

Tumbo (12) Ngiluni village,
Kitui, Kenya.

TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 28 FEBRUARY 2014

trócaire

CONTENTS

| | Page |
|--|------|
| Trustees and other information | 2 |
| Preface | 4 |
| Report of the Trustees | 5 |
| Report of the Auditors | 37 |
| Statement of accounting policies | 39 |
| Consolidated statement of financial activities | 41 |
| Statement of total recognised gains and losses | 42 |
| Reconciliation of movement in funds | 42 |
| Consolidated balance sheet | 43 |
| Trust balance sheet | 44 |
| Cash flow statement | 45 |
| Notes to the financial statements | 46 |
| Supplementary information | 61 |

TRUSTEES AND OTHER INFORMATION

TRUSTEES:

Cardinal Sean Brady (Chair)
Archbishop Diarmuid Martin
Archbishop Dermot Clifford
Archbishop Michael Neary
Bishop John Kirby
Bishop Noel Treanor
Bishop William Crean (Appointed March 2013)

EXECUTIVE DIRECTOR: BOARD

Éamonn Meehan
Bishop William Crean (Appointed March 2013 (Chair))
John Carr
Harry Casey
Sr. Geraldine Henry
Ita Lehane
Éamonn Meehan (Appointed October 2013)
Margot Lyons
Prof Monica McWilliams
Ronan Murphy
Ronan O'Loughlin
Fiona Tierney
Chris Queenan (Appointed May 2013)
Bishop Colm O'Reilly (Retired March 2013)
Justin Kilcullen (Retired October 2013)
Bishop John Kirby (Retired October 2013)
Dr. Anne Looney (Retired May 2013)

BOARD SUB-COMMITTEES

Audit Committee

Margot Lyons (Chair)
Chris Queenan

Finance & Funding Committee

Declan Kenny
Ita Lehane (Chair)
Maeliosa OhOgartaigh
Eamonn Meehan
Paul Caskey

Organisation & Human Resources Committee

John Carr (Chair)
Ursula Murphy
Éamonn Meehan
Bishop William Crean
Fiona Tierney

International Programmes Advisory Committee

Ronan O'Loughlin (Chair)
Ronan Murphy
Su-Ming Khoo
Sr. Geraldine Henry
Mairtin O'Fainin
Conall O'Caoimh
Niamh Gaynor
Rosemary McCreery

TRUSTEES AND OTHER INFORMATION

EXECUTIVE LEADERSHIP TEAM:

| | |
|---|-------------------|
| Executive Director | Éamonn Meehan |
| Director of Organisational and Corporate Affairs Division | Celine Fitzgerald |
| Director of International Division | Caoimhe de Barra |
| Director of Fundraising and Marketing | Catrina Sheridan |
| Regional Director Northern Ireland | Eithne McNulty |
| Director of Public Engagement | Fintan Maher |

PRINCIPAL OFFICE:

Maynooth
Co Kildare

PRINCIPAL BANKERS:

AIB Bank
7/12 Dame Street
Dublin 2

Bank of Ireland
Lower Baggot Street
Dublin 2

AUDITORS:

Crowe Horwath
Bastow Charleton
Chartered Accountants and
Registered Auditors
Marine House
Clanwilliam Court
Dublin 2

PREFACE

Building our impact at home and abroad

Last year, Trócaire helped to improve the lives of [3.4 million](#) people in some of the poorest regions of Africa, Asia, the Middle East and Latin America. From families made homeless by war or natural disasters, to farmers battling the effects of climate change, Trócaire has brought hope and dignity to people living in extreme poverty.

This is made possible by the public in Ireland who have continued to support Trócaire and our vision of a just world. Last year, people in Ireland donated an incredible [€29.6m](#) to our work. That amounts to almost €5 for every adult and child living on the island of Ireland.

Trócaire's work overseas focuses on five core themes: [strengthening livelihoods](#), [defending human rights](#), [responding to emergencies](#), [empowering women](#) and [supporting people living with HIV](#). This Annual Report contains details of how those programmes impacted on the lives of millions of people.

Since the organisation was founded in 1973, Trócaire has held a dual mandate. As well as supporting people living in extreme poverty in the developing world, Trócaire works with communities in Ireland to build an understanding of the causes of extreme poverty overseas. [Our outreach work in Ireland](#) – be it through schools, parishes or volunteer networks – is key towards building solidarity between people at home and abroad.

As I complete my first year as Executive Director of Trócaire, I am determined to strengthen our links with our supporters even further.



Executive Director



Girls play with skipping ropes during their break time at the Dollow Primary School in southern Somalia that is supported by Trócaire. The school currently has 373 pupils in total, including 118 girls, and are taught by eight teachers.

REPORT OF THE TRUSTEES

The Trustees present their report and the consolidated financial statements for the year ended 28 February 2014.

1. STRUCTURE, GOVERNANCE AND MANAGEMENT

REGISTRATION AND CONSTITUTION

Trócaire is the official overseas development agency of the Catholic Church in Ireland. It is a registered charity in the Republic of Ireland (charity number CHY 5883), granted charitable status under Sections 207 and 208 of the Taxes Consolidation Act 1997. Trócaire is governed by a Trust Deed dated 18 December 1973, as amended on 14 June 2001 and 19 October 2010.

Trócaire was established to express the concern of the Irish Catholic Church for any form of human need, but particularly for the needs and problems of under-developed communities by the relief of poverty and the advancement of education.

TRUSTEES AND BOARD

Trustees are appointed by the Episcopal Conference. There are seven Trustees, all of whom must be an Archbishop or Bishop of the Irish Hierarchy. The Trustees appoint a Board consisting of up to 14 members to advise and assist them in the governance of Trócaire. The members of the Board are subject to retirement by rotation, having held office for three years consecutively. No member of the Board other than a Trustee or an ex-Officio Member shall hold office for longer than six consecutive years.

The Trustees meet annually to receive the annual report and audited financial statements of Trócaire. Other meetings take place as required.

The Board meets formally at least five times a year. One of these meetings takes place over a residential weekend, to allow time for the members of our Board to develop a deeper understanding of our work both in Ireland and overseas. Trustees and Board members undergo an induction programme to ensure that collectively they have the overview necessary for the proper governance of the organisation; ongoing training is arranged as and when a need is identified. They also travel overseas to view at first hand the work we support in the developing world. Members of the sub-committees of the Board also attend the induction programme and visit our programmes overseas.

There were significant changes to the leadership of Trócaire during 2013. Executive Director Justin Kilcullen and Chairman Bishop John Kirby both retired. Both men had led the organisation for over 20 years and deserve enormous credit for their guidance and successful stewardship over this time. Bishop William Crean, Bishop of Cloyne, was appointed to the Board in March 2013 and was appointed Chairman of Trócaire in June 2013. Éamonn Meehan was appointed as Executive Director in October 2013, having previously served as Deputy Director.

There are currently four sub-committees of the Board:

- (1)** The Organisation and Human Resources Committee is responsible for giving advice to the Board and management in relation to organisational structure, human resources and the allocation of related financial resources and support to ensure the objectives of the strategic plan are achieved within the approved budget framework.
- (2)** The Audit Committee assists the Board in fulfilling its responsibilities by independently reviewing financial statements and the effectiveness of our internal controls. This Committee also monitors the effectiveness of the external and internal audit functions.
- (3)** The International Programme Advisory Committee is responsible for giving advice on the development of Trócaire's international programme work and to monitor the impact of this work.
- (4)** The Funding and Finance Committee is responsible for overseeing all financial and funding aspects of our operation and performance to ensure short- and long-term viability.

REPORT OF THE TRUSTEES

DECISION-MAKING

The Trustees and Board are the custodians of Trócaire's vision, mission and values; they approve strategy, structure, annual plans and budgets and ensure the organisation is effective and accountable. The Trustees appoint the Executive Director of Trócaire and have delegated a range of day-to-day decision-making powers to the Director and the Executive Leadership Team.

RISK MANAGEMENT AND INTERNAL CONTROL

Trócaire has established a comprehensive risk management process, which seeks to ensure the responsible people in the organisation manage and mitigate risks in line with Trócaire's agreed risk appetite. This risk management process is an integral part of Trócaire's organisational governance system. Risk is regularly and thoroughly assessed at various levels in the organisation up to Board and Trustee level.

The risk oversight process begins with the Trustees, as they have primary responsibility for risk management within Trócaire. They are aware of the major risks to which the charity is exposed and must be satisfied that control systems are in place to mitigate exposure in accordance with the agreed risk appetite of the organisation.

The Trócaire risk management process explicitly takes account of uncertainty, the nature of that uncertainty and how it can be addressed. Risk management is systematic, structured and timely. The risk management framework within Trócaire involves risk identification, analysis, control, review and reporting. There are four levels of risk register; the organisational (executive) level risk register, the divisional level risk registers and the country and programme level risk registers. In addition, there is also a risk register in Trócaire (Northern Ireland). Management at each level ensure that risk analysis is part of the decision-making process; this is recognised through the risk registers and so escalates information on high level current risks to the next level of management.

The Executive Leadership Team in Trócaire is responsible for developing and executing the organisation's risk programme and acts as the risk committee for the organisation. The Director of Organisational Development and Corporate Affairs is the Chief Risk Officer with responsibility for improving risk management processes within the organisation. The Internal Auditor reports to the Audit Committee on the adequacy and effectiveness of the risk management process and internal control systems of the organisation.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties facing Trócaire are as follows:

Financial Stability: The principal financial challenges facing Trócaire are in the areas of fundraising and institutional funding, cost control and cash security and management. Trócaire is entirely dependent on the goodwill of the public and on Governments and co-donors. The fundraising environment remains very challenging. A combination of increased competition for public funds and pressure on Government finances means Trócaire needs to identify and develop new sources of income in order to reduce the risk of significant income fluctuations. Trócaire is working to reduce costs by putting in place processes and procedures to ensure that it gets the best value for money in all its expenditure. Finally, Trócaire is continually reviewing and assessing its investment strategy to reduce its exposure to fluctuations and risk in financial markets.

Governance and Management: Trócaire has governance structures and procedures in place to ensure appropriate decision-making and implementation. The increasing rate of change in the external environment highlights the continuing need for organisational renewal. In response to this need, Trócaire has completed the restructuring of its operations in the field and in Ireland and has introduced a management decision-making framework which details how the organisation is managed. Senior management and the Board are aware of the potential for adverse effects resulting from the ineffective implementation and management of the risk related to major organisational change or initiative overload. The Board has structured oversight of operations and regularly reviews risk. All organisational change initiatives and projects are reviewed regularly by senior management.

REPORT OF THE TRUSTEES

Trócaire's staff members are the key to success. Trócaire prioritises building strong relationships with staff and implementing initiatives in performance management and staff development training.

Operational: The personal security of staff and safety of beneficiaries is Trócaire's highest priority. Trócaire has developed comprehensive security management policies to ensure that this risk is appropriately managed. Procedures are in place to protect Vulnerable Adults and Children in the delivery of our services. Trócaire's partnership approach is based on the core values of solidarity, participation and subsidiarity from Catholic social teaching. There are clear procedures in place to ensure that our partners share our vision and values. Trócaire works closely with local partners to ensure that they have the systems and resources to achieve their objectives.

Information Security and Continuity: Trócaire is dependent on several IT and communication systems for processing and storing its data. In some countries of operation, this data is particularly sensitive. To prevent disruption to operations due to damage to systems or unauthorised access to data Trócaire has developed robust IT security and data recovery measures. An external audit was conducted by BH Consulting on all aspects of our information security in 2013 with the resulting recommendations currently being implemented. We expect to conduct another security audit in 2014 to validate that we have a secure environment.

Compliance and Regulation: Significant damage to Trócaire's reputation could be caused due to non-compliance with laws or regulations or codes of best practice. Trócaire implements well-established policies and procedures, and adheres to the sector's recommended codes of practice (such as the Statement of Recommended Practice SORP) to ensure compliance with statute, regulatory or labour law in all countries of operation.

Environmental and External Risks: Trócaire monitors the external environment in order to anticipate political, social or economic risks, so that plans can be put in place to minimise any negative impact on organisational activities or the reputation of the organisation.

TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Trustees are required to prepare financial statements that give a true and fair view of the state of the charity's affairs and of its income and expenditure for each financial year. In preparing the financial statements, the Trustees are required to select suitable accounting policies, to apply them consistently and to make judgements and estimates that are reasonable and prudent. The Trustees confirm that they have complied with the above requirements in preparing the financial statements.

The Trustees are responsible for keeping proper accounting records which comply with accounting standards and which disclose, with reasonable accuracy at any time, the financial position of the charity. To ensure that proper books and records are kept, the charity has employed appropriately qualified personnel and has maintained appropriate computerised accounting systems. It is also responsible for safeguarding the assets of the charity, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Audit Committee, which is a sub-committee of the Board, meets at least three times a year and reviews the performance of the above responsibilities for the Trustees.

SUBSIDIARY UNDERTAKING

Trócaire (Northern Ireland) (charity number XR 10431) is a subsidiary undertaking.

Subsidiary undertakings are those over which Trócaire exercises a dominant influence, being the ability to direct the operating and financial policies of the undertaking. Details of transactions with the subsidiary undertaking are set out in Note 20 of the financial statements.

REPORT OF THE TRUSTEES

COMMITMENT TO STANDARDS IN FUNDRAISING PRACTICE

Trócaire is committed to the standards contained within the Statement of Guiding Principles for Fundraising. The statement was developed by the Irish Charities Tax Research group and exists to provide charities in Ireland with a Fundraising Code of Practice.

The purpose of the Statement is to:

- Improve the way charities in Ireland raise their funds
- Promote high levels of accountability and transparency by organisations fundraising from the public
- Provide clarity and assurances to donors and prospective donors about the organisations they support.

Trócaire meets the standards as set out in the Code of Practice and is fully committed to working with the relevant agencies to maintain and develop the highest standards of fundraising methods in our sector.

COMMITMENT TO BEST PRACTICE IN CORPORATE GOVERNANCE

Trócaire is committed to the standards contained within the Irish Development NGOs Code of Corporate Governance as developed by Dóchas. The aim of the code is to determine and formulate standards of best practice in corporate governance applicable to the Development NGO sector, with a view to strengthening the impact and quality of Development NGO work and enhancing stakeholder confidence in the sector.

Trócaire adheres to the Dóchas Code of Conduct in its use of imagery and messages. This code promotes good practice among overseas development organisations in how they represent the people and communities they serve and the situations in which they work. It requires signatories to only use images and messages that respectfully and truthfully represent the people featured, maintaining their dignity and communicating solidarity.

STAKEHOLDER ACCOUNTABILITY

In 2013, we launched our Stakeholder Accountability Framework, which outlines our seven commitments to our stakeholders. These are:

1. We put our values into practice, respecting the rights and valuing the contribution of our diverse stakeholders.
2. We work in partnership and solidarity with our stakeholders and ensure that decisions are made by, or as close as possible to, those most affected by them.
3. We are a transparent organisation and endeavour to collaborate and share information openly with our stakeholders.
4. We consult and listen to our stakeholders to ensure that our work is informed by their active participation and feedback.
5. We strive to safeguard all our stakeholders against harm, abuse or exploitation and to have complaint handling arrangements in place.
6. We work to ensure that all programmes are of the highest quality in line with international standards and best practice and can demonstrate results as positive changes in people's lives.
7. We support our staff to learn, develop and innovate and to ensure that learning from our achievements and our failures allows us to continually improve.

In order to achieve these commitments, Trócaire will be responsible, transparent and participatory, seeking feedback and learning from our work.

REPORT OF THE TRUSTEES

SAFEGUARDING PROGRAMME PARTICIPANTS AND CHILD PROTECTION

Trócaire believes that all individuals have the right to life with dignity and to freedom from exploitation and abuse. It is Trócaire policy to safeguard all individuals who are involved in or affected by our work from risks of exploitation and abuse, and to ensure that the behaviour of all those working with Trócaire meets the appropriate standards.

Trócaire has had a Child Protection Policy in operation in our Irish context and in overseas field offices since 2006. Following a review by the National Board for Safeguarding Children, it was updated in 2010. In 2012, the Trócaire policy was again reviewed to ensure that emerging lessons on good practice were adequately addressed. As a result, in 2013 Trócaire's policy for overseas operations was reframed in a new Safeguarding Programme Participants Policy (SPPP) and guidance documents on SPPP implementation were developed for both staff and partner organisations.

The term "Programme Participants" refers to partner staff and members of communities in all areas in which we work. The revised SPPP provides clearer and more detailed guidance on prevention of abuse, identification of abuse, reporting of issues and management and investigation of complaints arising internally or raised by partner staff or community members.

