time of investment. Long term investments acquired by donation or through merger will not be held in the long term and will be disposed of within a reasonable time frame.

### INTANGIBLE FIXED ASSETS

Intangible fixed assets including Goodwill are stated at cost less amortisation. The asset is amortised over a period of five years which is management's best estimate of the asset's useful economic life.

### ACQUISITION FUNDING RESERVE

The Acquisition Funding Reserve relates to a grant received for the purchase of the Ethical Business Services division of Africa Now. The reserve is released to the Statement of Financial Activities over the expected useful lives of the relevant assets purchased by five equal annual instalments.

### FOREIGN CURRENCIES

Transactions in foreign currency are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the Statement of Financial Activities (SOFA).

The balances sheet for the subsidiaries are translated at the prevailing year end rates and included in the consolidated balance sheet. The statements of financial activities for the subsidiaries are translated at an average rate for the year and included in the consolidated statement of financial activities. Any exchange gains or losses arising on consolidation are recognised in the statement of financial activities.

### PENSION SCHEME

The charity operates defined contribution schemes for employees. The assets of the scheme are held and managed separately from those of the charity by independently administered funds. The annual contributions are charged to the Statement of Financial Activities (SOFA).

### TAXATION

No charge to tax arises due to the exempt status of the Company and its subsidiaries, Self Help Africa, Self Help Africa (UK) and Gorta UK. Irrecoverable value added tax is expensed as incurred in these companies.

Partner Africa is registered as a charity and benefits from corporation tax exemptions available to charitable bodies. It is however registered for VAT in the UK and Kenya and is subject to Kenyan corporation tax.

### ONEROUS CONTRACTS

Provision is made in respect of onerous contracts where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it and a reliable estimate can be made of such obligations and benefits.

# CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST DECEMBER 2014

	Notes	Restricted Funds €	Unrestricted Funds €	Total Funds 2014 €	Total Funds 2013 (combined) €
<b>INCOMING RESOURCES</b>					
<b>Incoming resources from generated funds</b>					
<b>Voluntary income</b>					
Donations and fundraising income	1	386,241	4,513,888	4,900,129	6,158,251
<b>Incoming resources from charitable activities</b>					
Revenue based grants		7,891,262	2,109,734	10,000,996	10,424,733
<b>Other incoming resources</b>					
Trading activities income	2	-	852,365	852,365	807,505
Investment income	3	-	183,735	183,735	252,361
Other – ethical trade services	27	-	555,977	555,977	683,761
<b>Total incoming resources</b>		<b>8,277,503</b>	<b>8,215,699</b>	<b>16,493,202</b>	<b>18,326,611</b>
<b>RESOURCES EXPENDED</b>					
<b>Charitable activities</b>					
Programme costs	5	8,744,151	4,385,766	13,129,917	14,644,623
<b>Costs of generating funds</b>					
Costs of generating trading income	3	-	852,659	852,659	732,578
Costs of generating voluntary income	4	-	1,491,276	1,491,276	1,706,722
<b>Governance costs</b>					
	7	-	590,814	590,814	173,035
<b>Total resources expended</b>		<b>8,744,151</b>	<b>7,320,515</b>	<b>16,064,666</b>	<b>17,256,958</b>
<b>Net incoming resources before other recognised gains and losses</b>		<b>(466,648)</b>	<b>895,184</b>	<b>428,536</b>	<b>1,069,653</b>
Exchange gain/(loss) on consolidation	8	20,204	43,664	63,868	(11,923)
Investment revaluation gain		-	17,044	17,044	4,009
Foreign branch tax credit	9	-	11,766	11,766	8,849
<b>Net movement in funds</b>	24	<b>(446,444)</b>	<b>967,658</b>	<b>521,214</b>	<b>1,070,588</b>
Total funds brought forward	24	1,865,350	9,295,090	11,160,440	10,089,852
<b>Total funds carried forward</b>	24	<b>1,418,906</b>	<b>10,262,748</b>	<b>11,681,654</b>	<b>11,160,440</b>

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

The notes on pages 42 to 57 form an integral part of these financial statements.

