

<u>TYPE OF RISK (Ireland)</u>	<u>SCALE OF RISK</u>	<u>RISK MANAGEMENT ACTIONS</u>
Funding Shortfall	Moderate	Three to five-year agreement with major donors. Stable funding through Tralee bookshop. P.R. activities (Newsletter, Facebook, Website) to attract continuing flow of funds. Monthly financial reports comparing cash flow with budgeted expenditure. Minimum reserves = 3 months expenditure.
Fraud or Mis-appropriation of Funds	Low	Monthly bank reconciliation. Zero cash handling (except bookshop). Two signatures on all cheques. Internal audit process. Independent external audit.
Resignation of Director(s)	Moderate	Maximum number of directors = 11. If numbers fall below 8, new directors are appointed. Quorum for decision-making = 5.
Illness or Death of a Senior Officer	Low	Officers are elected at each AGM. Chairman, Secretary or Treasurer can be replaced from among Directors at short notice. Good spread of experience/skills among Directors.
Illness/Death/Resignation of In-Country Director	Low	In-Country Basotho managers trained to run projects. Board Sub-Committees liaise weekly with project managers. Two or three Directors visit Lesotho each year.
Failure to meet Regulatory Requirements	Low	Board policies in place covering most regulatory requirements. Policies are reviewed annually under supervision of Company Secretary. Independent auditor also reviews compliance.

<u>TYPE OF RISK (Lesotho)</u>	<u>SCALE OF RISK</u>	<u>RISK - MANAGEMENT ACTIONS</u>
Physical assault on employees or volunteers by clients/others	Low in day-time, moderate at night.	All work ceases before dark (except seasonal farm work). Two people at all times on premises and on visits to clients' homes. Non-Basotho employees/volunteers are accommodated in Ficksburg, South Africa. First-time volunteers travel with experienced personnel.
Employee/volunteer contracting infectious disease	Low to Moderate	Induction and ongoing training in protective measures, hand hygiene, first aid. Work under supervision of nurse, and wear gloves, masks, etc. if required. Advance briefing of volunteers.
Accidental Injury or death of employee / volunteer	Low to Moderate	Employer's liability insurance in place for all workers registered in Lesotho. General insurance covers expatriate employees and volunteers, including medical and repatriation cover. All volunteers required to have travel insurance. Regular maintenance of vehicles, buildings and farm equipment.
Government exclusion of non-Basotho employees/volunteers	Low to Moderate	Develop good relations with government agencies and ministries, so that avenue of appeal is kept open. Management skills of Basotho employees developed so that they can continue to manage projects without foreign employees/volunteers.
Government collapse leading to breakdown of law & order, or civil war	Moderate	Plan in place to organise immediate evacuation of non-Basotho employees to accommodation in South Africa. Insurance in place to finance repatriation. Monitor media reports daily. Liaise with Irish and E.U. consular services.
Sabotage of property / crops	Moderate	Good P.R. to ensure that public are aware that Action Lesotho projects benefit the poor rather than outsiders. Develop good relations with local Chiefs so that Action Lesotho benefits from any compensation available. Property Insurance in place.
Theft of property / money. Fraud by an employee	Moderate	Security fences, watchmen, insurance in place. Qualified book-keeper employed in Lesotho, does not handle cash, does monthly cash and bank reconciliation. These are checked by Action Lesotho Treasurer in Ireland. Independent audit carried out annually by professional auditors in both Ireland and Lesotho. All employees are aware that misappropriation of funds is a cause for dismissal.
Crop failure due to drought, disease or insect attack	Moderate	Advance planning to take advantage of weather windows. Early warning systems in place. Arrangements for speedy access to insecticides etc. Irrigation where possible.