An Accountability and Safeguarding Officer is working at organisational level to ensure our policy and procedures are fit for purpose and implemented appropriately in various contexts. The SPPP is being rolled out with staff and partners in three countries initially, Kenya, India and DRC. Specific issues which are being tested at field level concern the operation of the Complaints Handling Mechanism with respect to community and partner organisation members; training of investigators to address allegations of abuse; and mechanisms to support partner organisations to undertake their own safeguarding policy initiatives. As these issues are resolved, a full roll-out across all countries in which we operate will be implemented.

Overall accountability for ensuring implementation of appropriate child protection and safeguarding measures lies with the Trustees. The Director of Organisation Development and Corporate Affairs is the Chief Designated Safeguarding Officer and, as such, is responsible for ensuring that organisational policy is in place in accordance with national and international law, policy and best practice. Each Country Director is responsible for ensuring that the policy is implemented in Trócaire's programme countries.

2. OBJECTIVES AND ACTIVITIES

INTRODUCTION

The Synod of Bishops meeting in Rome in 1971 on “Justice in the World” made the following statement:

“Action on behalf of justice and participation in the transformation of the world fully appear to us as a constitutive dimension of the preaching of the Gospel.”

In Caritas in Veritate, Pope Benedict XVI elaborated on this concept of the common good: “The more we strive to secure a common good corresponding to the real needs of our neighbours, the more effectively we love them. Every Christian is called to practise this charity, in a manner corresponding to his vocation... this is the institutional path – we might also call it the political path – of charity, no less excellent and effective than the kind of charity which encounters the neighbour directly... Only in charity, illumined by the light of reason and faith, is it possible to pursue development goals that possess a more humane and humanising value.”

At the heart of Trócaire’s work is that light of reason and faith.

We are also aware that despite the great progress made over the past five decades in lifting millions of people out of poverty, the task of creating authentic human development remains daunting.

In the months since Pope Francis was elected, he has demonstrated that the values of the Gospel he preaches - joy, compassion and simplicity - imbue every aspect of his life. In a world dominated by celebrity, his life speaks volumes to those who are disillusioned and are searching for alternatives.

The Holy Father, in his recent Easter 2014 message, invited us to: “Help overcome the scourge of hunger, aggravated by conflicts and by the immense wastefulness for which we are often responsible. Enable us to protect the vulnerable, especially children, women and the elderly, who are at times exploited and abandoned.”

Pope Francis has the potential, through his global reach, to inject a new moral purpose into delicate international processes.

It is in that spirit of solidarity with the poor that Trócaire continues its work on behalf of the Church in Ireland.

REPORT OF THE TRUSTEES

VISION

Trócaire envisages a just and peaceful world where people's dignity is ensured and rights are respected; where basic needs are met and resources are shared equitably; where people have control over their own lives and those in power act for the common good.

MISSION

Inspired by Gospel values, Trócaire works for a just and sustainable world for all.

Trócaire gives expression to this mission by:

- Providing long-term support to people who live in extreme poverty in the developing world, enabling them to work their way out of poverty
- Providing appropriate assistance to people most in need in emergencies and enabling communities to prepare for and resist future emergencies
- Tackling the structural causes of poverty by mobilising people for justice in Ireland and abroad.

To fulfil this mission, Trócaire:

- Works in partnership with civil society organisations in Ireland and abroad
- Works directly on development education, advocacy and campaigns that emphasise the underlying causes of poverty.

VALUES

Trócaire's work is grounded in Catholic social teaching, which stresses the dignity of each person and their inalienable human rights, along with their responsibilities, regardless of culture, ethnicity, gender or religion.

As we work to achieve our mission, we practise the following values, both within the organisation and in our programmes and relationships:

- Solidarity
- Perseverance
- Accountability
- Participation
- Courage

ACTIVITIES

We recognise that a variety of responses is needed to make a difference to the lives of poor and marginalised people in the developing world. We will face these challenges by:

- Building on our strengths and prioritising key aspects of our current work
- Taking on targeted new areas of work both globally and regionally
- Working in a more integrated manner across all programme areas
- Focusing on 17 programme countries.

Trócaire builds long-term partnerships with local organisations in countries across Africa, Asia, Latin America and the Middle East, supporting their work to build a better world for people living in poverty.

In emergency situations, we provide immediate humanitarian relief but also support long-term rehabilitation programmes to enable people to rebuild their lives. In much of our international emergency work, we act as part of the global Caritas network, a federation of 165 Catholic relief and development organisations operating in over 200 countries and territories, promoting social change and development, and responding to emergency and other social needs. Membership of Caritas Internationalis enhances our capacity to respond to the needs of people around the world. At times of emergency and crisis, aid can be co-ordinated by and channelled through the local Caritas Internationalis organisation and its local church structures.

We also support the relief and development work of local missionaries in a number of countries.

REPORT OF THE TRUSTEES

STRATEGY

Trócaire believes that people should have the right and freedom to choose a life of dignity, a life in which they have an opportunity to realise their own potential. We believe that the most powerful tool in overcoming poverty is empowering people to determine their own lives.

We work in partnership with communities to develop local solutions to local problems. Not only does this approach deliver better results for the people we serve, it also empowers communities to take charge of their own lives.

Over the period of our current strategic plan, 2006 to 2016 (as revised 2012 to 2016), we are developing and implementing five organisational programmes, as follows:

- [Building Sustainable Livelihoods and Demanding Environmental Justice](#): Working with some of the most vulnerable communities in the developing world by helping people to make a living so that they can escape from poverty while ensuring that Trócaire as an organisation, and through its programmes, contributes to the sustainable and just use of environmental resources.
- [Governance and Human Rights](#): Building the capacity of civil society in poor countries to hold decision-makers to account and to engage in shaping policies that affect the lives of people living in poverty.
- [Preparing for and Responding to Emergencies](#): Reducing the impact of natural disasters on vulnerable communities and individuals through disaster preparedness and mitigation, relief and recovery.
- [Addressing the HIV and AIDS Crisis](#): Reducing vulnerability to HIV and mitigating the impact of HIV and AIDS on poor and marginalised communities.
- [Promoting Gender Equality](#): Contributing to the elimination of gender inequalities and ensuring that women and men have equal rights and opportunities to fulfil their human potential and to play an active role in the building of society.

3. ACHIEVEMENTS AND PERFORMANCE

- Context: A critical period for development
- Sustainable Livelihoods and Demanding Environmental Justice: Tackling hunger
- Governance and Human Rights: Giving people a voice
- Humanitarian: Delivering aid in times of crisis
- Gender: Unlocking the potential of women
- HIV: Increasing knowledge, improving lives
- Raising awareness in Ireland
- Institutional support for our work
- Looking to the future: Plans for 2014/15

Context - A critical period for development

We are at a critical stage in global development. Recent years have seen notable successes: an 8% growth in primary school enrolment, a 25% reduction in malaria deaths, maternal mortality rates almost halved. These positive trends offer hope as we strive for a world in which everybody's dignity is protected and everybody's rights upheld.

However, other trends cast looming question marks over whether such positivity is misplaced. Climate change continues apace, its increasing severity marked by despairing cries of people in the developing world and the shrugging shoulders of political leaders in the developed world. The changing climate is affecting people's ability to grow food, earn an income and protect themselves and their families from natural disasters. Climate change is no longer merely an issue for hundreds of millions of people around the world, it is the entire context in which they live.

Political changes in the developing world also throw up fundamental development questions. Sadly, the developing world is characterised by a dearth of pro-poor leaders. Presidents and Prime Ministers increasingly opt to chase models of economic growth at all cost. The rights of poor people are being cast aside in favour of foreign investment; vulnerable communities are silenced and marginalised in order to benefit an elite.

Approximately 870 million people around the world remain chronically hungry, while many more are deprived of the right to take part in the decision-making structures which affect their daily lives. How the world responds over the coming years to climate change and poor governance will largely dictate the success or otherwise of development efforts.

Where we work

As planned, Trócaire completed our phase-out from five countries in 2013 (Angola, Bolivia, Burundi, Mozambique and Timor Leste). This followed a decision taken in February 2012 to withdraw from 10 countries. The rationale for this change was based on both the current funding context and quality imperatives. In addition to the six country offices closed in 2013, a further four will close by the end of 2015 (Liberia, Haiti, El Salvador and Cambodia).

Once this process is complete, our programmes will be focused on 17 countries:

| | |
|---------------------------------|---|
| Africa | Democratic Republic of Congo, Ethiopia, Kenya, Malawi, Rwanda, Sierra Leone, Somalia, South Sudan, Uganda, Zimbabwe |
| Asia and the Middle East | India, Pakistan, Occupied Palestinian Territories, Myanmar |
| Central America | Guatemala, Honduras, Nicaragua |

REPORT OF THE TRUSTEES

Our humanitarian programme provides support to people in need of immediate assistance outside of our core 17 countries. Trócaire is currently providing humanitarian assistance to people in 20 countries. Examples of Trócaire assistance being provided in 'non-core' countries includes Central African Republic, Lebanon, the Philippines and Syria. In such instances, we provide assistance by working through Caritas partners. As a member of Caritas Internationalis, Trócaire has access to pre-existing structures and networks worldwide that prove invaluable when responding to humanitarian emergencies.

Our Impact

In 2013/14, Trócaire's work benefited the lives of approximately 3.47 million people through our direct programme interventions. Our impact was as follows:

| Organisational Programme | Countries | Beneficiaries | Expenditure |
|---|-----------|---------------|-------------|
| Building Sustainable Livelihoods | 15 | 656,000 | €8.2m |
| Governance and Human Rights | 20 | 1,552,000 | €7.5m |
| Preparing for and responding to Emergencies | 15 | 1,100,000 | €20.7m |
| Addressing the HIV and Aids Crisis | 5 | 80,000 | €2.0m |
| Promoting Gender Equality | 6 | 78,000 | €2.3m |

Sustainable livelihoods and demanding environmental justice: Tackling hunger

Food is a basic human right, yet huge inequality and political failure has resulted in millions of people struggling on a daily basis to access nutrition. It is a shameful fact that in a world of plenty an estimated 870 million people experience chronic under-nourishment. Trócaire works with people who are vulnerable to hunger, increasing food security, growing incomes and increasing access to natural resources. Our livelihoods programme supports families and communities to produce a healthy and nutritious diet, increasing and diversifying crop yields to combat malnutrition.

In 2013/14, we supported livelihoods programmes in 15 countries, with an investment of €8.2m. These programmes are estimated to have benefited 656,000 people directly and nearly 1.5 million people indirectly.

On a macro level, 2013 saw global food prices remain relatively stable, lacking the spikes that had been seen in previous years. Favourable rains in countries vulnerable to drought had a positive impact on food production. Countries such as Kenya, Ethiopia, Malawi and Zimbabwe saw a reduction in the number of people needing food aid and an increase in crop yields.

There was also a welcome international focus on nutrition in 2013. The high-level Nutrition for Growth summit in June resulted in commitments of US\$4.15bn to tackle under-nutrition. The Dublin Conference on Hunger, Nutrition and Climate Justice, held in April as part of Ireland's EU Presidency and attended by several Trócaire partners, also put an international focus on issues relating to malnutrition.

Despite these welcome developments, several factors continue to work against efforts to reduce global hunger. Trends such as climate change, land grabbing and resource conflict are further undermining people's already fragile ability to produce food.

Climate change continues to affect the poorest people in the world disproportionately. Increasingly unpredictable rainfall patterns make it difficult for farmers who depend on agriculture to feed their families, while an increase in storms, floods and other climate-related disasters threaten crop production.

Resource rights are a source of conflict in programme countries such as Myanmar, Sierra Leone, Kenya and

REPORT OF THE TRUSTEES

Democratic Republic of Congo (DRC), while high levels of violence and impunity related to land conflicts in Honduras and Guatemala continue to impact on our programmes. In Honduras, economic, political, social and environmental conditions worsened in 2013, resulting in poverty levels increasing from 66% to 70%.

Trócaire's livelihoods programmes have continued to work with communities to overcome a multitude of challenges. New livelihoods programmes commenced in Pakistan and Zimbabwe during 2013, our first livelihoods programmes in either country. Both of these programmes are building on previous recovery programmes and have a strong focus on disaster risk reduction (DRR).

Supporting female and male farmers to apply new or more appropriate techniques and technologies is at the heart of many of Trócaire's livelihoods programmes. Great advances have been made in this regard, with over 42,500 households across eight countries applying better techniques and technologies, including using organic inputs, improved seeds and adoption of integrated soil fertility management.

In Rwanda, for example, the use of improved seeds and techniques by 21,053 male and female farmers has resulted in an increase from 54% to 71% in the number of households having at least two meals per day.

In DRC, 7,514 female and male farmers have improved their cassava crop yields from 2 tonnes/ha to 11 tonnes/ha since 2010 by using improved practices and improved seed. A total of 9,393 farmers in DRC have increased the number of meals per day from 1-2 to 2-3.

In Guatemala, 4,874 households now harvest enough maize to feed their families all year. This amounts to 45% of households targeted by our programme; in 2010, the figure stood at 38%.

Increased crop diversification, including use of sack and kitchen gardens, has resulted in greater dietary diversity for over 37,000 households in Nicaragua and Kenya, the two countries where this indicator was measured in 2013.

Trócaire's livelihoods programmes place increasing emphasis on growing and diversifying incomes. In order to diversify household income sources, we provide training and support to households in income generating activities. We work with women to ensure they have their own sources of income and also support them to ensure they have a greater say in household and community decision-making.

In 2013, more than 10,900 women and 7,600 men were supported to engage in income-generating activities through a mix of individual and group support. In Guatemala and Honduras, for example, over 12,400 households have improved their financial situation as a result of increased and diversified sources of income. Almost 500 female-headed households in Honduras have at least two sources of income, an increase of over 100 since 2010.

In Ethiopia, 3,863 households, three-quarters of which were female-headed, engaged in new income-generating activities in 2013, while 151 people in Zimbabwe were trained on how to access credit for an income-generating activity for the first time. In DRC, 1,104 vegetable producers have seen their incomes rise by up to four times, from \$150 to \$525-600, since 2010.

The effects of climate change and the growing problem of land grabs has made access to land and water integral dimensions of Trócaire's livelihoods work, particularly in relation to land in Central America, India and Uganda, and water in Ethiopia, Zimbabwe and Malawi. A lack of access to land and water not only contributes to hunger but also threatens long-term development through insecurity and uncertainty.

Trócaire works to secure land rights for marginalised communities through advocacy at national level through coalitions and networks. Over 57,158 households had secured access to land by the end of 2013 in DRC, Guatemala, Honduras, India and Uganda. In India, 26,047 households have secured land rights under the Forest Rights Act, an increase of 6,000 since 2010.

In 2013, a number of programmes were supported to ensure rural households have increased access to water for irrigation and household consumption. Access to irrigation allows farmers to diversify their crop base, improving dietary diversity and generate additional income through the sale of excess crop yields. Emphasis has been placed

REPORT OF THE TRUSTEES

on cost-effective ways to use water, such as drip systems and the construction of systems to collect rainwater for use during the dry seasons. As a result of this, over 64,000 households benefited from greater water access in 2013 in Ethiopia, Kenya, Malawi, Zimbabwe and Honduras.

In Ethiopia 3,373 households gained access to safe drinking water in 2013, while 1,358 households gained access to irrigation. The number of households to have access to irrigation in target communities in Nicaragua has risen from 44 to 225, while in Honduras, 33% of target households had an irrigation system by the end of 2013 compared to 27% in 2012.

Story of change: Transforming lives through water

In the Matobo district of Southern Zimbabwe, Thandiwe Ncube (53) remembers a time when she dug for water on the sandy riverbed that feeds into Inditshi dam. Sometimes she dug for hours for a single bucket of water for her family to survive each day.

“The nearest borehole is in the next village, 3-4 kilometres away,” she says. “We had either to walk up and down in the scorching sun to that borehole or cut the time short by digging for water here on the dam.”

To address the shortage of water in the village, Thandiwe, a mother of four, joined other men and women to form the Inditshi Dam Committee. With the support of Trócaire, the local group successfully rehabilitated the dam to make it collect rainfall. The retained rainfall can then be accessed by the people in the village.

The presence of new water has revived the area. It has provided a new source of clean water for irrigation, which has improved crops, while not having to walk several kilometres each day has allowed people in the village to concentrate on other activities, such as attending school or improving their farms.

“Now that the dam is full, the water is closer to the surface and we do not have to dig very far,” Thandiwe says. “Now I can spend more time in my field, sell some vegetables and buy books for my grandchildren.”



Thandiwe Ncube, member of the Inditshi Dam Committee, Zimbabwe.

Governance and Human Rights: Giving people a voice

Bad governance and a lack of respect for human rights deepens poverty and hampers development. Trócaire's governance and human rights programme focuses on empowering poor and marginalised people to participate in governance processes, claim their rights and demand accountability from the State.