Approved by the Board on: 28<sup>th</sup> May 2015



David Martin  
**DIRECTOR**



Tom Kitt  
**DIRECTOR**

# CONSOLIDATED BALANCE SHEET

## AS AT 31ST DECEMBER 2014

	Notes	2014 €	2013 (combined) €
<b>FIXED ASSETS</b>			
Tangible fixed assets	12	224,503	198,018
Financial assets	12	42,855	38,336
		<b>267,358</b>	<b>236,354</b>
<b>INTANGIBLE ASSETS</b>			
Goodwill	13	43,851	82,224
<b>CURRENT ASSETS</b>			
Short term investments	14	117,635	115,697
Cash in bank and at hand	15	11,532,232	14,322,785
Debtors	16	1,232,041	1,591,961
Stocks		2,811	2,422
<b>TOTAL CURRENT ASSETS</b>		<b>12,884,719</b>	<b>16,032,865</b>
<b>CREDITORS</b> (Amounts falling due within one year)	17	(1,245,600)	(3,522,790)
<b>NET CURRENT ASSETS</b>		11,639,119	12,510,075
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>11,950,328</b>	<b>12,828,653</b>
<b>CREDITORS</b> (Amounts falling due after more than one year)	18	(204,492)	(1,550,781)
<b>NET ASSETS</b>		<b>11,745,836</b>	<b>11,277,872</b>
<b>RESERVES</b>			
Accumulated funds – restricted	24	1,418,906	1,865,350
Accumulated funds – unrestricted	24	10,262,748	6,046,502
Accumulated funds – designated	24	-	3,248,588
Acquisition funding reserve	25	56,210	105,412
Deferred capital grants	26	7,972	12,020
<b>TOTAL GROUP FUNDS</b>		<b>11,745,836</b>	<b>11,277,872</b>

The notes on pages 42 to 57 form an integral part of these financial statements.

Approved by the Board on: 28<sup>th</sup> May 2015



David Martin  
**DIRECTOR**



Tom Kitt  
**DIRECTOR**

# COMPANY BALANCE SHEET

## AS AT 31ST DECEMBER 2014

		<b>2014</b> €	<b>2013</b> (combined) €
	<b>Notes</b>		
<b>FIXED ASSETS</b>			
Tangible assets	12	193,979	131,365
<b>CURRENT ASSETS</b>			
Short term investments	14	117,635	115,697
Cash in bank and at hand	15	10,283,795	10,561,897
Debtors	16	1,259,623	153,936
<b>TOTAL CURRENT ASSETS</b>		<b>11,661,053</b>	<b>10,831,530</b>
<b>CREDITORS</b> (Amounts falling due within one year)	17	(952,624)	(1,862,388)
<b>NET CURRENT ASSETS</b>		<b>10,708,429</b>	<b>8,969,142</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>10,902,408</b>	<b>9,100,507</b>
<b>CREDITORS</b> (Amounts falling due after one year)	18	(204,492)	(1,550,781)
<b>NET ASSETS</b>		<b>10,697,916</b>	<b>7,549,726</b>
<b>RESERVES</b>			
Accumulated funds - restricted	24	1,066,243	-
Accumulated funds - unrestricted	24	9,631,673	4,301,138
Accumulated funds - designated	24	-	3,248,588
<b>TOTAL COMPANY FUNDS</b>		<b>10,697,916</b>	<b>7,549,726</b>

The notes on pages 42 to 57 form an integral part of these financial statements.

Approved by the Board on: 28<sup>th</sup> May 2015



David Martin  
**DIRECTOR**



Tom Kitt  
**DIRECTOR**

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2014

	Notes	2014 €	2013 (combined) €
<b>Net cash outflow from charitable activities</b>	22	<b>(2,841,178)</b>	<b>(1,640,236)</b>
<b>Capital expenditure and financial investment</b>			
Interest received	27	183,735	252,361
Receipts from disposal of tangible fixed assets		684	-
Capital grants received		-	3,846
Payments to acquire tangible fixed assets	12	(133,794)	(167,938)
		50,625	88,269
<b>Decrease in cash</b>	22	<b>(2,790,553)</b>	<b>(1,551,967)</b>
Net cash resources at beginning of year		14,322,785	15,874,752
<b>NET CASH RESOURCES AT END OF YEAR</b>		<b>11,532,232</b>	<b>14,322,785</b>

The notes on pages 42 to 57 form an integral part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

### 1. VOLUNTARY INCOME

	Restricted Funds 2014 €	Unrestricted Funds 2014 €	Total Funds 2014 €	Total Funds 2013 (combined) €
Committed giving	-	3,393,918	3,393,918	3,553,009
Legacies	-	96,419	96,419	199,679
Church gate collections and committee income	8,679	221,402	230,081	292,457
General donations	377,562	658,017	1,035,579	1,879,814
Grow Fund	-	111,490	111,490	146,075
Gift Aid refunds	-	32,642	32,642	87,217
<b>Total</b>	<b>386,241</b>	<b>4,513,888</b>	<b>4,900,129</b>	<b>6,158,251</b>