We support people and organisations who challenge vested interests, stand up to oppressive governments and come under extreme pressure for speaking out across the developing world.

In 2013/14, we supported governance and human rights programmes in 20 countries, with an investment of €7.5m. These programmes are estimated to have benefited 1.6m people directly and over 15m people indirectly.

REPORT OF THE TRUSTEES

Conflict and violence continue to disrupt progress towards improved governance and respect for human rights. Some significant conflicts, such as the Great Lakes and the Occupied Palestinian Territories (OPT), continue to cause grave violations of human rights and all but eliminate the possibility of establishing normal governance structures which could facilitate development.

High levels of violence due to crime and disorder are increasingly affecting whole populations. 2013 saw record levels of violent crime in Guatemala and Honduras, which is compounded by ineffective justice systems that allow widespread impunity for the perpetrators and little or no justice for victims.

Intimidation of human rights defenders and civil society continues in several countries and undermines efforts to address human rights violations and promote good governance. This intimidation manifests itself in several different ways, including legislation restricting civil society, political targeting of civil society groups or individuals who champion human rights, and the absence of effective justice systems.

Trócaire's governance and human rights programmes increase people's involvement in decision-making structures, ensures that use of public resources is fair and equitable, and protects human rights of vulnerable and marginalised people.

Our programme has increasingly focused on the ability of local community groups to engage with and successfully influence local government. Community mobilisation is central to Trócaire's work. It is critical that people have a right to participate and that their opinions and needs inform government decisions which affect their lives.

Trócaire has a particular focus on women's involvement in decision-making structures. Our programme engages both men and women to change attitudes towards women's participation and allows women to take up leadership positions in local structures. In Honduras, for example, in the communities where we work, the majority (69%) of 83 community organisations have women in leadership positions, while in India the figure has reached 50%.

Increasing awareness amongst women and men of their rights is considered to be a key first step in empowering citizens. We identify specific rights, relevant to the local context, and engage communities to increase awareness. In Uganda, 49% of women in targeted communities are aware of their right to participate in community decision-making, up from 19.5% a year ago.

Building on achievements of awareness raising and community mobilisation, significant numbers of citizens and community groups have engaged in decision-making processes at a local level, across all countries.

Participation has resulted in improved services for citizens. In Nicaragua in 2013, citizens submitted 232 proposals to government, 60 of which were acted upon and benefited 15,026 people. In India, 430 villages which we support have developed micro-plans, 72% of which were incorporated into local development plans. In Honduras, 92 proposals were approved by local government, up from 57 in 2012. These proposals benefited approximately 2,300 people.

Communities in Rwanda successfully lobbied for infrastructural improvements, including the construction of a new secondary school and road repairs. Citizens and our partner organisations in Rwanda identified 37 issues and five of these are known to have been resolved. In Malawi, our partners' advocacy led to allocations to the education sector in the 2013/14 National Budget to reach 20%, an increase of 1.4%.

Our programmes document human rights violations and provide legal support and accompaniment to victims. Types of violations addressed in 2013 include house evictions and demolitions, forced displacement, restrictions of movement, abuse while in detention, loss of residency rights, and restrictions on the right to freedom of expression and association.

In the Occupied Palestinian Territories, 4,717 survivors of human rights violations were provided with legal support and accompaniment in 2013, while in Kenya 122 cases of detainees were accepted for judicial and administrative review. Our programme in Honduras documented 202 cases of human rights violations during 2013. Forty-three

REPORT OF THE TRUSTEES

survivors of human rights violations in Honduras have received support, including psychological and medical, while 15 human rights defenders in Guatemala are under the protection of precautionary measures.

In 2013, programmes have shown significant progress in advancing human rights litigation cases. Human rights cases have been processed through national court systems and, where there has been insufficient progress, cases have been elevated to regional justice systems. In Honduras, 10 cases involving 89 people were progressed through the national justice system, while four cases were presented to the Inter-American system, which serves to uphold basic rights and freedoms in the Americas, during 2013.

Legal history was made in 2013 when former Guatemalan dictator Rios Montt became the first person to be charged with genocide in a domestic court. Trócaire partners played a crucial role in bringing the trial to court.

Story of change: Remarkable friendships in Rwanda

Frida Kamuzima and Jean Baptiste Gatera laugh as they share a joke. Sitting on a bench together outside Jean Baptiste's home, they look like two old friends.

But this is no ordinary friendship.

Twenty years ago, Frida and her two young children were hiding in terror in the forest close to their home. A gang of men were searching for them, armed with machetes and determined to kill them. One of the men was Jean Baptiste.



Frida Kamuzima and Jean Baptiste Gatera, from Rwanda who have been reconciled with support from Trócaire.

Jean Baptiste recalls his role in the genocide that was unfolding across Rwanda. "My role was to search for Tutsis," he says. "I was enthusiastic about it. I searched almost every house to find where Tutsis were hiding. Once we found them [Tutsis], they were killed on the spot. I saw a lot of people being killed."

In the years that followed, Frida struggled badly to provide for her children and was resentful towards the people who had carried out the attacks.

The first time she saw Jean Baptiste after the genocide, she says she was frightened as she worried that he would come back to kill her or her children. She did not think it would ever be possible to forgive the people who had murdered her husband and hunted her children.

Trócaire's partner organisation, the Commission for Justice and Peace, began holding workshops in Frida's village and urged survivors of the genocide to forgive people who had expressed remorse for what they did during the genocide.

"The Commission said that people who confessed should be treated like brothers and sisters," she says. "I started to feel I should forgive him. It was a very long and hard process for me to have a good relationship with Jean Baptiste. I had plenty of sleepless nights thinking of forgiving him. Very often I asked myself why I should forgive. But thanks to training, I changed slowly."

REPORT OF THE TRUSTEES

Jean Baptiste felt remorse for what he had done, which he blamed on the years of vicious propaganda to which political leaders had subjected the people. He wanted to seek forgiveness for his crimes but says that nobody was sure how to address the issue. "There were barriers between perpetrators and victims because nobody knew how to approach it," he says. "Everything started when the Commission brought us together to begin to talk about reconciliation."

"I was one of the very first people to want to give testimony. I asked for forgiveness for what I had done to my neighbours. We would kneel in front of the survivors to ask for forgiveness. I confessed that my wish had been for no Tutsi to survive. After confessing, I felt that my heart was clean. I felt relief."

Today, Frida and Jean Baptiste are fully reconciled. They consider themselves friends and help each other on their farms. "It [the genocide] should not have happened," says Jean Baptiste. "It was down to a lack of knowledge and bad leaders. Nobody can come to me now and make me do what I did again. Now I feel integrated in the community. I am part of a committee that is involved in a project which helps to make people feel that they are Rwandan, not Tutsi or Hutu."

Frida shares Jean Baptiste's optimism about the future.

"If the Commission was not here, I would have gone mad," says Frida. "I thought people were coming to kill me. For the future, I wish to see Rwanda as it is now because we have peace and stability and there are no problems. If things continue the way they are, we will live better."

Humanitarian: Delivering aid in times in crisis

Providing assistance to people at risk of or already affected by humanitarian crisis is an essential part of Trócaire's work.

Trócaire's humanitarian programmes address needs due to both natural and man-made crises. Conflict was a major cause of humanitarian emergencies in 2013/14. Trócaire and our partners provided assistance (including food, cash, water, shelter and non-food items) to people affected by conflict in Myanmar, Somalia, Democratic Republic of Congo, Syria, Lebanon, Sudan and South Sudan.

Natural disasters, some of which were linked to climate change, saw Trócaire provide assistance to people affected by drought (Kenya, Ethiopia and Somalia), storms (Philippines) and earthquakes (Haiti, Guatemala).

In 2013/14, we supported humanitarian programmes in 15 countries, with an investment of €20.7m. These programmes are estimated to have benefited 1.1m people directly and reached a further 3.4m indirectly.

Trócaire launched two emergency public appeals in 2013, one to respond to conflict in Syria and the second to respond to Typhoon Haiyan in the Philippines. Both of these appeals were supported by a nationwide shared church collection that took place on the weekend of November 16th and 17th. A total of €5.3m was raised by this collection, which was donated to support Trócaire's work in these two regions. Trócaire is most grateful to the public for their extraordinary generosity to this shared appeal and for their donations made online and at our local offices.

In June 2013, an emergency appeal was launched in response to the worsening situation in Syria and the surrounding countries. Trócaire had been supporting Caritas partners in the region since March 2012 but due to the dramatic deterioration of the situation decided to launch a specific emergency appeal in order to increase our support.

Between January and April 2013, the number of displaced people within Syria more than doubled. By June 2013, a total of 8.3 million people were in need of humanitarian assistance, 1.6 million of whom had fled to neighbouring countries. These figures have continued to rise, with 2.6 million Syrians now seeking refuge outside of Syria.

Trócaire continues to work with partners in the region, including Caritas and the Jesuit Refugee Service, to provide emergency support to people displaced by the conflict. We are providing food, shelter, clothes and other vital aid to people inside Syria, as well as to people who have fled to Lebanon, Jordan and Iraq. So far, our programmes have

REPORT OF THE TRUSTEES

reached approximately 194,000 people.

In November 2013, a devastating typhoon struck the Philippines. Approximately 14.9 million people were affected, with 400,000 people left homeless.

The initial phase of our response saw Trócaire work with Caritas partners and Irish missionaries to provide basic items, such as food, medicine and shelter, to over 300,000 people. Trócaire has committed to a three-year programme in the Philippines to help affected people re-build their lives and reduce vulnerability to future disasters.

In Myanmar, Trócaire worked with local partners in Kachin state in the north of the country to provide food, shelter and other vital aid to 35,000 people displaced by conflict between rebels and government forces. Trócaire's support focuses on non-government controlled areas where need is greatest and access for UN agencies and other NGOs is very challenging.

Conflict in the South Kordofan region of Sudan has resulted in a prolonged humanitarian crisis. Trócaire has partnered with the Diocese of El Obeid since July 2011 and has continued to provide life-saving emergency support in the region.

Trócaire's humanitarian programmes in the Democratic Republic of Congo (DRC) are focused on 17 communities in the Ituri district, all of whom were severely affected by conflict in 2013. Ituri is plagued by the presence of various active armed groups, with a total of 297,365 people displaced in December (up from 83,241 in June 2013). Those affected lack access to necessities such as food, water and healthcare, while host populations are experiencing a deterioration of their living conditions as a result of the arrival of newly-displaced people.

We work in three districts of Ethiopia where 158,637 people have been identified as being chronically food insecure and suffer from serious food shortages for at least six months each year.

While the famine conditions of 2011/12 have reduced, south and central Somalia are still at emergency levels of malnutrition and critical levels of food insecurity. There is no provision of basic services other than those provided by the humanitarian community and there is a continued dependency on humanitarian assistance to maintain the current food and nutritional status. An assessment conducted in July 2013 found that two out of every five children in Gedo were ill and that maternal malnutrition levels ranged from 19% to 25%.

In addition to large-scale humanitarian response work funded by emergency appeals, Trócaire also responds to lower profile and forgotten emergencies. Examples of these include providing support to 7,850 people displaced by floods in Zimbabwe and 3,000 households affected by cyclone Phailin in India.

Trócaire's humanitarian programme works through local partner organisations, including Caritas agencies, who are uniquely positioned to deliver support. Trócaire looks to provide support to vulnerable people in areas that are inaccessible or under-served by other humanitarian organisations. In the Nuba Mountains area of South Kordofan, the Kachin State in Myanmar, and the Gedo district of Somalia, Trócaire and our partners are the largest humanitarian agencies with uncompromised access. In countries such as DRC and Ethiopia, we work in areas that are under-served by other agencies and maintain a strong presence despite difficult contexts.

We ensure that longer-term development is incorporated into emergency responses. Examples of this include support for nutrition and health services (Ethiopia, Somalia, South Kordofan), improving food availability and generating livelihood opportunities (Myanmar, DRC, Ethiopia), addressing access to water (Ethiopia, DRC), increasing school attendance and quality of education services (South Kordofan, Ethiopia) and supporting community self-protection approaches (DRC).

Trócaire also assists partners to advocate on the root causes of crises at regional, national and international level. A direct result of Trócaire-supported advocacy work in South Kordofan is the financial and political engagement of

REPORT OF THE TRUSTEES

the UN, through the Office for the Coordination of Humanitarian Affairs (OCHA), and the subsequent engagement of three international donor governments in South Kordofan.

Our humanitarian team is trained to the highest international standards. All of our humanitarian workers endeavour to comply with SPHERE guidelines, Livestock Emergency Guidelines and Standards (LEGS), the Code of Conduct and the Good Enough Guide, all of which are recognised as international best practice.

Story of change: Responding to disaster in the Philippines

Mulvarosa Pepilla Perote will never forget the morning she thought would be her last. She was in her house in Tacloban city with her husband, five children and three grandchildren when Typhoon Haiyan struck, reducing most of the city to rubble.

Winds of over 300km per hour battered her home for almost three hours as the most deadly typhoon in the history of the Philippines caused devastation.

“We were very frightened,” she says. “We thought we were all going to die. The children were crying. We just had to hold on to whatever we could.”

Thankfully, nobody in her house was injured. However, her nephew, his wife, mother-in-law and 9-month-old baby were never seen again. They lived near the coast. Like everybody else, they knew there was a storm coming but did not expect the waves. Thousands of people were swallowed up by the giant waves that accompanied Haiyan.

“We told him to leave his house but he didn’t,” she says mournfully of her nephew.

Immediately after the typhoon, Mulvarosa and her family moved into a seminary building on the outskirts of Tacloban which had been transformed by Caritas, the global network of which Trócaire is a member, into an emergency accommodation centre for people who had lost their homes. Over 400 people sought shelter at the centre, where they were provided with food and accommodation.

“We have shelter here and we also receive rice, noodles and tinned food,” she says. “We will probably be here for at least four months. We are very grateful for the help we receive here.”

Gender: Unlocking the potential of women

Trócaire believes that supporting women is vital in attempts to bring dignity, hope and justice to communities in the developing world. We help to give women a voice, encouraging them to speak up for their rights and speak out against violations of those rights.

Our programmes help to eliminate inequalities that keep women poor and marginalised, empowering women to improve their own lives. Violence against women remains widespread globally – we offer support to women survivors of violence, as well as working with both women and men to tackle the culture that leads to many women suffering in silence.

In 2013/14, we supported gender programmes in six countries, with an investment of €2.3m. These programmes



Mulvarosa Pepilla Perote and grandson Brynzslly Perote (12) stand amid the ruins of Tacloban, Philippines.

REPORT OF THE TRUSTEES

are estimated to have benefited 78,000 people directly and over 12m people indirectly.

Violence against women is accepted as a cultural norm in many countries in which Trócaire works. This is due to both a widespread general acceptance of violence as a means of solving problems and a long-standing gender role of men 'disciplining' their wives.

Raising awareness of women's rights is a key component of our work. In 2013, a total of 26,225 women and 14,718 men globally were reached through our rights awareness education programmes. These programmes raise awareness of laws protecting women, services that are available to survivors of violence, and penalties that are imposed on perpetrators of violence. In all countries where we work, results showed substantial increases in knowledge on these issues.

Promoting women's participation in leadership positions is a key strategy. In Nicaragua, DRC, India, and Myanmar, men have been engaged to change attitudes toward women's participation.

Four countries measured acceptance of violence against women in 2013 and found evidence of shifts in attitude in a positive direction. In Kenya and Nicaragua, where programmes have been well established over a number of years, women are now less accepting of violence against them. In Sierra Leone and Uganda, where programmes are newer, acceptance levels were higher.

In Kenya, 12,438 women and girls have been reached with rights awareness training. Across our Central American programmes, 89% of the target population demonstrated accurate knowledge of gender-based violence (GBV) and women's rights, representing an increase of 34% from the baseline study figure.

Trócaire recognises that local communities must take responsibility for preventing violence against women. Various levels of community response were recorded in 2013. On an individual level, women and men reported talking to family members and friends about preventing violence. In Pakistan, our programme reported an increase in the level of confidence of women in communities to speak out against violence.

In Uganda, we work with Irish Aid and the Ugandan Episcopal Conference of Bishops on a national campaign across all 19 Catholic dioceses and 25,000 Churches nationwide, targeting 12 million Catholics, 40% of the population of Uganda. The campaign emphasises a woman's right to be free from violence and focuses on delivering positive messages about domestic violence prevention, as well as about family harmony and peace. The core materials developed for Clergy and Church workers include posters, prayer cards, homily notes and guidelines.

More organised action took place in Nicaragua, where 300 women joined networks in their districts and presented demands related to violence prevention. Demands included that private rooms be made available for women reporting cases of violence and that specialised personnel attend to these women.

Shelter, legal aid, counselling and other direct services were provided to 5,337 survivors of gender-based violence across four countries – Kenya, Pakistan, Sierra Leone and Uganda – in 2013. 91% of the survivors of violence were women.

Trócaire's programme in Kenya offered comprehensive support services at 23 post-rape care facilities established at existing health centres, where trauma counselling, medical examination and HIV testing were among the services offered.

In 2013, Trócaire helped to provide legal assistance to 1,438 survivors of violence, with 200 cases being taken to court. In some countries, partner organisations provide direct legal assistance to individuals through networks of trained paralegals, while in other countries there are pro bono arrangements in place with legal firms.

Many issues often stop a survivor from taking a case to court. Economic dependence on the perpetrator and a fear of negative repercussions for the survivor are two common issues. While increasing numbers of women are willing to seek legal assistance, many do not want punitive measures imposed, but simply want the violence to stop.

REPORT OF THE TRUSTEES

Significant legislative change was reported in Kenya and Pakistan during the course of 2013. In Kenya, the repealing of Section 38 of the Sexual Offences Act is expected to increase reporting of violence by removing the threat of punitive action being taken against the survivor in the event of an acquittal, while in Pakistan the Domestic Violence Bill was approved by the Sindh Provincial Assembly. Trócaire partners were involved in advocating for both of these legislative changes.

Story of change: Stepping out of the shadows

Won Sa (23) was not prepared to stay in the shadows. As a young woman growing up in Myanmar's highly traditional society, she was expected to take a back-seat and allow the men of her community to make the decisions.

"Women here are followers," she says. "Men make the decisions and take the leadership roles, while the women take supporting roles. It makes me feel inferior as a woman to think that I am not allowed to make decisions."

In her small village in Mon State, in the east of the country, the men dominate the groups that make the decisions for the community. Women traditionally play a passive role in society and do not have their voices heard.

Trócaire partner organisation JES (Jeepyah Education Services) is beginning to change that. Working in seven townships, JES holds training courses for women, teaching them how to get involved in decision-making at community level. Each training lasts three days and over 100 women are trained each year.

"The training told us how to be leaders and how to organise people," says Won Sa.

Women in this area are now beginning to speak up and get involved in the traditional village groups which make decisions for the communities. Won Sa says that the training has shown women what they are capable of and has inspired young women especially to strive to become leaders in their communities.

"Women have been afraid to take responsibility but that is beginning to change," she says. "I want to take part in more trainings and get more women involved. I want to show that women can do it."

HIV: Increasing knowledge, improving lives

Trócaire HIV programme focuses on increasing knowledge of prevention and transmission, securing access to testing and treatment, and improving the health and social standing of people living with HIV. Our objective is to reduce vulnerability to HIV and mitigate the impact of HIV and AIDS on poor and marginalised communities.

In 2013/14, we supported HIV programmes in five countries, with an investment of €2m. These programmes are estimated to have benefited 80,000 people directly and reached over 150,000 indirectly.

Everybody has a right to know how to stay safe from HIV, yet in a 2011 UN study only 24% of young women and 36% of young men in low and middle income countries responded correctly when asked about HIV prevention and transmission. Increasing knowledge and awareness are key components of Trócaire's programme.

Our programmes in Central America, Kenya and Malawi engaged in this strategy, targeting 23,958 community members. All recorded an increase in the level of knowledge and awareness of HIV prevention and transmission. The



Won Sa: "I want to show that women can do it". Mon State, Myanmar.

REPORT OF THE TRUSTEES

engagement of local religious leaders is often vital. In Malawi, for example, 63% of 2,600 people heard messages relating to HIV prevention from local leaders, 50% of whom self-report delivering more of these messages than they used to.

In May 2013, the World Health Organisation issued new guidelines for the use of anti-retroviral treatment (ART).

Under these new guidelines, approximately 28.6 million people are now eligible for ART globally, an increase of 12.7 million according to the 2010 guidelines. However, just 10 million people are currently accessing ART so the shortfall is significant.

Trócaire works with communities to enhance demand for HIV testing and treatment services. Trócaire's programmes last year supported a total of 66,929 people, 62% of whom were women, to access testing, counselling and prevention of mother-to-child transmission services.

In Kenya, we supported 5,645 people to receive testing and counselling, and a further 2,118 women to receive prevention of mother-to-child transmission support. A total of 2,238 of those who received testing were doing so for the first time.

In Malawi, 3,748 people received testing and counselling, while in Zimbabwe 55,390 people, 65% of whom were women, received access to anti-retroviral therapy.

In addition to increasing knowledge and supporting access to testing, counselling and treatment, our programmes aim to achieve improved health and quality of life for people living with HIV. Strategies which underpin this outcome include treatment literacy and ART adherence, early treatment of opportunistic infections and practising a balanced diet. Across the programmes, an increase in health and well-being was registered in a number of domains. In Central America, 87% of beneficiaries living with HIV reported good health.

Income generation is a key component of our HIV programmes. A total of 3,367 people living with HIV were supported to generate income in 2013 across Kenya, Malawi and Zimbabwe. This support is in the form of start-up capital, skills training or the establishment of savings and lending groups. In Zimbabwe, 1,292 people living with HIV are involved in savings and lending groups, 52% of whom took loans for income-generating activities.

In all of our HIV work, we aim to reduce the level of stigma experienced by women and men living with HIV. Underpinning our programmes is a recognition that discrimination continues to represent one of the greatest social impediments to access. Stigma, shame and discrimination result in reduced quality of life and use of health services.

Although the work to bring about a change in attitudes and beliefs requires a long-term approach, changes are being reported in this area. We have noted a positive trend within programmes which includes fewer reported cases of stigma, greater engagement with local leadership on these issues, and increasing levels of self-esteem, mental health and lower levels of self-stigma among people living with HIV.

Advocacy efforts resulted in progressive changes to policy frameworks in two countries in 2013. In Honduras, the National Policy on HIV in the Workplace was approved with the participation of stakeholders including government and national networks of people living with HIV, while in Zimbabwe, 61 MPs affirmed their commitment to HIV and human rights, and the right to health was included in the constitution.

Story of change: Inspiring hope among people living with HIV

Benita Ramírez from Honduras was 41-years-old and studying at night to get her secondary school diploma when she received the news that she was HIV positive. As with many people who receive this news, Benita, a mother of four, was stunned and fearful.

"I asked myself what is going to happen to me? Why me? I watched how other patients died in the room of the hospital and that affected me. For me, AIDS was a synonym of death. I had no idea about what HIV was and its meaning in my life. I did not want to know anything, my self-esteem was low. I was devastated."

REPORT OF THE TRUSTEES

Benita began receiving home visits from two women volunteers, Trudys and Lilia, both of whom were HIV positive. She found it so difficult to discuss her status that she used to pretend to be asleep when they called.

However, gradually she opened up and learned about the support services available to her.

“This is how I went to the organisation Calidad de Vida (Quality of Life), which is a Trócaire partner,” she explains. “I learned that the HIV was not going to kill me. I learned to love me, accept myself as I am and value myself as a woman. I began to get to know everything about the disease there. I got psychological support and I raised my self-esteem. Since I had not finished my studies, I was also motivated to do it and I finished my secondary education.”



Benita Ramírez speaks up on behalf of people living with HIV in Honduras.

The Network of Positive Women in Honduras was established to develop strategies to reduce the vulnerability of women to the HIV epidemic. This organisation, of which Benita is a prominent member, now has a presence in eight cities in Honduras.

Through her involvement in civil society groups, Benita began to build a reputation as a vocal and effective HIV activist.

“I began to show up in the media”, she says. “The first time that I was on a TV programme, I thought ‘I am black, I am a woman and I am HIV positive. But I am going to make a difference.’ And I began to give a testimony that the fight against HIV is difficult, that we must not lock ourselves up, we must find someone who inspires us to talk about our condition, because if I had not done so I would not be here now.”

Inspired by the women who supported her after her diagnosis, Benita volunteers at Forosida, another Trócaire partner organisation, and devotes her time to supporting other people living with HIV in the community, doing home visits and accompanying people to health centres and hospitals, as well as promoting prevention and solidarity.

Benita is now studying social development management and says her goal is setting up “an organisation of women to provide accompaniment, teach them about self-care, adherence and their rights, with branches throughout Honduras.”

Raising awareness in Ireland

Trócaire’s dual mandate means that as well as working with communities in the developing world to tackle poverty and injustice, we also have an important mandate to educate and inform the public in Ireland about the root causes of poverty.

The Ireland-based work carried out by Trócaire is vitally important towards strengthening the public’s understanding of the structural injustices that contribute to global poverty. We work with people in schools, colleges, parishes and communities throughout the Republic of Ireland and Northern Ireland to raise awareness of injustice and create solidarity with people in the developing world.

For over 40 years, this work has helped to shape the Irish public’s attitudes towards overseas development and has contributed strongly to the sense of empathy that defines the Irish public’s relationship with the developing world.

Engaging the public in Ireland

Our Church, Development Education and Campaigns teams were brought under the banner of Community Engagement and Outreach in 2013. These teams, with the support of colleagues in the Communications and Policy units, work to engage people in Ireland on issues of development.

Our engagement and outreach work saw Trócaire campaign on several key issues throughout 2013. The Lent campaign in 2013 focused on our work in India, where we work with communities in the poorest state, Odisha, to educate them about their rights and empower them to make positive changes to their lives.



Students from St. Mac Dara's, a school in Dublin that supports Trócaire's work throughout the year.

Trócaire staff spoke at masses in 95 parishes across Ireland during the Lenten period, informing people about work being carried out with their support in India and elsewhere.

In addition to Mass speaking, our Development Education Team visited 90 schools and facilitated 13 teacher training sessions during the six weeks of Lent. A total of 9,550 resource packs were distributed to teachers in primary and post-primary schools across the Republic of Ireland and Northern Ireland, the highest number of any Lenten campaign to date.

Throughout 2013, 5,000 children and 2,000 teachers received development education sessions from the Trócaire Development Education Team. This work is crucial as it raises awareness of development issues amongst young people.

Other Development Education projects included continued support to the Green Schools teacher training workshops; the ongoing and highly successful partnership with St. Patrick's College in Drumcondra, the current phase of which focuses on critical literacy for 7-9 year olds; and the Pamoja project, Trócaire's long-term human rights programme in post-primary schools, which saw 565 students participate from 20 schools. In addition, a resource browser was developed to improve online accessibility of our resources for teachers.

Our work with parishes was strengthened in 2013 by the establishment of the Just Faith programme, which was developed in conjunction with the Office of Evangelisation in the Archdiocese of Dublin. This is a 6-week programme for young people which aims to help participants explore the connection between faith and justice.

A further example of engagement with young people in parishes was the pilgrimage to Brazil that took place as part of World Youth Day. Young people from seven dioceses travelled to Brazil in July alongside the Trócaire Diocesan Representative for Cloyne and Bishop Donal McKeown. Archbishop Diarmuid Martin was the chief celebrant at Mass on 11 November in Dublin's Pro Cathedral to celebrate our 40th anniversary.

Our campaigns work in 2013 was largely focused on the Up To Us campaign, which mobilises the public around three key issues: climate change, biofuels and individual lifestyle changes. Trócaire asked the public to call for strong climate legislation in Ireland and approximately 5,000 emails were sent by supporters to the Minister for the Environment, Phil Hogan TD.

REPORT OF THE TRUSTEES

Trócaire played a key role in the IF Campaign that sought to raise awareness of key development issues ahead of the G8 summit, which was held in Fermanagh in June 2013. We participated in high profile events, including a demonstration in Belfast and an ecumenical service in Enniskillen, as well as generating strong national media coverage around key asks.

The summer saw a particular focus on the issue of biofuels. An EU target to source 10% of all transport fuel from biofuels by 2020 is leading to land grabs and hunger in the developing world.



Trócaire campaigners attended the IF rally in Belfast during the G8 summit.

Members of our Communications Team travelled to Guatemala with high-profile Irish actor, Aidan Gillen, to produce a video and generate media coverage on this issue. Volunteer campaigners signed up people to the campaign at events such as the Electric Picnic.

We also continued to campaign on the issue of human rights abuses carried out in the Occupied Palestinian Territories (OPT). Trócaire continues to call for goods from illegal Israeli settlements in OPT to be banned from Ireland. Rabbi Arik Ascherman of Rabbis for Human Rights, a Trócaire partner organisation, travelled to Ireland and conducted speaking events in Dublin and Belfast, as well as generating high-profile media interviews.

In addition to our strategic campaigns, Trócaire also engaged with the public around significant events linked to overseas development and justice. Examples of this include the shocking terrorist attack on Westgate Shopping Centre in Nairobi in September 2013, during which time our Country Director in Kenya gave extensive media interviews; President Higgins's visit to El Salvador in October, which saw Trócaire's work in that country profiled on RTÉ News and the Irish Independent; and the sad passing of Nelson Mandela in December 2013, after which our ground-breaking work in South Africa in the 1980s was recalled both online and in the national media. Our digital team produced a striking online tribute to the former President of South Africa.

Media stories relating to the finances and transparency around two domestic-based charities in Ireland caused significant public unease about the sector as a whole towards the end of 2013. Although Trócaire adheres to the highest standards of transparency, the entire charity sector came under intense scrutiny and we worked hard to reassure supporters and members of the public.

Advocating for change

As well as engaging with the public, we also advocate on behalf of communities overseas with legislators and politicians at national, EU and international level. Our policy and advocacy work continues to play a vital role in shaping political responses to development questions.

A policy conference was held in March at the Royal College of Surgeons to



Jestina Mukoko from Zimbabwe addresses the Trócaire 40th anniversary conference.

REPORT OF THE TRUSTEES

mark the 40th anniversary of Trócaire's foundation in 1973. Over 200 participants took part, including many Trócaire partners from overseas. An Tánaiste Eamon Gilmore TD addressed the conference. Side events involving partners were held during the week, including a parliamentary meeting between TDs and Jestina Mukoko from Zimbabwe and Dr. Attiya Waris from Kenya.

Ireland's EU Presidency during the first six months of 2013 was a good opportunity to highlight development policy. Trócaire was well represented by staff and partners at the Hunger Summit which took place in Dublin in April as part of Ireland's Presidency. In June, we released an EU Presidency Score Card which was circulated to politicians and formed the basis of several parliamentary questions.

Climate change was a major policy and advocacy priority in 2013. The Heads of a Climate Action and Low Carbon Development Bill were published in April and were extremely disappointing in their content. Trócaire made a formal submission to the Environment Committee in May and has been advocating for significant changes to the Bill.

EU biofuel targets was another key focus. Trócaire has highlighted the damage caused in the developing world by continued land grabs and land use changes linked to EU demand for biofuels. We have been lobbying for an immediate reduction in the EU's target from 10% of all transport fuel to 5%, followed by a gradual phase-out.

The European Parliament in September 2013 voted to reduce the target to 6%. However, EU Energy Ministers failed to agree a common position in December and so the existing policy remains in place.

On 25 September, we launched 'My Rights Beyond 2015: Making the post-2015 framework accountable to the world's poor' to coincide with UN Special Event in New York to discuss what will replace the Millennium Development Goals. The report was launched by Minister of State Joe Costello TD at a side event in New York. Justin Kilcullen attended the launch and media coverage was secured in the Irish Times, Irish Examiner and online.

Palestine and the illegality of Israeli settlements was an advocacy priority in 2013. Palestinian church leaders visited Ireland as guests of Trócaire and met with Irish bishops and politicians. In May, Trócaire staff members were amongst a small number of individuals invited to meet The Elders, a group of respected former Heads of State including Mary Robinson and Jimmy Carter, to discuss the settlements.

A positive development in the EU's position on settlements came in June when it was stipulated that EU funding, grants and cooperation agreements will, in future, only be eligible to apply to Israel itself and not the settlements. The exclusion of the settlements from EU cooperation has been a long-standing minimum ask of Trócaire's and these new guidelines represent a significant first step in terms of the EU matching its stated policies and declarations with its actions.

Fundraising

The fundraising environment was challenging in 2013, owing to the continued economic difficulties faced by many people in Ireland and also the negative publicity surrounding the finances and activities of a small number of charities which has regrettably damaged the public's faith in the sector as a whole.

During the financial year 2013/14, Trócaire received €29.6m in public donations, an increase of 17% from the previous year. This increase is attributable to donations of €7.2m to emergency appeals in 2013.



Chef Donal Skehan helps to launch the 2013 'Connecting for Change' campaign.

REPORT OF THE TRUSTEES

There were no such appeals in the financial year 2012/13.