### 2. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

Grants from Governments and other co-funders	2014 €	2013 (combined) €
Irish Aid	2,527,080	2,575,215
Irish Aid (Zambia Northern Province)	1,884,112	1,335,170
Irish Aid (WorldWide Global Schools)	775,625	914,542
Department for International Development (UK) - PPA	1,784,812	1,785,881
Department for International Development (UK) - other	655,029	393,298
FHI Uganda	829,719	593,942
Jersey Overseas Aid Commission	318,961	79,439
European Union	245,229	863,199
Canadian Government	214,506	841,534
Big Lottery Fund (UK)	192,344	227,939
CNFA Ethiopia	168,290	-
Ethiopian Agricultural Transformation Agency	112,363	-
Energy and Environment Partnership Kenya	94,379	47,294
FHI Kenya	70,625	114,088
Irish League of Credit Unions	58,577	15,902
Food and Agriculture Organisation	39,345	8,960
ICCO Terrafina Microfinance	30,000	106,757
Farm Africa	-	485,000
Department of Agriculture, Food and the Marine	-	22,000
CSEF Zambia	-	11,114
Isle of Man Overseas Aid Committee	-	3,459
<b>Total</b>	<b>10,000,996</b>	<b>10,424,733</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

### 3. ACTIVITIES FOR GENERATING FUNDS: TRADING INCOME

	2014 €	2013 (combined) €
Turnover from donated goods	852,365	807,505
<b>Less costs</b>		
Operating expenses	(744,397)	(644,511)
Management expenses	(108,262)	(88,067)
	<b>(852,659)</b>	<b>(732,578)</b>
<b>Total net trading (outgoing)/incoming resources</b>	<b>(294)</b>	<b>74,927</b>

Trading income represents income from the sale of donated goods through the charity's shops.

### 4. COST OF GENERATING VOLUNTARY INCOME

Cost of generating voluntary income represents fundraising costs to raise both restricted and unrestricted income, excluding trading sales. This is analysed as follows:

	2014 €	2013 (combined) €
Staff costs	799,926	904,694
Fundraising & promotional expenses	691,350	802,028
<b>Total</b>	<b>1,491,276</b>	<b>1,706,722</b>

### 5. CHARITABLE ACTIVITIES EXPENDITURE

Field programme expenditure has been incurred in the following thematic areas:

	2014 €	2013 (combined) €
Agriculture	3,815,372	4,557,866
Agribusiness Development	2,885,595	2,349,346
Nutrition	179,827	257,909
Gender/Inclusion	19,173	73,556
Advocacy/Policy	104,085	316,340
Water, Sanitation & Health	447,860	1,620,857
Renewable Energy	27,505	34,677
Partner Capacity Building	668,816	764,105
	<b>8,148,233</b>	<b>9,974,656</b>
<b>Other programme expenditure</b>		
Development Education	1,110,052	839,433
Direct Salaries	2,173,488	1,988,011
Programme Support and Quality	308,413	553,123
Research Advocacy & Communications	311,915	220,239
Support Costs (Note 6)	1,077,816	1,069,161
<b>Total</b>	<b>13,129,917</b>	<b>14,644,623</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

### 5. CHARITABLE ACTIVITIES EXPENDITURE (CONTD.)

Field programme expenditure has been incurred in the following geographic areas:	2014 €	2013 (combined) €
Zambia	2,594,384	2,541,220
Uganda	2,002,694	1,711,694
Ethiopia	1,632,433	1,648,365
Kenyan	1,283,958	661,506
Malawi	1,119,606	1,223,435
West Africa	1,118,532	850,259
Ethical trade services/enterprise development *	909,770	904,161
Tanzania	264,155	308,656
Rwanda	40,272	279,991
Adjustments **	10,965,804 (2,817,571)	10,129,287 (154,631)
<b>Total</b>	<b>8,148,233</b>	<b>9,974,656</b>

\* This work is carried on in over forty countries throughout Africa.

\*\* Adjustments relate to programme expenditure previously approved which did not proceed and liabilities previously reflected as project deferred expenditure which have now been reversed due to revised contracts with the relevant implementing partners.

### 6. SUPPORT COSTS

	2014 €	2013 (combined) €
Human resources	116,494	294,270
IT/Computer	39,944	126,224
Postage, stationery & communications	51,879	48,005
Premises (Note 21)	512,699	109,982
Professional fees	178,643	302,890
Other support costs	178,157	187,790
<b>Total</b>	<b>1,077,816</b>	<b>1,069,161</b>

### 7. GOVERNANCE COSTS

The net incoming resources for the year are stated after charging:	2014 €	2013 (combined) €
Auditors' remuneration	55,405	51,166
Staff costs	47,491	33,876
Legal, professional and similar costs *	426,430	45,506
General governance costs	61,488	42,487
<b>Total</b>	<b>590,814</b>	<b>173,035</b>

\* Includes costs associated with the merger of Gorta and Self Help Africa.

## NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

### 8. NET INCOMING RESOURCES

The net incoming resources for the year are stated after charging/(crediting):	<b>2014</b> €	<b>2013</b> (combined) €
Auditors' remuneration	55,405	51,166
Depreciation	110,251	93,706
Amortisation of capital grants	(4,949)	(4,896)
Loss on fixed asset disposal	(468)	-
Amortisation of intangible asset	42,577	40,436
Acquisition reserve amortisation	(54,591)	(51,844)

The auditors' remuneration fee is in respect of audit only. No amounts were paid to the auditors in relation to advisory, tax advisory or other assurance services.