Despite continued economic difficulties in Ireland, our supporters show remarkable generosity and commitment to tackling the root causes of extreme poverty and injustice in the developing world. We recognise and respect the enormous trust placed in us by our supporters and our collective responsibility to act with the utmost integrity in the stewardship of these resources.

As in previous years, our main fundraising campaigns were Lent, Trad For Trócaire and the Christmas Trócaire Gifts campaign. Our fundraising among schools nationwide and the Trócaire Fast were held as part of the overall Lent campaign.

All of these campaigns were promoted by significant media and outreach activities.

We achieved a rate of return on investment of 6:1.

In addition to the fundraising campaigns, our Major Donors and Committed Giving programmes continued to raise vital funds for our work and attract new supporters. We have recruited almost 3,000 new supporters through our Committed Giving programme.

Supporters and members of the public responded with remarkable generosity to our joint emergency appeals which were launched in 2013 in response to humanitarian crises in Syria and the devastating typhoon that struck the Philippines. An emergency appeal was launched in June in response to the worsening situation in Syria and the surrounding countries.

Our response to both of these humanitarian crises was supported by widespread media coverage, which was helped in both instances by trips to the affected areas by our Communications Unit to report on the massive needs facing people.

Institutional support for our work

Along with donations from the public, Trócaire receives significant and vital support from governments and other institutional donors. This funding supports both our long-term development projects and our humanitarian response.

Our Institutional Funding Unit continues to strengthen and diversify Trócaire's institutional funding base which will contribute significantly towards Trócaire being able to continue to serve the needs of our beneficiaries. It is important that we have a strong base of income from a diverse range of sources so as not to be overly dependent on any one source.

Income from institutional donors during the financial year 2013/14 amounted to €31m. This income is allocated to specific projects and programmes overseas, as well as to some of the education, campaigns and policy work we do in Ireland.

The Irish Government provides generous support to our programmes through Irish Aid. The total funding received from Irish Aid during the financial year 2013/14 was €18.6m, with €15.7m allocated to development projects and €2.9m for humanitarian projects.

Trócaire received a total of €3.6m from the UK Government's Department for International Development (DFID) during 2013/14 for both development and humanitarian projects.

REPORT OF THE TRUSTEES

4. OUR FINANCES

The results for the year are presented on page 41 in the form of a Statement of Financial Activities in order to comply with the 2005 Statement of Recommended Practice "Accounting by Charities".

INCOME

Trócaire's income continues to be impacted by the difficult economic climate in Ireland and abroad but despite this, support for Trócaire's work continues to meet our expectations.

| | 28/2/2014 | 28/2/2013 | 29/2/2012 | 28/2/2011 |
|---------------------|-----------|-----------|-----------|-----------|
| Total Income | €61m | €60m | €67m | €63m |

Total Income in the period has increased by 2%.

| | 28/2/2014 | 28/2/2013 | 29/2/2012 | 28/2/2011 |
|---|-----------|-----------|-----------|-----------|
| Public Income Unrestricted | €22m | €25m | €25m | €26m |
| Public Income/ Restricted Emergency Response | €8m | - | €10m | €11m |
| Public Income Total | €30m | €25m | €35m | €37m |

Income from the public increased by 20% primarily as a result of the generous donations received for the Philippines and Syria. The income figures in prior periods are greatly enhanced by the phenomenal response by the Irish public to the East Africa Appeal in August 2011, the Pakistan Flood Appeal in August 2010 and the Haiti Earthquake in January 2010.

Excluding the income raised from emergency responses, our supporters donated €22m in the period. This was a decrease of 12% on the previous financial year and was raised from the Lenten campaign, Committed Giving campaign, Trócaire Gifts campaign, bequests, general donations and other fundraising activities.

The organisation secured €31m from institutional donors in support of our work. This represents a decrease of 9% and is primarily due to the completion of emergency programmes in several countries.

| | 28/2/2014 | 28/2/2013 | 29/2/2012 | 28/2/2011 |
|------------------------------|-----------|-----------|-----------|-----------|
| Institutional Funding | €31m | €34m | €31m | €25m |

Trócaire received €18.6m from Irish Aid in the current financial year. In addition to the Irish Aid Programme Funding scheme, which was €15.7m, we received €2.9 million from Irish Aid towards emergency response.

As in previous periods, the Irish Government is Trócaire's single largest donor, contributing 30% of the total organisational income.

REPORT OF THE TRUSTEES

EXPENDITURE

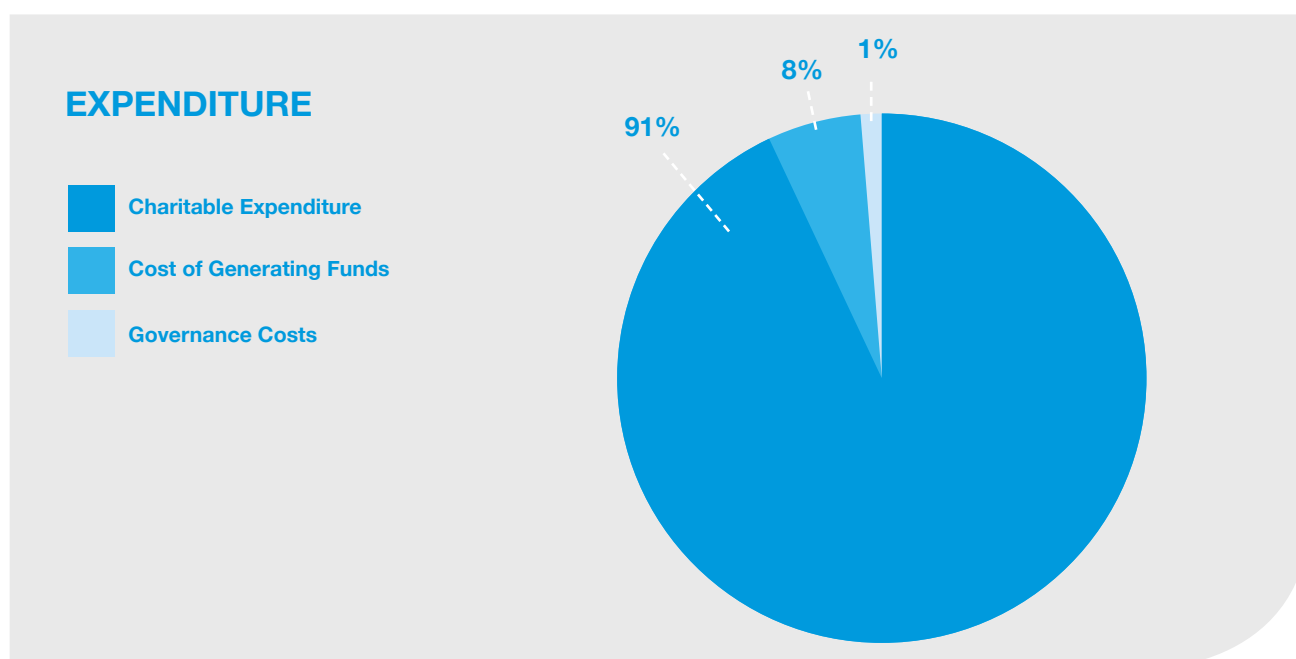
The statement of financial activities shows the analysis of charitable expenditure between charitable activities (overseas development, emergency, recovery and education programmes), cost of generating funds and governance costs. Our total expenditure for the year was €66.5m, which represents a 3% increase from our 2012/13 levels.

| | 28/2/2014 | 28/2/2013 | 29/2/2012 | 28/2/2011 |
|---------------------------------|-----------|-----------|-----------|-----------|
| Charitable Expenditure | 91% | 92% | 91% | 88% |
| Cost of Generating Funds | 8% | 7% | 8% | 11% |
| Governance Costs | 1% | 1% | 1% | 1% |

Charitable expenditure amounted to €60.8m, which represents 91% of total expenditure and an increase of 2% over the prior period. Direct expenditure on overseas programmes is similar to the previous year, just under €41m. Expenditure on programme support costs has increased by €1.8m as a direct result of the implementation of the organisational decision on restructuring taken in January 2012. The resources now being put in place will ensure that the organisation delivers on our commitments and our mandate. Charitable expenditure also includes expenditure on communications and education programmes in Ireland of €3m which is aimed at creating a greater awareness of the causes of world poverty and injustice and how change can be achieved.

Spending on fundraising and publicity expenditure of €5.2m represented 8% of total expenditure. For every €1 invested in fundraising from the general public, Trócaire received €5.67 in return (€5.20 in 2012/13). The response to the Philippines and Syria appeals greatly contributed to this rate of return.

As in 2012/13, spending on governance costs represented less than 1% of total expenditure.



The total expenditure set out above includes management and administration costs of €4.2m which represents a 13% increase from 2012/13 levels. During 2013/14, additional expenditure was incurred in the upgrade of Trócaire's IT infrastructure, restructuring costs of our field operations and the closure of the defined benefit pension scheme, all of which will benefit Trócaire and our beneficiaries into the future. These costs are apportioned 80% to programme support activities, 10% to communications and education activities and 10% to the cost of generating funds.

REPORT OF THE TRUSTEES

FINANCIAL POSITION AND RESERVES POLICY

It is Trócaire's policy to maintain a prudent level of reserves to enable the Charity to manage financial risk and deliver on our commitments and our mandate.

The financial results for 2013/14 show a net reduction on total funds of €3m; this reduction was planned and is in line with expectations. Trócaire's response to large-scale emergencies is a long-term one, with funds raised in one year expended over several years. This enables us to ensure that we spend the funds to best effect with our partners.

Following an in-depth review of the defined benefit pension scheme, the Trustees approved the closure of the scheme to new entrants and future accruals. This came in to effect on 1st September 2013. The exceptional gain of €2.271m arose due to the curtailments and settlement of the defined benefit pension scheme obligations on the transfer of certain members to the defined contribution pension scheme.

Trócaire's available resources at the end of year were €33m (2013 - €37m). Of the available resources, €14.8m is held for restricted purposes, as the funds were donated for specific areas and activities. Unrestricted funds of €18.4m (2013 €16.8m) are held in designated funds. The increase in unrestricted reserves will be used to fund the development programme budget deficit for the periods March 2014 to February 2015.

In managing its unrestricted reserves of €18.4m, the organisation has an agreed policy of holding a contingency reserve in its Emergency Fund, to cater for emergencies and to allow the organisation to respond rapidly in such circumstances. The amount in this reserve at 28 February 2014 is €0.468m. The reserve in the Communications and Education Fund stands at €0.676m. This fund is used for work that helps to create a greater awareness among the Irish people of the causes of world poverty and injustice. The reserve in the Development Programme Fund stood at €15.8m (2013 - €14.5m). This will be used to fund programmes overseas to further the objectives of the organisation.

The general reserve fund at the end of the year amounted to €1.45m, €1.0m of which is invested in fixed assets and is not available for other uses.

INVESTMENT POLICY AND PERFORMANCE

The objective of the Investment Policy is to maintain high liquidity while ensuring maximum security, meeting ethical standards and achieving the highest possible return within these limiting factors. Investments will be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio, mitigating against credit risk, interest rate risk, currency risk and country risk.

The interest earned is applied to our work.

The primary mechanism for meeting the objectives is to invest in fixed interest deposit accounts, spreading the total invested and limiting the amount invested with any individual financial institution. These financial institutions are authorised by the Finance and Funding Committee. The management of the organisation will determine the level of funds and the period of investment with these institutions, taking into account the day-to-day cash flow requirements.

| | 28/2/2014 | 28/2/2013 | 29/2/2012 | 28/2/2011 |
|------------------------|-----------|-----------|-----------|-----------|
| Average Rate of Return | 1.2% | 1.8% | 2.4% | 2.5% |

The investment return in the current year was in line with expectations, having factored in the rates currently offered by the banking sector.

The Investment Policy is reviewed by the Finance and Funding Committee and approved by the Board.

POLITICAL CONTRIBUTIONS

There were no political contributions which require disclosure under the Electoral Act 1997.

AUDITORS

Crowe Horwath Bastow Charleton is eligible and has expressed a willingness to continue in office.

5. LOOKING TO THE FUTURE

Building Sustainable Livelihoods and Demanding Environmental Justice

A project to map various approaches to sustainable development used in different countries was undertaken in 2013 and this resulted in a paper being developed to guide staff and partners on best practice. This paper, which has given greater clarity and guidance to field staff on what strategies to promote, will strongly guide our sustainable agricultural programmes in 2014.

Ongoing monitoring and evaluation of our programmes will be a key focus in 2014. This was the main theme in the annual global meeting of Trócaire's livelihoods staff, where training on best practice on evaluation in livelihoods programmes was provided. This will continue to shape our programmes into 2014/15 and beyond.

Monitoring and evaluation work carried out over recent months has identified gaps for targeting in 2014. Programme evaluations in Malawi and Ethiopia highlighted concerns around targeting of beneficiaries and recommended that partners engage in a more detailed vulnerability analysis when designing their next round of projects in both counties. Ongoing monitoring of our programmes in Rwanda and DRC produced similar trends and recommendations. Programmes in these countries are now modifying their participant base and are much clearer about who they are working with. These improvements will strengthen the programmes over the coming years.

Strengthening resilience to climate change and advocating for improved political and personal responses to the changing climate will continue to be a core focus of our livelihoods work. In April 2014, the Government published the heads of the Climate Action and Low-Carbon Development Bill. While welcoming the publication of the Bill, Trócaire was disappointed by some of its contents, particularly the absence of specific targets for emission reduction and the failure to establish a fully independent expert advisory committee. We will continue to engage with Oireachtas members and the general public to push for stronger legislation.

Governance and Human Rights

The ability of individuals and communities to participate in decision-making structures and have their voices heard is central to our work. However, mobilising communities manifests itself in a wide variety of ways, depending on the context and the local needs. In 2013, Trócaire developed a briefing paper and framework for community mobilisation in order to better understand structures of community groups. This framework focused on four common areas: level of formality, purpose, approach, and sustainability. The results of this research will be shared across country programmes and will improve our support for community groups in 2014.

The overall purpose of our support for such groups is to help them engage with and successfully influence local government. This is a fundamental strategy of our governance programme. However, a limited knowledge of local government structures has proven to be a significant barrier to success in a number of programmes. Trócaire conducted research during 2013 to comprehensively understand decentralised government structures in a number of countries. This research provides us with an appropriate framework to map these structures and the legislative framework in these countries in order to help community groups to engage. We will build on this work in 2014 in order to strengthen partners and community organisations.

Preparing for and Responding to Emergencies

Providing emergency relief to people affected by crisis will continue to be a core aspect of Trócaire's work in 2014 and into the future. Many of the humanitarian responses which required significant support in 2013 will continue to require funding and technical expertise over the coming year.

Several conflict-related humanitarian crises are protracted and will continue to require significant support for the foreseeable future. This includes the conflict in Syria, which continues to result in increasing and unsustainable levels of population movement over the borders into neighbouring countries. The response to the conflict and the subsequent difficulties facing refugee and host populations is one of the most complex and challenging to have

REPORT OF THE TRUSTEES

faced the international humanitarian community. Trócaire has committed to a multi-year response to this crisis, working through Caritas and other partners. We will also maintain a strong advocacy focus on the crisis in Syria, calling for a political solution to what is a political conflict.

Conflict-related humanitarian interventions will also continue in Kachin State in Myanmar, South Kordofan in Sudan and the Gedo District of Somalia.

Our response to Typhoon Haiyan in the Philippines will also continue throughout 2014. Although the devastation caused by the typhoon was unprecedented in the Philippines, its sudden onset nature makes it a very different response compared to the protracted and ongoing nature of responses in conflict zones. Its 'once-off' nature will allow us to move into a rehabilitation phase, as opposed to the ongoing relief phase in Syria, Sudan and elsewhere. A core principle of Trócaire's humanitarian programming is to ensure that long-term development is incorporated into emergency responses. The Philippines response, where the relief phase will move into a recovery phase to improve people's livelihoods and resilience, is an example of this principle at work.

Promoting Gender Equality

A number of studies and reports commissioned and carried out in 2013 will shape Trócaire's gender programmes over the course of 2014 and beyond.

Trócaire commissioned an 'Exploratory Study of GBV Stigma and Help Seeking' in 2013, which looked at the how stigma created barriers for victims of Gender-Based Violence (GBV) in seeking help. As a result of self-stigma, women define 'the problem' as their own behaviour rather than the violence committed against them. Hospitals were seen as the safest places to seek help, while the study highlighted problems women often face in police stations. Respondents spoke of several ways in which the work of Trócaire partner organisations combatted stigma and made new recommendations for additional areas of organisational support. The study findings will be used to shape future programme strategies.

In March 2013, the results of a review carried out jointly between Trócaire and Raising Voices (a non-profit organisation in Uganda), 'Through the Voice of Faith: Learnings to inspire domestic violence prevention through faith institutions', was presented at a side event at the Commission on the Status of Women in New York. This report provoked reflection about the power of faith-based agencies to promote change. A need was identified to produce an adaptation of the programme customised for the Catholic Church and this project is currently underway.

Engaging men on women's rights and participation will remain a key strategy of our work to promote gender equality. An analysis has been carried out on our Nicaragua programme to learn from the programme's experience of engaging with men. This involved facilitating reflection with implementing partners and with men involved in the programme and their partners on the processes of change they experienced. A learning brief was developed which describes the strategy and approaches used, captures changes in men and their relationships, summarises lessons learnt and highlights areas for further attention. This learning was presented to Trócaire's global HIV & Gender Equality Team at the global meeting in September 2013 and will inform similar programmes elsewhere in 2014 and beyond.

A mid-term review of our gender programme in Sierra Leone showed that men were less likely to engage in violence against their wives or partners. However, this change in behaviour was as a result of fear of reprisal owing to increased knowledge and awareness of the laws, as opposed to a belief that GBV is unacceptable. This emphasises the need for in-depth work on behaviour change in gender relations. Training has been organised for partner organisations to begin deepening their response.

Addressing the HIV and AIDS Crisis

In all of our HIV work, we aim to reduce the level of stigma experienced by women and men living with HIV. Underpinning our programmes is a recognition that discrimination continues to represent one of the greatest social impediments to access. The prevalence of self-stigma, shame and self-blame are high amongst people living with

REPORT OF THE TRUSTEES

HIV. These feelings represent major barriers to treatment and impact negatively on quality of life. Tackling stigma requires a long-term approach and this will continue to be a major focus of our HIV programmes in 2014/15.

In 2013, we launched a pilot study on how to address self-stigma amongst people living with HIV. This study, which was carried out in conjunction with the Royal College of Surgeons in Ireland and with support from Byron Katie International, trained participants in Zimbabwe to reduce their level of stress through self-inquiry. The study recorded statistically significant improvements in a number of areas (% improved): self-stigma (52.2%), depression (78.3%), life satisfaction (65.2%), fears around disclosure (47.8%) and ability to carry out routine daily tasks (87%). These measurements will be repeated in 2014 to see whether the improvements have been sustained.

Findings from this pilot, once finalised, will be shared widely across Trócaire programmes as well as externally.

Our technical team in Ireland will continue to provide support to programmes overseas in 2014. The focus of technical assistance focuses on ensuring interventions meet quality requirements, promoting learning between country programmes, and managing research initiatives which will add value to our HIV response. We will also continue to provide support to our Programme Officers to further embed Results-based Management and to assist in the development of new programme design, evaluations and funding proposals.

IRELAND-BASED ACTIVITIES

One of the most significant developments planned for our Ireland-based work during 2014 will be the roll-out of a new 'Ways of Working' project, which will see the introduction of a segment approach to guide our engagement with the public. Six key segments have been identified (Major Donors, Direct Adults, Schools, Church, Youth, Diaspora) and our Ireland-focused teams will work together to engage these audiences.

The coming year will also see the roll-out of our new Organisational Advocacy Campaign (OAC). Under the new initiative, Trócaire will prioritise one advocacy issue which will be the focus of our public campaigns for a three-year period. It has been decided that climate change is the organisation's key advocacy issue. As a result, there will be an increased focus on climate change in our public engagement and campaigns work.

A meeting in December 2014 in Peru of the United Nations (Framework Convention on Climate Change) will be an opportunity for Trócaire to reinforce with the public in Ireland and with policymakers the key message that people living in poverty are most vulnerable to the impacts of climate change. Climate change is a 'game changer' in the global context, defining and constraining what will be possible as we seek to promote development in an increasingly unpredictable environment. The coming years will see heightened tensions between countries as they seek to adapt to, and collaborate on, the multi-faceted threats posed.

Lent 2014 focused on the issue of water in Malawi. The Lenten campaign saw Trócaire engage with the public on a number of fronts, both face-to-face and through media and online, to highlight the importance of water to communities in the developing world, the struggles facing communities without water and our projects which are successfully delivering water.

The coming months will see preparations made for the 2015 Lenten campaign, which will focus on communities in Ethiopia.

April 2014 marked the 20th anniversary of the Rwanda genocide, one of the most shocking and brutal episodes of the 20th century. Twenty years on, Trócaire remains in Rwanda, engaged in a governance and human rights programme, as well as a livelihoods programme. The organisation marked the anniversary with a media trip with RTÉ and coverage in local and national press. We also produced a video to document stories of reconciliation in Rwanda.

Other plans for public engagement in 2014 include a visit by Israeli partner organisation Breaking the Silence to Dublin in June to launch a temporary photographic exhibition.

REPORT OF THE TRUSTEES

In addition to the fundraising and advocacy campaigns, the coming year will also see the anniversaries of two emergency appeals. Given the significant response from the public in Ireland towards these appeals, we will feed back to the public on what their donations have achieved for people affected by the crises.

SIGNED ON BEHALF OF THE TRUSTEES:

John Kirby ***Dermot Clifford***

Trustees

Date: ***Wednesday 25 June 2014***

We have audited the financial statements of Trócaire for the year ended 28 February 2014, which comprise the statement of accounting policies, the consolidated statement of financial activities, the consolidated balance sheet, the consolidated cashflow statement and the related notes. The financial reporting framework that has been applied in their preparation is Irish law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

This report is made solely to the committee of the Trustees of Trócaire as a body. Our audit work has been undertaken so that we might state to the committee those matters we are required to state to them in an auditor's 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 Conference and the committee as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Report of the Trustees, the Trustees 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 Trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect, based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion, the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of the Trust's affairs as at 28 February 2014 and of the group's incoming resources and application of resources for the year ended.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT

- 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.
- The financial statements are in agreement with the books of account.
- In our opinion, the information given in the Report of the Trustees is consistent with the financial statements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report to you in respect of disclosures of transactions specified by law.

Signed by:

Sharon Gallen

For and on behalf of:

Crowe Horwath
Bastow Charleton
Chartered Accountants and Registered Auditors
Marine House
Clanwilliam Court
Dublin 2.

Date: ***Wednesday 25 June 2014***

STATEMENT OF ACCOUNTING POLICIES

The following accounting policies are applied consistently in dealing with items which are considered material to the charity's financial statements:

BASIS OF ACCOUNTING

The accounts have been prepared under the historical cost convention and in accordance with the recommendations of the revised Statement of Recommended Practice (SORP) Accounting and Reporting by Charities issued by the UK Charity Commissioners in 2005.

INCOME

Income from the public represents donations received during the year.

The Charity can reclaim tax on certain donations and this tax income is credited to the Statement of Financial Activities in the year in which it is receivable.

Income is treated as being general and unrestricted, unless a donor has specified the manner in which the donation is to be spent, in which case it is treated as restricted income. The Board reviews the restricted income funds on an annual basis. Where restricted funds remain unspent three years following receipt and the Board consider that funds exist which are surplus to requirements, an appropriate transfer is made to unrestricted funds.

Institutional funding received is credited directly to the appropriate fund. Income earned on funds held on deposit is treated as unrestricted income in its respective jurisdiction, unless specified by the donor.

Non-monetary donations utilised by the organisation as part of programmes designed, implemented, and managed by Trócaire are valued and included in incoming resources in the year in which they are distributed. These donations are valued at the estimated market price at the time of receipt in their country of origin.

In accordance with the policy laid down by the Trustees, unrestricted funds are allocated to designated funds on the basis specified below, after deducting governance costs and any foreign exchange translations adjustments. 100% of Trócaire Gifts income is allocated to the development programme fund.

70%: Development Programme Fund

20%: Communications and Education Fund

10%: Emergency Programme Fund

Restricted income is allocated to the funds as specified by the donors.

RESOURCES EXPENDED

Resources expended are analysed between charitable expenditure, fundraising and publicity and governance costs. Governance costs are those costs incurred on the strategic management of the Charity, and on compliance with constitutional and statutory requirements. Where costs cannot be directly attributed, they have been allocated in proportion to estimated benefits received.

The costs have been apportioned to designated funds as follows:

Costs recorded as managing and administering the Charity are apportioned 80% to the Development and Emergency Programme fund, 10% to the Communications and Education fund and 10% to Fundraising and Publicity.

FOREIGN CURRENCIES

Transactions in foreign currencies are translated at the rate of exchange ruling on the date of the transaction. Amounts held in foreign currencies at the balance sheet date are translated at the rate of exchange on that date. Profits and losses on translations are dealt with through the Statement of Financial Activities.

STATEMENT OF ACCOUNTING POLICIES - CONTINUED

PENSIONS

Trócaire operates both defined contribution and defined benefit pension schemes; pension benefits are funded over the employees' period of service by way of contributions from the organisation and employees. The defined benefit scheme was closed to new members on 1 September 2013. Contributions are charged to the Statement of Financial Activities in the year in which they become payable.

TAXATION

No charge to taxation arises as the Trust has been granted exemption under Sections 207 and 208 of the Taxes Consolidation Act 1997.

TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated in the balance sheet at cost less accumulated depreciation. Depreciation is calculated to write off the cost of the asset, other than freehold property, over its expected useful life at the following annual rates:

| | |
|----------------------------------|-------------------------------|
| Leasehold property | Over term of lease |
| Computer installation | 33.3% straight line method |
| Fixtures, fittings and equipment | 12.5% reducing balance method |
| Motor vehicles | 20% reducing balance method |

The Board reviews the estimates of useful lives and residual values regularly. Based on prices prevailing at the time of acquisition and based on their estimates, the Board has determined that any charge for depreciation on freehold properties would be immaterial in the current year.

The carrying values of tangible fixed assets are reviewed annually for impairment in periods, if events or changes in circumstances indicate the carrying value may not be recoverable.

GOVERNMENT GRANTS

Capital grants are treated as deferred income.

SHORT-TERM INVESTMENTS

Current asset investments are stated at market value.

PROJECT ALLOCATIONS

Project allocations are charged to the Statement of Financial Activities in the year in which they are approved. Project funds approved but not disbursed are reviewed at the balance sheet date and are carried forward as project creditors in the balance sheet.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 28 FEBRUARY 2014

| | Note | Unrestricted funds €'000 | Restricted funds €'000 | Total 2014 €'000 | Total 2013 €'000 |
|--|-------|--------------------------------|------------------------------|------------------------|------------------------|
| INCOMING RESOURCES | | | | | |
| Incoming resources from generating funds: | | | | | |
| Voluntary income | | 21,899 | 7,688 | 29,587 | 25,311 |
| Investment income | | 500 | - | 500 | 931 |
| Incoming resources from charitable activities: | | | | | |
| Government and institutional funding | | - | 31,056 | 31,056 | 34,031 |
| | | ----- | ----- | ----- | ----- |
| Total incoming resources | 1 | 22,399 | 38,744 | 61,143 | 60,273 |
| | | ----- | ----- | ----- | ----- |
| RESOURCES EXPENDED | | | | | |
| Costs of generating funds: | | | | | |
| Fundraising and publicity | 3 | (4,556) | (662) | (5,218) | (4,856) |
| Charitable expenditure | 4 | (19,243) | (41,594) | (60,837) | (59,409) |
| Governance costs | 5 | (445) | - | (445) | (435) |
| | | ----- | ----- | ----- | ----- |
| Total resources expended | | (24,244) | (42,256) | (66,500) | (64,700) |
| | | ----- | ----- | ----- | ----- |
| Net outgoing resources for year | | | | | |
| before Exceptional Item | | (1,845) | (3,512) | (5,357) | (4,427) |
| Exceptional Item (Pension) | 22 | 2,271 | - | 2,271 | - |
| | | ----- | ----- | ----- | ----- |
| Net incoming/(outgoing) resources for year | | 426 | (3,512) | (3,086) | (4,427) |
| Transfer between funds during the year | 15/16 | 2,348 | (2,348) | - | - |
| | | ----- | ----- | ----- | ----- |
| Net movement in funds for year | | 2,774 | (5,860) | (3,086) | (4,427) |
| Fund balances at beginning of year | | 16,825 | 20,519 | 37,344 | 41,423 |
| Currency translation gain/(loss) | | 367 | 194 | 561 | (213) |
| Actuarial (loss)/gain (Pension) | 22 | (1,569) | - | (1,569) | 561 |
| | | ----- | ----- | ----- | ----- |
| Fund balances at end of year | 15/16 | 18,397 | 14,853 | 33,250 | 37,344 |
| | | ===== | ===== | ===== | ===== |

All income and expenditure arises from continuing operations.

The financial statements were approved and authorised for issue by the Trustees on Wednesday 25 June 2014 and signed on its behalf by **John Kirby** and **Dermot Clifford**.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 28 FEBRUARY 2014

| | 2014 €'000 | 2013 €'000 |
|---|---------------------------|---------------------------|
| Net movement in funds | (3,086) | (4,427) |
| Actuarial (loss)/gain on defined benefit pension scheme | (1,569) | 561 |
| TOTAL MOVEMENT IN FUNDS FOR THE PERIOD | ----- (4,655) ===== | ----- (3,866) ===== |

RECONCILIATION OF MOVEMENT IN FUNDS FOR THE YEAR ENDED 28 FEBRUARY 2014

| | 2014 €'000 | 2013 €'000 |
|------------------------------------|--------------------------|--------------------------|
| Net movement in funds | (3,086) | (4,427) |
| Actuarial (loss)/gain for the year | (1,569) | 561 |
| Currency translation gain/(loss) | 561 | (213) |
| Opening funds | 37,344 | 41,423 |
| CLOSING FUNDS | ----- 33,250 ===== | ----- 37,344 ===== |

CONSOLIDATED BALANCE SHEET AS AT 28 FEBRUARY 2014

| | Note | 2014 €'000 | 2013 €'000 |
|---|------|---------------|---------------|
| <u>FIXED ASSETS</u> | | | |
| Tangible fixed assets | 7 | 1,102 | 1,025 |
| Less: Government grants | 8 | (75) | (72) |
| | | ----- | ----- |
| | | 1,027 | 953 |
| | | ----- | ----- |
| <u>CURRENT ASSETS</u> | | | |
| Debtors | 9 | 3,075 | 3,102 |
| Cash at bank and on short-term deposit | | 41,714 | 45,630 |
| Short-term investments | 10 | 1 | 1 |
| | | ----- | ----- |
| | | 44,790 | 48,733 |
| | | ----- | ----- |
| <u>CREDITORS</u> (Amounts falling due within one year) | | | |
| Approved programme allocations | 11 | (6,805) | (5,734) |
| Creditors and accruals | 12 | (3,805) | (3,741) |
| | | ----- | ----- |
| | | (10,610) | (9,475) |
| | | ----- | ----- |
| <u>NET CURRENT ASSETS</u> | | | |
| | | 34,180 | 39,258 |
| | | ----- | ----- |
| <u>CREDITORS</u> (Amounts falling due after one year) | | | |
| | 12 | (88) | (296) |
| <u>RETIREMENT BENEFIT SCHEME DEFICIT</u> | | | |
| | 22 | (1,869) | (2,571) |
| | | ----- | ----- |
| <u>TOTAL NET ASSETS</u> | | | |
| | 14 | 33,250 | 37,344 |
| | | ===== | ===== |
| <u>INCOME FUNDS</u> | | | |
| Restricted funds | 15 | 14,853 | 20,519 |
| Unrestricted funds | 16 | 18,397 | 16,825 |
| | | ----- | ----- |
| <u>TOTAL FUNDS</u> | | | |
| | | 33,250 | 37,344 |
| | | ===== | ===== |

The financial statements were approved and authorised for issue by the Trustees on Wednesday 25 June 2014 and signed on its behalf by **John Kirby** and **Dermot Clifford**.