### 9. FOREIGN BRANCH TAX CREDIT

Tax has been provided for in the Kenyan branch of Partner Africa as follows:	<b>2014</b> €	<b>2013</b> (combined) €
Deferred tax credit	11,766	8,849

### 10. STAFF COSTS

The average number of employees during the year was 99 (2013 – 100).  
No employee of the group acts as director. Staff costs are comprised as follows:

	<b>2014</b> €	<b>2013</b> €
Wages and salaries	3,748,813	3,502,582
Social welfare costs	345,620	311,314
Pension costs	182,313	160,466
<b>Total staff costs</b>	<b>4,276,746</b>	<b>3,974,362</b>

The total remuneration package of the chief executive comprised salary of €112,500 (2013 - €112,500) plus 6.5% employer pension contribution.

The number of employees whose emoluments, including employer pension contributions were greater than €70,000 were as follows

	<b>2014</b>	<b>2013</b>
€70,001 - €80,000	4	5
€80,001 – €90,000	2	1
€90,001 – €100,000	1	-
€100,001 - €110,000	-	-
€110,001 - €120,000	1	1

### 11. DIRECTOR REMUNERATION AND EXPENSES

Directors are not remunerated, but are entitled to be reimbursed for out of pocket expenses incurred in the course of carrying out their duties.

## NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

### 12. FIXED ASSETS - GROUP

GROUP	Shop Fittings €	Furniture and equipment €	Motor Vehicles €	Total €
<b>Cost</b>				
At 1st January 2014	185,274	451,304	265,634	902,212
Additions	85,022	48,772	-	133,794
Disposals	-	(1,236)	(17,068)	(18,304)
Exchange gain on consolidation	-	6,867	3,723	10,590
<b>At 31st December 2014</b>	<b>270,296</b>	<b>505,707</b>	<b>252,289</b>	<b>1,028,292</b>
<b>Depreciation</b>				
At 1st January 2014	133,160	385,554	185,480	704,194
Charge for the year	23,257	39,791	47,203	110,251
Disposals	-	(1,020)	(17,068)	(18,088)
Exchange loss on consolidation	-	4,610	2,822	7,432
<b>At 31st December 2014</b>	<b>156,417</b>	<b>428,935</b>	<b>218,437</b>	<b>803,789</b>
<b>Net book value at 31st December 2014</b>	<b>113,879</b>	<b>76,772</b>	<b>33,852</b>	<b>224,503</b>
Net book value at 31st December 2013	52,114	65,750	80,154	198,018

COMPANY	Shop Fittings €	Furniture and equipment €	Motor Vehicles €	Total €
<b>Cost</b>				
At 1st January 2014	185,274	112,136	226,762	524,172
Additions	85,022	45,180	-	130,202
Transfer from Self Help Africa	-	245,238	-	245,238
<b>At 31st December 2014</b>	<b>270,296</b>	<b>402,554</b>	<b>226,762</b>	<b>899,612</b>
<b>Depreciation</b>				
At 1st January 2014	133,160	102,089	157,558	392,807
Charge for the year	23,257	26,894	41,193	91,344
Transfer from Self Help Africa	-	221,482	-	221,482
<b>At 31st December 2014</b>	<b>156,417</b>	<b>350,465</b>	<b>198,751</b>	<b>705,633</b>
<b>Net book value at 31st December 2014</b>	<b>113,879</b>	<b>52,089</b>	<b>28,011</b>	<b>193,979</b>
Net book value at 31st December 2013	52,114	10,047	69,204	131,365

## NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

### 12. FIXED ASSET INVESTMENTS - GROUP

<b>Market Value</b>	<b>Unlisted Securities €</b>
At 1st January 2014	38,336
Revaluations	1,908
Exchange gain on consolidation	2,611
<b>At 31st December 2014</b>	<b>42,855</b>

### 13. GOODWILL - GROUP

<b>Cost</b>	<b>Total €</b>
At 1st January 2014	205,560
Exchange gain on consolidation	13,693
<b>At 31st December 2014</b>	<b>219,253</b>

<b>Amortisation</b>	<b>Total €</b>
At 1st January 2014	123,336
Amortised for the year	42,577
Exchange loss on consolidation	9,489
<b>At 31st December 2014</b>	<b>175,402</b>
<b>Net book value at 31st December 2014</b>	<b>43,851</b>
Net book value at 31st December 2013	82,224

Goodwill was purchased as part of the acquisition of the Ethical Business Services division of Africa Now in 2011. This business unit is now contained within a separate company limited by guarantee called Partner Africa. Self Help Africa is the sole member of Partner Africa.

### 14. SHORT TERM INVESTMENTS

#### **GROUP and COMPANY:**

Investments relate to a bequest of shares, the market value of which at 31st December 2014 was €117,635 (2013: €115,697).

## NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

### 15. CASH AT BANK AND IN HAND

<b>a) GROUP:</b>	<b>2014 €</b>	<b>2013 (combined)€</b>
<b>By fund designation:</b>		
Restricted	1,006,433	1,378,259
Unrestricted	10,525,799	9,827,303
Designated	-	3,117,223
	<b>11,532,232</b>	<b>14,322,785</b>
<b>By account type:</b>		
Deposit accounts	9,167,473	11,647,651
Current accounts	2,177,405	2,492,038
County committee accounts	177,442	175,050
Petty cash	9,912	8,033
Prize bonds	-	13
	<b>11,532,232</b>	<b>14,322,785</b>
<b>(b) COMPANY:</b>		
<b>By fund designation:</b>		
Restricted	1,066,243	-
Unrestricted	9,217,552	7,444,674
Designated	-	3,117,223
	<b>10,283,795</b>	<b>10,561,897</b>
<b>By account type:</b>		
Deposit accounts	8,664,900	10,007,195
Current accounts	1,433,448	374,384
County committee accounts	177,442	175,050
Petty cash	8,005	5,255
Prize bonds	-	13
	<b>10,283,795</b>	<b>10,561,897</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

### 16. DEBTORS

	2014 €	2013 (combined)€
<b>(a) GROUP:</b>		
Due from Self Help Africa Inc (Note 28)	76,172	65,913
Tax refunds on donations receivable	170,963	96,192
Deferred tax	51,415	34,871
VAT recoverable	10,663	1,214
Prepayments and other debtors	431,377	441,303
Accrued income	491,451	952,468
	<b>1,232,041</b>	<b>1,591,961</b>
<b>(b) COMPANY:</b>		
Amount due from subsidiaries	794,658	86,529
Due from Self Help Africa Inc (Note 28)	76,172	-
Tax refunds on donations receivable	23,985	-
Prepayments and other debtors	318,960	60,934
Accrued income	45,848	6,473
	<b>1,259,623</b>	<b>153,936</b>

### 17. CREDITORS (Amounts falling due within one year)

	2014 €	2013 (combined)€
<b>(a) GROUP:</b>		
Projects deferred expenditure	-	2,368,449
Trade creditors and accruals	936,128	737,279
Grants payable	-	89,019
Deferred revenue	52,440	180,023
Other amounts payable (Note 21)	88,094	-
VAT liability	3,048	659
Pension liability	14,465	20,838
PAYE/PRSI liability	151,425	126,523
	<b>1,245,600</b>	<b>3,522,790</b>
<b>(b) COMPANY:</b>		
Projects deferred expenditure	-	1,578,209
Trade creditors and accruals	717,001	233,731
Pension liability	10,381	1,279
Other amounts payable (Note 21)	88,094	-
PAYE/PRSI liability	137,148	49,169
	<b>952,624</b>	<b>1,862,388</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

### 18. CREDITORS (Amounts falling due after more than one year)

	2014 €	2013 (combined)€
<b>(a) GROUP:</b>		
Other amounts payable (Note 21)	204,492	-
Projects deferred expenditure	-	1,550,781
	<b>204,492</b>	<b>1,550,781</b>
<b>(b) COMPANY:</b>		
Other amounts payable (Note 21)	204,492	-
Projects deferred expenditure	-	1,550,781
	<b>204,492</b>	<b>1,550,781</b>

Projects deferred expenditure falling due after more than one year represents the balance arising on approved projects payable in 2015 or later. During 2014 the contracts with implementing partners were re-issued with the result that only grants relevant to the current financial year are reflected in the SOFA and no requirement for deferred expenditure.

### 19. COMMITMENTS

	2014 €	2013 (combined)€
At 31st December 2014 the company had annual commitments under non cancellable operating leases as follows:		
Expiry date:		
1 year	40,478	89,152
Between 2 and 5 years	51,108	17,969
Over 5 years	445,146	329,039
	<b>536,732</b>	<b>436,160</b>

### 20. PENSION SCHEME

The company operates employer sponsored defined contribution pension schemes which are available to all staff. During the year, the charity made contributions in respect of its employees who elected to contribute. The assets of the scheme are held separately from those of the company, in externally managed funds.

The pension expense for the year amounted to €182,313 (2013: €160,466).

Balance outstanding at year end €14,465 (2013: € 20,838)

### 21. ONEROUS CONTRACT

Provision has been made in the financial statements for the year ended 31st December 2014 in respect of a property lease where the unavoidable costs of meeting the obligations under the lease exceed the economic benefits expected to be received under it. This excess of costs over benefits has been calculated at €292,586 of which €88,094 is expected to arise within one year and €204,492 after one year.

## NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

### 22. RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH OUTFLOW FROM CHARITABLE ACTIVITIES

	2014 €	2013 (combined)€
<b>NET INCOMING RESOURCES</b>	428,536	1,069,653
Depreciation	110,251	93,706
Amortisation of capital grants	(4,949)	(4,896)
Amortisation of purchased goodwill	42,577	40,436
Amortisation of acquisition funding reserve	(54,591)	(51,844)
(Loss)/gain on fixed asset disposal	(468)	2
Exchange gain/(loss) on consolidation	63,868	(11,923)
Exchange (loss)/gain on deferred tax asset	(4,778)	1,878
Exchange (loss)/gain on consolidated fixed assets and related reserves	(3,684)	2,470
Decrease/(Increase) in Investments	13,197	(19,804)
(Increase)/decrease in stock	(389)	520
Decrease in debtors	376,466	212,726
Decrease in creditors - amounts falling due within one year	(2,277,190)	(3,075,750)
(Decrease)/increase in creditors - amounts falling due after more than one year	(1,346,289)	354,951
Adjustment for interest received or similar	(183,735)	(252,361)
<b>NET CASH OUTFLOW FROM CHARITABLE ACTIVITIES</b>	<b>(2,841,178)</b>	<b>(1,640,236)</b>

<b>ANALYSIS OF CHANGES IN CASH BALANCES</b>	At 1 January 2014 €	Cashflows 2014 €	At 31st December 2014 €
Cash at bank and in hand	14,322,785	(2,790,553)	11,532,232

### 23. LEGAL STATUS OF THE COMPANY

Gorta's consolidated financial statements combine the activities of Gorta in Ireland and Self Help Africa (UK), Gorta UK and Partner Africa. The net incoming resources for the year, and the retained reserves of each of the group companies at the year-end are detailed below.

	Net incoming resources for the year €	Retained reserves at the year end €
Gorta	532,490	10,697,916
Self Help Africa (UK)	(127,406)	705,433
Partner Africa	44,451	81,168
Gorta UK	71,679	197,137
<b>Group total</b>	<b>521,214</b>	<b>11,681,654</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

### 24. TOTAL FUNDS

<b>(i) Reconciliation of funds</b>	<b>Restricted Funds</b>	<b>Unrestricted Funds</b>	<b>Designated Funds</b>	<b>Total Funds</b>
	€	€	€	€
<b>(a) GROUP</b>				
<b>Cost</b>				
Fund balance at 1 January 2014	1,865,350	6,046,502	3,248,588	11,160,440
Net incoming resources for the years	(446,444)	967,658	-	521,214
Transfer between funds	-	3,248,588	(3,248,588)	-
<b>Fund balances at 31st December 2014</b>	<b>1,418,906</b>	<b>10,262,748</b>	<b>-</b>	<b>11,681,654</b>
<b>(b) COMPANY</b>				
Fund balance at 1 January 2014	-	4,301,138	3,248,588	7,549,726
Funds transferred from Self Help Africa	2,725,742	637,666	-	3,363,408
Net incoming/(outgoing) resources for the year	(1,659,500)	1,444,282	-	(215,218)
Transfer between funds	-	3,248,588	(3,248,588)	-
<b>Fund balances at 31st December 2014</b>	<b>1,066,242</b>	<b>9,631,674</b>	<b>-</b>	<b>10,697,916</b>

<b>(ii) Analysis of net assets between funds:</b>	<b>Restricted Funds</b>	<b>Unrestricted Funds</b>	<b>Deferred Capital Grants</b>	<b>Acquisition Funding Reserve</b>	<b>Balance 31/12/2014</b>
	€	€	€	€	€
<b>(a) GROUP:</b>					
Tangible fixed assets	-	247,027	7,972	12,359	267,358
Intangible assets	-	-	-	43,851	43,851
Current assets	1,418,906	11,465,813	-	-	12,884,719
Liabilities	-	(1,450,092)	-	-	(1,450,092)
<b>Total funds</b>	<b>1,418,906</b>	<b>10,262,748</b>	<b>7,972</b>	<b>56,210</b>	<b>11,745,836</b>
<b>(b) COMPANY:</b>					
			<b>Restricted Funds</b>	<b>Unrestricted Funds</b>	<b>Balance 31/12/2014</b>
			€	€	€
Tangible fixed assets			-	193,979	193,979
Current assets			1,066,243	10,594,810	11,661,053
Liabilities			-	(1,157,116)	(1,157,116)
<b>Total funds</b>			<b>1,066,243</b>	<b>9,631,673</b>	<b>10,697,916</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

### 24. TOTAL FUNDS (CONTD.)

(iii) Movements in funds:		Balance as at 01/01/2014 €	Incoming resources €	Resources expended €	Transfer between funds €	Balance 31/12/2014 €
<b>(a) GROUP:</b>						
Restricted funds		1,865,350	8,277,503	(8,723,947)	-	1,418,906
Unrestricted funds		6,046,502	8,215,699	(7,248,041)	3,248,588	10,262,748
Designated funds		3,248,588	-	-	(3,248,588)	-
<b>Total funds</b>		<b>11,160,440</b>	<b>16,493,202</b>	<b>(15,971,988)</b>	<b>-</b>	<b>11,681,654</b>
<b>b) COMPANY:</b>						
	Balance as at 01/01/2014 €	Transferred from Self Help Africa €	Incoming resources €	Resources expended €	Transfer between funds €	Balance 31/12/2014 €
Restricted funds	-	2,725,742	2,714,613	(4,374,113)	-	1,066,242
Unrestricted funds	4,301,138	637,666	4,640,550	(3,196,268)	3,248,588	9,631,674
Designated funds	3,248,588	-	-	-	(3,248,588)	-
<b>Total funds</b>	<b>7,549,726</b>	<b>3,363,408</b>	<b>7,355,163</b>	<b>(7,570,381)</b>	<b>-</b>	<b>10,697,916</b>

### 25. ACQUISITION FUNDING RESERVE

	Total €
<b>Cost</b>	
At 1st January 2014	263,538
Exchange gain on consolidation	17,556
<b>At 31st December 2014</b>	<b>281,094</b>
<b>Amortisation</b>	
At 1st January 2014	158,126
Amortised for the year	54,591
Exchange loss on consolidation	12,167
<b>At 31st December 2014</b>	<b>224,884</b>
<b>Net book value at 31st December 2014</b>	<b>56,210</b>
Net book value at 31st December 2013	105,412

The acquisition funding reserve arises from the company's acquisition of the Ethical Business Division of Africa Now in 2011 (now renamed and incorporated as Partner Africa). The funding of this investment is amortised to unrestricted funds over 5 years as management's best estimate of the economic lives of the assets acquired.

## NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

### 26. DEFERRED CAPITAL GRANTS

	<b>Total €</b>
<b>Cost</b>	
At 1st January 2014	21,434
Exchange loss on consolidation	2,301
<b>At 31st December 2014</b>	<b>23,735</b>
<b>Amortisation</b>	
At 1st January 2014	9,414
Amortised for the year	4,949
Exchange gain on consolidation	1,400
<b>At 31st December 2014</b>	<b>15,763</b>
<b>Net book value at 31st December 2014</b>	<b>7,972</b>
Net book value at 31st December 2013	12,020

### 27. FINANCIAL RISK MANAGEMENT

Much of the organisation's costs, particularly overseas costs, are denominated in euro and local currency while most income is received in euro. A strengthening of the local currency against the euro could have an adverse effect on Gorta's ability to deliver its planned programme of work. These currency risks are monitored on an ongoing basis.

Gorta hold a number of bank accounts deposited in a number of different financial institutions ensuring the security of our funds and also endeavouring to maximise the return available. Gorta earned investment income of €183,735 in 2014 (2013: €252,361).

### 28. SELF HELP AFRICA INC.

Self Help Africa Inc. is a not for profit organisation registered in the United States of America. Self Help Africa Inc. is governed by an independent board of directors which retains full control over the financial and operating policies of the company. During the year Self Help Africa Inc. on-granted €14,527 of restricted income received (2013: €41,488) and €52,777 of voluntary income raised (2013: 25,919) to Gorta projects. Total amounts granted by SHA Inc to Gorta of €67,304 (2013: €67,507) have been included in the accounts of Gorta under incoming resources and resources expended. A balance of €76,172 remained outstanding at 31st December 2014 represented by a loan repayable by Self Help Africa Inc. to Gorta.

## NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

### 29. MERGER WITH SELF HELP AFRICA

On 28th May 2014 Gorta entered into an agreement to merge with Self Help Africa, a like-minded charity registered in the Republic of Ireland. This merger was completed following EGMs of both organisations on 26th July and all assets and liabilities of Self Help Africa transferred to Gorta at that date.

The financial statements reflect the results of both Gorta and Self Help Africa from 1st January 2014 until 26th July 2014 and of the merged organisation from 27th July 2014 to 31st December 2014. Comparatives for 2013 reflect the full year combined results of Gorta and Self Help Africa.

<b>Analysis of principal SoFA components for the current reporting period:</b>	<b>Gorta Pre-Merger €</b>	<b>Self Help Africa Pre-Merger €</b>	<b>Combined Post Merger €</b>	<b>Total 2014 €</b>
Total income	2,485,177	6,909,263	7,098,762	16,493,202
Total expenditure	2,532,545	6,499,910	7,032,211	16,064,666
<b>NET (OUTGOING)/INCOMING RESOURCES</b>	<b>(47,368)</b>	<b>409,353</b>	<b>66,551</b>	<b>428,536</b>
<b>Other gains</b>	<b>12,035</b>	<b>47,802</b>	<b>32,841</b>	<b>92,678</b>
<b>Net movement in funds</b>	<b>(35,333)</b>	<b>457,155</b>	<b>99,392</b>	<b>521,214</b>