TRUST BALANCE SHEET AS AT 28 FEBRUARY 2014

| | Note | 2014 €'000 | 2013 €'000 |
|---|------|---------------|---------------|
| <u>FIXED ASSETS</u> | | | |
| Tangible fixed assets | 7 | 599 | 538 |
| | | ----- | ----- |
| <u>CURRENT ASSETS</u> | | | |
| Debtors | 9 | 4,842 | 6,799 |
| Cash at bank and on short-term deposit | | 29,797 | 32,572 |
| Short-term investments | 10 | 1 | 1 |
| | | ----- | ----- |
| | | 34,640 | 39,372 |
| | | ----- | ----- |
| <u>CREDITORS</u> (Amounts falling due within one year) | | | |
| Approved programme allocations | 11 | (6,805) | (5,734) |
| Creditors and accruals | 12 | (3,769) | (3,708) |
| | | ----- | ----- |
| | | (10,574) | (9,442) |
| | | ----- | ----- |
| <u>NET CURRENT ASSETS</u> | | | |
| | | 24,066 | 29,930 |
| | | ----- | ----- |
| <u>CREDITORS</u> (Amounts falling due after one year) | | | |
| | 12 | (88) | (296) |
| <u>RETIREMENT BENEFIT SCHEME DEFICIT</u> | | | |
| | 22 | (1,869) | (2,571) |
| | | ----- | ----- |
| <u>TOTAL NET ASSETS</u> | | | |
| | | 22,708 | 27,601 |
| | | ===== | ===== |
| <u>INCOME FUNDS</u> | | | |
| Restricted funds | | 11,269 | 12,787 |
| Unrestricted funds | | 11,439 | 14,814 |
| | | ----- | ----- |
| <u>TOTAL FUNDS</u> | | | |
| | | 22,708 | 27,601 |
| | | ===== | ===== |

The financial statements were approved and authorised for issue by the Trustees on Wednesday 25 June 2014 and signed on its behalf by **John Kirby** and **Dermot Clifford**.

CASH FLOW STATEMENT FOR THE YEAR ENDED 28 FEBRUARY 2014

| | Note | 2014 €'000 | 2013 €'000 |
|--|------|---------------|---------------|
| NET CASH OUTFLOW FROM OPERATING ACTIVITIES | 17 | (4,205) | (6,426) |
| RETURNS ON INVESTMENTS AND SERVICING OF FINANCE | 18 | 500 | 931 |
| CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT | 18 | (211) | (97) |
| | | ----- | ----- |
| DECREASE IN CASH | 19 | (3,916) | (5,592) |
| | | ===== | ===== |
| <u>RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS</u> | | | |
| DECREASE IN CASH | 19 | (3,916) | (5,592) |
| NET CASH FUNDS AT START OF YEAR | 19 | 45,631 | 51,223 |
| | | ----- | ----- |
| NET CASH FUNDS AT END OF YEAR | 19 | 41,715 | 45,631 |
| | | ===== | ===== |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2014

| 1. TOTAL INCOMING RESOURCES | Unrestricted funds | Restricted funds | Total 2014 | Total 2013 |
|--|-----------------------|---------------------|---------------|---------------|
| 1.1 INCOME FROM THE PUBLIC | €'000 | €'000 | €'000 | €'000 |
| General donations and bequests | 13,297 | 467 | 13,764 | 14,670 |
| Lenten Campaign | 7,357 | - | 7,357 | 8,666 |
| Trócaire Gifts | 1,245 | - | 1,245 | 1,708 |
| Specified income | - | 7,221 | 7,221 | 267 |
| | ----- | ----- | ----- | ----- |
| Total income from the public | 21,899 | 7,688 | 29,587 | 25,311 |
| | ===== | ===== | ===== | ===== |
| 1.2 INSTITUTIONAL FUNDING | | | | |
| Irish Aid | - | 18,551 | 18,551 | 18,464 |
| EU and ECHO | - | 2,509 | 2,509 | 3,620 |
| DFID | - | 3,596 | 3,596 | 3,774 |
| | ----- | ----- | ----- | ----- |
| | - | 24,656 | 24,656 | 25,858 |
| | ----- | ----- | ----- | ----- |
| Contributions from agencies and groups: | | | | |
| Bank of Ireland Employees Fund | - | - | - | 45 |
| Big Lottery Fund | - | 194 | 194 | 95 |
| CAFOD | - | 233 | 233 | 534 |
| Caritas Austria | - | 100 | 100 | 280 |
| Caritas Australia | - | 139 | 139 | 1,359 |
| Caritas New Zealand | - | - | - | 107 |
| Caritas Korea | - | 78 | 78 | - |
| Caritas Italy | - | 50 | 50 | 150 |
| Caritas Japan | - | 20 | 20 | - |
| Caritas Spain | - | 300 | 300 | 300 |
| Caritas Switzerland | - | - | - | 64 |
| Comic Relief | - | 622 | 622 | 1,501 |
| Concern | - | - | - | 200 |
| Catholic Relief Services | - | - | - | 38 |
| Daughters of Charity | - | - | - | 1 |
| Development and Peace | - | 148 | 148 | 66 |
| Electric Aid | - | 72 | 72 | 87 |
| Fisher Foundation | - | - | - | 2 |
| Food & Agriculture Organisation | - | - | - | 48 |
| Human Dignity Foundation | - | 218 | 218 | 75 |
| International Organisation for Migration | - | - | - | 17 |
| Isle of Man Overseas Aid Committee | - | - | - | 33 |
| MISEREOR | - | - | - | 272 |
| NIPSA | - | 6 | 6 | 12 |
| Norwegian Church Aid | - | - | - | 15 |
| Partner MDG | - | 33 | 33 | 35 |
| SCIAF | - | 1,275 | 1,275 | 203 |
| Secours Catholique | - | 952 | 952 | 729 |
| Society of Saint Vincent de Paul | - | - | - | 74 |
| THET DFID | - | 1,877 | 1,877 | 1,470 |
| UN | - | 8 | 8 | 7 |
| Unicef | - | 75 | 75 | 354 |
| | ----- | ----- | ----- | ----- |
| | - | 6,400 | 6,400 | 8,173 |
| | ----- | ----- | ----- | ----- |
| Total Institutional Funding | - | 31,056 | 31,056 | 34,031 |
| | ===== | ===== | ===== | ===== |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

1. TOTAL INCOMING RESOURCES (CONTINUED)

| | Unrestricted funds €'000 | Restricted funds €'000 | Total 2014 €'000 | Total 2013 €'000 |
|-------------------------------|--------------------------------|------------------------------|------------------------|------------------------|
| 1.3 OTHER INCOME | | | | |
| Deposit and investment income | 500 | - | 500 | 931 |
| TOTAL INCOMING RESOURCES | 22,399 | 38,744 | 61,143 | 60,273 |

2. SCHEDULE OF ALLOCATION OF FUNDS

| | Unrestricted funds €'000 | Restricted funds €'000 | Total 2014 €'000 | Total 2013 €'000 |
|---|--------------------------------|------------------------------|------------------------|------------------------|
| Total income | 22,399 | 38,744 | 61,143 | 60,273 |
| Governance costs | (445) | - | (445) | (435) |
| DISPOSABLE INCOME | 21,954 | 38,744 | 60,698 | 59,838 |
| Allocated as follows: | | | | |
| Items for specific funds and programmes | - | 7,688 | 7,688 | 461 |
| Institutional Funding | - | 31,056 | 31,056 | 34,031 |
| Other: Northern Ireland | - | - | - | 7,172 |
| Development Programme Fund | 15,741 | - | 15,741 | 13,108 |
| Communications and Education Fund | 4,142 | - | 4,142 | 3,377 |
| Emergency Programme Fund | 2,071 | - | 2,071 | 1,689 |
| INCOME FOR DISTRIBUTION | 21,954 | 38,744 | 60,698 | 59,838 |

3. FUNDRAISING AND PUBLICITY COSTS

| | 2014 €'000 | 2013 €'000 |
|--|---------------|---------------|
| Advertising and publicity | 1,556 | 1,649 |
| Committed Giving campaign | 596 | 343 |
| 24-Hour Fast | 67 | 56 |
| Lenten campaign | 1,179 | 1,167 |
| Wages and Salaries | 1,394 | 1,274 |
| Other Staff costs | 10 | - |
| Management and Administration (Note 5.2) | 416 | 367 |
| | ----- | ----- |
| | 5,218 | 4,856 |
| | ===== | ===== |

4. CHARITABLE EXPENDITURE

Charitable expenditure represents 91.5% (2013: 91.8%) of total expenditure. Charitable expenditure includes funds approved for partner organisations working overseas and also the cost of goods, services and salaries relating directly to overseas programmes which are paid from Ireland. It also includes direct expenditure on communications and education programmes in Ireland aimed at creating a greater awareness of the causes of world poverty and injustice and how change can be achieved, and is analysed as follows:

| | 2014 €'000 | 2013 €'000 |
|--|---------------|---------------|
| Overseas programme (note 4.1) | 40,655 | 40,929 |
| Communications and education programmes (note 4.2) | 2,967 | 3,100 |
| Programme support costs (note 4.3) | 17,215 | 15,380 |
| | ----- | ----- |
| | 60,837 | 59,409 |
| | ===== | ===== |

4.1 OVERSEAS PROGRAMME EXPENDITURE

| | 2014 €'000 | 2013 €'000 |
|---|---------------|---------------|
| Building Sustainable Livelihoods | 8,174 | 7,099 |
| Governance and Human Rights | 7,515 | 9,463 |
| Preparing for and Responding to Emergencies | 20,652 | 19,542 |
| Addressing the HIV and Aids Crisis | 2,006 | 2,167 |
| Promoting Gender Equality | 2,308 | 2,658 |
| | ----- | ----- |
| | 40,655 | 40,929 |
| | ===== | ===== |

4. CHARITABLE EXPENDITURE - CONTINUED

4.2 Communications and education programmes

| | 2014 €'000 | 2013 €'000 |
|--|---------------|---------------|
| Wages and Salaries | 1,653 | 1,731 |
| Other Staff costs | 1 | 1 |
| Travel | 135 | 153 |
| Training | 7 | 17 |
| Campaigns | 14 | 21 |
| Web-related costs | 80 | 50 |
| Strategic partnerships | 315 | 401 |
| Media engagement | 42 | 49 |
| Resource production and distribution | 200 | 205 |
| Other costs | 128 | 130 |
| Management and administration (note 5.2) | 392 | 342 |
| | ----- | ----- |
| | 2,967 | 3,100 |
| | ===== | ===== |

4.3 Programme Support Costs

| | 2014 €'000 | 2013 €'000 |
|---|---------------|---------------|
| Wages and Salaries | 8,015 | 7,238 |
| Other Staff costs | 2,113 | 1,938 |
| Training | 148 | 153 |
| Telephone, postage, stationery and printing | 23 | 50 |
| Travel | 724 | 688 |
| Professional fees and consultancy | 223 | 253 |
| Office costs | 823 | 883 |
| Miscellaneous | 56 | 23 |
| Exchange (gain)/loss | (1) | 67 |
| Strategic partnerships | 104 | 122 |
| Campaigns | 3 | 3 |
| National and international co-operation | 222 | 219 |
| International Division transition costs | 631 | 64 |
| Programme quality and monitoring | 261 | 264 |
| Field capital purchases | 279 | 237 |
| Accountability | 23 | 20 |
| IT and Communications | 213 | 193 |
| Management and Administration (Note 5.2) | 3,355 | 2,965 |
| | ----- | ----- |
| | 17,215 | 15,380 |
| | ===== | ===== |

5. MANAGING AND ADMINISTERING THE CHARITY

Governance costs are those costs incurred on the strategic management of the Charity, and on compliance with constitutional and statutory requirements. Costs recorded as managing and administering the Charity are apportioned 80% to the Development and Emergency Programme fund, 10% to the Communications and Education fund and 10% to Fundraising and Publicity.

| 5.1 Governance Costs | 2014 €'000 | 2013 €'000 |
|---|---------------|---------------|
| Wages and Salaries | 271 | 305 |
| Other Staff costs | 113 | 62 |
| Auditors' remuneration – audit services | 61 | 61 |
| Auditors' remuneration – non-audit services | - | 7 |
| | ----- | ----- |
| | 445 | 435 |
| | ===== | ===== |
| 5.2 Management and Administration | 2014 €'000 | 2013 €'000 |
| Wages and Salaries | 1,938 | 1,859 |
| Other Staff costs | 136 | 192 |
| Travel | 155 | 50 |
| Insurance | 49 | 43 |
| Office rent | 388 | 392 |
| Office maintenance and repairs | 242 | 116 |
| Light and heat | 6 | 7 |
| Postage and stationery | 67 | 71 |
| IT costs | 324 | 187 |
| Bank charges | 113 | 118 |
| Professional fees | 434 | 285 |
| Miscellaneous | 12 | 18 |
| Depreciation | 141 | 286 |
| Training | 139 | 46 |
| Loss on disposals of fixed assets | 19 | 4 |
| | ----- | ----- |
| | 4,163 | 3,674 |
| | ===== | ===== |
| Analysed as follows: | 2014 €'000 | 2013 €'000 |
| Programme Support Costs (Note 4.3) | 3,355 | 2,965 |
| Fundraising and Publicity Costs (Note 3) | 416 | 367 |
| Communication and Education Programmes (Note 4.2) | 392 | 342 |
| | ----- | ----- |
| | 4,163 | 3,674 |
| | ===== | ===== |

6. STAFF COSTS

The average number of employees in Ireland and overseas during the financial year was 435 (2013: 423). The full staff profile is as follows:

| | 2014 | 2013 |
|---|-------|-------|
| Trustees and Board | 19 | 19 |
| Management and support staff in Ireland | 154 | 147 |
| Programme staff in countries of operation | 262 | 257 |
| | ----- | ----- |
| | 435 | 423 |
| | ===== | ===== |

The aggregate amounts paid to or on behalf of staff are as follows:

| | 2014 | 2013 |
|----------------------|--------|--------|
| | €'000 | €'000 |
| Wages and salaries | 11,544 | 10,382 |
| Social welfare costs | 833 | 798 |
| Pension costs | 894 | 1,227 |
| | ----- | ----- |
| | 13,271 | 12,407 |
| | ===== | ===== |

The Trustees and members of the Board do not receive remuneration for their services as Trustees and members of the Board. Directly incurred expenses are reimbursed, if claimed, and amounted to € nil (2013: € nil).

The number of employees whose remuneration was greater than €70,000 to whom retirement benefits were accruing under a defined contribution scheme is 9 (2013:3) as follows:

| Salary Range | 2014 | 2013 |
|----------------------|------|------|
| €70,000 to €80,000 | 7 | 5 |
| €80,001 to €90,000 | 2 | - |
| €90,001 to €100,000 | 2 | 2 |
| €120,001 to €130,000 | 1 | 1 |
| €140,001 to €150,000 | - | 1 |
| | --- | --- |
| | 12 | 9 |
| | == | == |

Remuneration includes salaries and benefits-in-kind but excludes employer pension scheme contributions.

The defined benefit pension scheme was closed to new entrants and accrual of benefits ceased with effect from 1 September 2013. A revised defined contribution scheme was established with standard employer contributions of 8-14% dependent on age.

The Organisation and Human Resource Committee has the responsibility for the approval and monitoring of all elements of pay and conditions for Divisional Directors, Heads of functions and the mechanisms put in place for the review and determination of pay and conditions for all other staff. Our policy is to benchmark remuneration around the median of the market, having regard to analogous employment in the NGO sector as well as general business/public service sectors where appropriate. Pay and conditions of the Executive Director are approved by the Trustees.

All employees contracted from Ireland received a pay cut in 2009 and a pay freeze was implemented. In December 2012, salary bands were reviewed, revised and, where applicable, an increment was granted.

Trócaire's Executive Director, Éamonn Meehan, as of May 2014 is paid a salary of €118,750 per annum.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

7. FIXED ASSETS

| | Fixtures, fittings and equipment €'000 | Computer installation €'000 | Motor vehicles €'000 | Freehold property €'000 | Leasehold property €'000 | Total €'000 |
|-----------------------------|---|-----------------------------------|-------------------------|-------------------------------|--------------------------------|----------------|
| COST: | | | | | | |
| Balance 1 March 2013 | 865 | 2,284 | 56 | 703 | 6 | 3,914 |
| Additions | 29 | 182 | - | - | - | 211 |
| Disposals | - | - | (30) | - | - | (30) |
| Exchange difference | 11 | 2 | - | 23 | - | 36 |
| | ----- | ----- | ----- | ----- | ----- | ----- |
| Balance 28 February 2014 | 905 | 2,468 | 26 | 726 | 6 | 4,131 |
| | ----- | ----- | ----- | ----- | ----- | ----- |
| DEPRECIATION: | | | | | | |
| Balance 1 March 2013 | 654 | 2,214 | 16 | - | 5 | 2,889 |
| Charge for year | 36 | 101 | 4 | - | - | 141 |
| Disposals | - | - | (11) | - | - | (11) |
| Exchange difference | 8 | 2 | - | - | - | 10 |
| | ----- | ----- | ----- | ----- | ----- | ----- |
| Balance 28 February 2014 | 698 | 2,317 | 9 | - | 5 | 3,029 |
| | ----- | ----- | ----- | ----- | ----- | ----- |
| NET BOOK VALUE | | | | | | |
| At 29 February 2013 | 211 | 70 | 40 | 703 | 1 | 1,025 |
| | ===== | ===== | ===== | ===== | ===== | ===== |
| At 28 February 2014 | 207 | 151 | 17 | 726 | 1 | 1,102 |
| | ===== | ===== | ===== | ===== | ===== | ===== |

All fixed assets are held by the Charity for use in meeting its charitable objectives.