<b>Analysis of principal SoFA components for the previous reporting period:</b>	<b>Self Help Africa 2013 €</b>	<b>Gorta 2013 €</b>	<b>Total 2013 €</b>
Total income	13,136,645	5,189,966	18,326,611
Total expenditure	12,790,628	4,466,330	17,256,958
<b>NET INCOMING RESOURCES</b>	<b>346,017</b>	<b>723,636</b>	<b>1,069,653</b>
<b>Other gains</b>	<b>935</b>	<b>-</b>	<b>935</b>
<b>Net movement in funds</b>	<b>346,952</b>	<b>723,636</b>	<b>1,070,588</b>

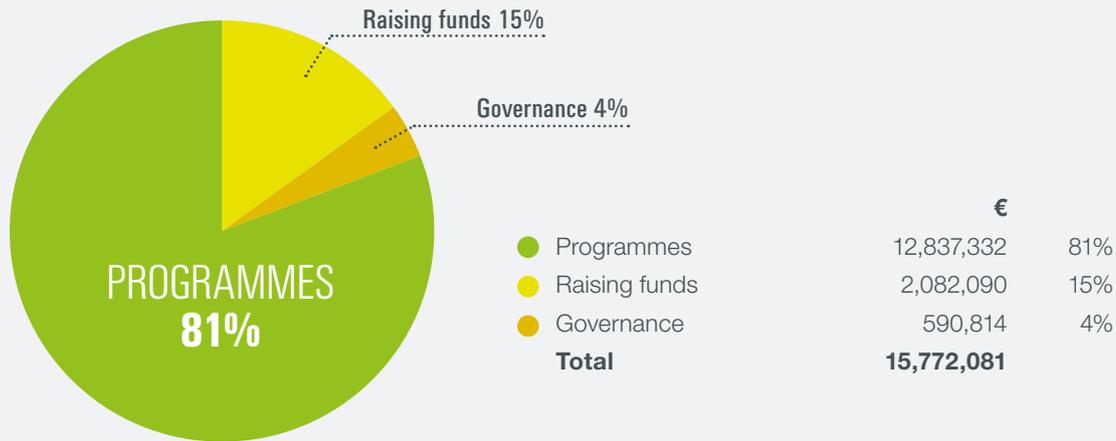
<b>Analysis of net assets at 26th July 2014</b>	<b>Self Help Africa €</b>	<b>Gorta €</b>	<b>Total €</b>
<b>Net assets</b>	<b>4,026,656</b>	<b>7,639,850</b>	<b>11,666,506</b>
<b>Represented by:</b>			
Unrestricted reserves	992,585	4,391,262	5,383,847
Restricted reserves	2,949,828	-	2,949,828
Designated reserves	-	3,248,588	3,248,588
Acquisition funding reserve	78,758	-	78,758
Capital grants	5,485	-	5,485
<b>Total funds</b>	<b>4,026,656</b>	<b>7,639,850</b>	<b>11,666,506</b>



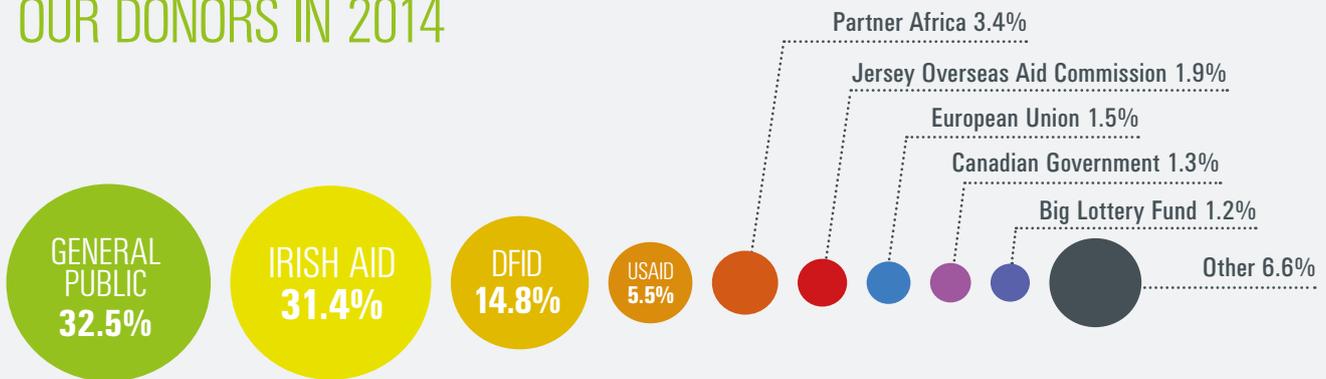


## 2014: THE YEAR IN FIGURES

### ANALYSIS OF OUR CHARITABLE EXPENDITURE IN 2014



### OUR DONORS IN 2014



### OUR PROGRAMME EXPENDITURE IN 2014