The property at Cork is held under a 35-year lease dated 1 December 1987.

The net book value of the group fixed assets at 28 February 2014 is made up as follows:

| | Trust €'000 | Subsidiaries €'000 | Total €'000 |
|----------------------------------|----------------|-----------------------|----------------|
| Leasehold property | 1 | - | 1 |
| Freehold property | 264 | 462 | 726 |
| Motor vehicles | 17 | - | 17 |
| Computer installation | 146 | 5 | 151 |
| Fixtures, fittings and equipment | 171 | 36 | 207 |
| | ----- | ----- | ----- |
| | 599 | 503 | 1,102 |
| | ===== | ===== | ===== |

8. GOVERNMENT GRANTS

| | Group | | Trust | |
|---------------------|---------------|---------------|---------------|---------------|
| | 2014 €'000 | 2013 €'000 | 2014 €'000 | 2013 €'000 |
| Opening balance | 72 | 73 | - | - |
| Exchange difference | 3 | (1) | - | - |
| | ----- | ----- | ----- | ----- |
| Closing balance | 75 | 72 | - | - |
| | ===== | ===== | ===== | ===== |

9. DEBTORS

| | Group | | Trust | |
|--|---------------|---------------|---------------|---------------|
| | 2014 €'000 | 2013 €'000 | 2014 €'000 | 2013 €'000 |
| Amounts falling due within one year | | | | |
| Amounts due from subsidiary undertaking: | | | | |
| Trócaire (Northern Ireland) | - | - | 1,478 | 3,383 |
| Tax refundable | 1,122 | 863 | 981 | 740 |
| Deposit income accrued | 91 | 152 | 91 | 152 |
| Advertising pre-paid | 720 | 862 | 720 | 862 |
| Other debtors and pre-payments | 1,142 | 1,225 | 1,094 | 1,184 |
| | ----- | ----- | ----- | ----- |
| | 3,075 | 3,102 | 4,364 | 6,321 |
| Amounts falling due after one year | | | | |
| Amounts due from subsidiary undertaking: | | | | |
| Trócaire (Northern Ireland) | - | - | 478 | 478 |
| | ----- | ----- | ----- | ----- |
| | 3,075 | 3,102 | 4,842 | 6,799 |
| | ===== | ===== | ===== | ===== |

Amount due after one year from Trócaire (Northern Ireland):

This amount mainly arises as a result of the sale of the property situated at 50 and 52 King Street, Belfast from Trócaire to Trócaire (Northern Ireland). All monies due are secured by a registered charge over this property and are interest free.

10. SHORT-TERM INVESTMENTS

| | 2014 €'000 | 2013 €'000 |
|---|---------------|---------------|
| Market value at 1 March 2013 and 28 February 2014 | 1 | 1 |
| | ===== | ===== |
| Historical cost | 1 | 1 |
| | ===== | ===== |

Investments on hand at 28 February 2014 relate to €521 prize bonds.

11. APPROVED PROJECT ALLOCATIONS

This amount represents approved project allocations, which were pending payment at the balance sheet date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

12. CREDITORS AND ACCRUALS

| | Group | | Trust | |
|--------------------------------------|---------------|---------------|---------------|---------------|
| | 2014 €'000 | 2013 €'000 | 2014 €'000 | 2013 €'000 |
| Amounts falling due within one year: | | | | |
| Trade creditors and accruals | 3,348 | 3,313 | 3,312 | 3,280 |
| Payroll taxes | 249 | 224 | 249 | 224 |
| Bank loan (note 13) | 208 | 204 | 208 | 204 |
| | ----- | ----- | ----- | ----- |
| | 3,805 | 3,741 | 3,769 | 3,708 |
| | ===== | ===== | ===== | ===== |
| Amounts falling due after one year: | | | | |
| Bank loan (note 13) | 88 | 296 | 88 | 296 |
| | ----- | ----- | ----- | ----- |
| | 3,893 | 4,037 | 3,857 | 4,004 |
| | ===== | ===== | ===== | ===== |

13. BANK LOAN

The bank loan is unsecured and repayable as follows:

| | 2014 €'000 | 2013 €'000 |
|----------------------------------|---------------|---------------|
| Bank loan within one year | 208 | 204 |
| Bank loan from one to two years | 88 | 208 |
| Bank loan from two to five years | - | 88 |
| | ----- | ----- |
| | 296 | 500 |
| | ===== | ===== |

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Unrestricted funds €'000 | Restricted funds €'000 | Total 2014 €'000 | Total 2013 €'000 |
|------------------------------------|--------------------------------|------------------------------|------------------------|------------------------|
| Tangible Fixed Assets after Grants | 1,027 | - | 1,027 | 953 |
| Net assets, after Retirement | | | | |
| Benefit Scheme Deficit | 17,370 | 14,853 | 32,223 | 36,391 |
| | ----- | ----- | ----- | ----- |
| | 18,397 | 14,853 | 33,250 | 37,344 |
| | ===== | ===== | ===== | ===== |

In the opinion of the Trustees, sufficient resources are held in an appropriate form to enable each fund to be applied in accordance with the restrictions imposed. The majority of funds are held as cash deposits to enable the Charity to respond rapidly to ongoing Trócaire activities.

15. RESTRICTED FUNDS

| | Balance at beginning of year | Incoming resources | Exchange differences and transfers between funds | Resources expended | Balance at end of year |
|-------------------------------|------------------------------------|-----------------------|--|-----------------------|------------------------------|
| | €'000 | €'000 | €'000 | €'000 | €'000 |
| Development programme | 807 | 27,813 | 1,552 | (30,172) | - |
| Emergency | 806 | 3,326 | (77) | (3,840) | 215 |
| Unrestricted Northern Ireland | 3,788 | - | (3,788) | - | - |
| Specific funds: | | | | | |
| East Africa | 4,930 | 13 | 24 | (2,337) | 2,630 |
| South Sudan | 1,508 | 2 | 30 | (937) | 603 |
| Sahel Region | 8 | - | 1 | - | 9 |
| Pakistan | 5,211 | - | 26 | (1,172) | 4,065 |
| Philippines | - | 3,398 | 27 | (661) | 2,764 |
| Syria | - | 4,171 | 28 | (712) | 3,487 |
| Haiti | 3,439 | 4 | 23 | (2,425) | 1,041 |
| Other | 22 | 17 | - | - | 39 |
| | 20,519 | 38,744 | *(2,154) | (42,256) | 14,853 |
| | € | | | | |
| * Transfer between funds | 2,348 | | | | |
| Foreign Exchange | (194) | | | | |
| Net | 2,154 | | | | |

During the year, €458k was transferred from restricted to unrestricted funds; this represents administration support received from institutional donors which can be used to fund the management and administration activities of the organisation and is expended through the development programme designated fund.

An amount of €3.788m was transferred to unrestricted funds which represents Trócaire (Northern Ireland) unrestricted fund balance of €3.788m, which has been presented in unrestricted funds in note 16 in 2014.

An amount of €1.898m was transferred from unrestricted funds which represents expenditure incurred by the company on institutionally funded projects in advance of receipt of the funds from institutional donors.

In response to the ongoing crisis in South Sudan, the programme will be a long-term one, as insecurity and lack of protection for the displaced people in the region continues to undermine rehabilitation and recovery activities.

The balance on specified funds will be spent on relief and recovery over a long-term period. Spending the funds over this timeframe will enable us to ensure that we spend the money to best effect with our partners. It is expected that funds held for Haiti, South Sudan will be fully expended in 2014.

16. UNRESTRICTED FUNDS

| | Exchange Balance at beginning of year | Incoming resources | differences and transfers between funds | Resources expended | Balance at end of year |
|--|--|-----------------------|--|-----------------------|------------------------------|
| | €'000 | €'000 | €'000 | €'000 | €'000 |
| Designated Funds: | | | | | |
| Development Programme Communications and Education Emergency | 14,525 | 15,741 | (2,169) | (12,294) | 15,803 |
| | 500 | 4,142 | 4,791 | (8,757) | 676 |
| | 350 | 2,071 | 93 | (2,046) | 468 |
| | 15,375 | 21,954 | 2,715 | (23,097) | 16,947 |
| General Fund | 1,450 | - | - | - | 1,450 |
| | 16,825 | 21,954 | *2,715 | (23,097) | 18,397 |

| | € |
|-------------------------|-------|
| *Transfer between funds | 2,348 |
| Foreign Exchange | 367 |
| Net | 2,715 |

- (a) Development Programme Fund
The Development Programme Fund is used to support relief and development programmes overseas, in partnership with local communities.
- (b) Communications and Education Fund
The Communications and Education Fund has been established to help create a greater awareness among the Irish people of the causes of world poverty and injustice and how change can be achieved.
- (c) Emergency Fund
The Emergency Fund is set aside out of general income to enable Trócaire to react in the event of a disaster or emergency for which resources may not be otherwise available.
- (d) General Fund
The general fund is represented mainly by tangible fixed assets.

17. RECONCILIATION OF CHANGES IN RESOURCES TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

| | 2014 €'000 | 2013 €'000 |
|--|---------------|---------------|
| Net outgoing resources for year | (5,357) | (4,427) |
| Depreciation | 141 | 286 |
| Interest and investment income | (500) | (931) |
| Decrease / (Increase) in debtors | 27 | (455) |
| Increase / (Decrease) in creditors | 930 | (690) |
| Loss on disposal of fixed assets | 19 | 4 |
| Exchange gain / (loss) | 535 | (213) |
| | ----- | ----- |
| Net cash outflow from operating activities | (4,205) | (6,426) |
| | ===== | ===== |

18. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

18.1 RETURNS ON INVESTMENT AND SERVICING OF FINANCE

| | 2014 €'000 | 2013 €'000 |
|---|---------------|---------------|
| Deposit and investment income interest received | 500 | 931 |
| | ===== | ===== |

18.2 CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT

| | 2014 €'000 | 2013 €'000 |
|--|---------------|---------------|
| Payment to acquire tangible fixed assets | (211) | (113) |
| Proceeds from disposal of fixed assets | - | 16 |
| | ----- | ----- |
| | (211) | (97) |
| | ===== | ===== |

19. ANALYSIS OF CHANGES IN NET FUNDS

| | 1 March 2013 €'000 | Cash flows €'000 | 28 February 2014 €'000 |
|--|--------------------------|------------------------|------------------------------|
| Cash at bank and on short-term deposit | 45,630 | (3,916) | 41,714 |
| Current asset investments | 1 | - | 1 |
| | ----- | ----- | ----- |
| | 45,631 | (3,916) | 41,715 |
| | ===== | ===== | ===== |

20. SUBSIDIARY UNDERTAKING

Trócaire (Northern Ireland) is a registered charity in Northern Ireland (charity number XR 10431). It was established for the relief of poverty and the advancement of education. Trócaire (Northern Ireland) received donations amounting to Stg£11.8m and expended Stg£10.7m in charitable expenditure, Stg£17k on governance costs and Stg£830k on fundraising and publicity costs during the year under review. It had funds of Stg £8.6m at 28 February 2014.

Trócaire (Northern Ireland) is a company limited by guarantee, registered in Northern Ireland, and has its registered office at 50 King Street, Belfast BT1 6AD.

21. COMMITMENTS

RENTAL

Commitments payable during the next twelve months on leasehold properties amount to €364,000 on leases, which expire after five years.

22. PENSIONS

Trócaire operates a defined contribution pension scheme for employees.

Following an in-depth review of the defined benefit pension scheme, the Trustees approved the closure of the scheme to new entrants and that all future benefits would cease. This came into effect on 1 September 2013. The exceptional gain of €2.271m arose due to the curtailments and settlement of the defined benefit pension scheme obligations on the transfer of certain members to the defined contribution scheme. A revised defined contribution pension scheme was established with standard employer contributions of 8-14% dependent on age.

The pension cost charged in respect of the schemes for the year was €893,553 (2013: €1,227,377). A provision of €71,754 (2013: €635,171) is included in accruals, being outstanding contributions.

The defined benefit pension scheme assets are held in separate Trustee-administered funds.

FRS 17 DISCLOSURES

The valuation is based on the most recent actuarial valuation (2010) and has been updated by the actuary to 28 February 2014 so as to comply with the requirements of FRS 17 in order to assess the liabilities of the scheme at 28 February 2014.

| Amounts recognised in the balance sheet: | 2014 | 2013 |
|---|---------|----------|
| | €'000 | €'000 |
| Present value of funded obligations | 11,146 | 14,490 |
| Fair value of plan assets | (9,277) | (11,919) |
| | ----- | ----- |
| Deficit | 1,869 | 2,571 |
| | ===== | ===== |
| Amounts in the balance sheet | | |
| Liabilities | 1,869 | 2,571 |
| | ----- | ----- |
| Net liability | 1,869 | 2,571 |
| | ===== | ===== |

Amounts reported in the statement of total recognised gains and losses and statement of financial activities:

| | 2014 | 2013 |
|--|----------------|------------|
| | €'000 | €'000 |
| Current service cost | 308 | 490 |
| Interest on obligations | 499 | 741 |
| Expected return on plan assets | (525) | (645) |
| Past service cost | (1,413) | - |
| Losses/(gains) on the curtailments and settlements | (690) | - |
| | ----- | ----- |
| Total cost recognised | (1,821) | 586 |
| | ===== | ===== |
| Actual return less expected return on plan assets | 1,345 | 1,021 |
| | ===== | ===== |

22. PENSIONS (CONTINUED)
Changes in present value of defined benefit obligation

| | 2014 €'000 | 2013 €'000 |
|---|---------------|---------------|
| Opening defined benefit obligation | 14,490 | 15,300 |
| Service cost | 308 | 490 |
| Interest cost | 499 | 741 |
| Contributions by plan participants | 72 | 144 |
| Actuarial gain arising from experience being different than expected | (475) | (1,674) |
| Actuarial loss arising from change in liability valuation assumptions | 2,864 | 1,966 |
| Liabilities extinguished on settlements | (5,196) | - |
| Liability increase due to past service costs | (1,413) | - |
| Benefits paid | (3) | (2,477) |
| | ----- | ----- |
| Closing defined benefit obligation | 11,146 | 14,490 |
| | ===== | ===== |

Changes in the fair value of plan assets

| | 2014 €'000 | 2013 €'000 |
|------------------------------------|---------------|---------------|
| Opening fair value of plan assets | 11,919 | 12,168 |
| Expected return | 525 | 645 |
| Actuarial gains/(losses) | 820 | 376 |
| Contributions by plan participants | 72 | 144 |
| Contributions by employer | 450 | 1,063 |
| Benefits paid | (4,509) | (2,477) |
| | ----- | ----- |
| Closing fair value of plan assets | 9,277 | 11,919 |
| | ===== | ===== |

The major categories of the plan assets as a percentage of total plan assets are as follows:

| | 2014 % | 2013 % |
|----------------|-----------|-----------|
| Equities | 59.50 | 51.70 |
| Fixed interest | 40.50 | 41.00 |
| Property | 0.00 | 0.70 |
| Cash | 0.00 | 6.60 |

Principal actuarial assumptions at the balance sheet date:

| | 2014 % | 2013 % |
|--|-----------|-----------|
| Discount rate | 3.50 | 4.75 |
| Expected return on plan assets | 4.20 | 4.20 |
| Future pensionable salary increases | n/a | 3.00 |
| Future pension increases for service prior to 1 May 2007 | 5.00 | 5.00 |
| Future pension increases for service after 1 May 2007 | 3.00 | 3.00 |
| Inflation rate | 2.00 | 2.00 |
| Future revaluation | 2.00 | 2.00 |

22. PENSIONS (CONTINUED)
Amounts for current and previous four periods are as follows:

| | 2014 | 2013 | 2012 | 2011 | 2010 |
|--|----------|----------|----------|----------|----------|
| | €'000 | €'000 | €'000 | €'000 | €'000 |
| Defined benefit obligation | (11,146) | (14,490) | (15,300) | (14,017) | (13,667) |
| Fair value of plan assets | 9,277 | 11,919 | 12,168 | 11,023 | 8,895 |
| | ----- | ----- | ----- | ----- | ----- |
| Deficit in the plan | (1,869) | (2,571) | (3,132) | (2,994) | (4,772) |
| | ===== | ===== | ===== | ===== | ===== |
| Experience adjustment on plan liabilities | 475 | 1,674 | 530 | 964 | 564 |
| Experience adjustment on plan assets | 820 | 376 | (714) | 422 | 1,760 |
| Extra Company Contributions | - | 477 | 512 | 392 | - |
| Changes in assumptions | (2,864) | (1,966) | (466) | - | (92) |
| | ----- | ----- | ----- | ----- | ----- |
| Total actuarial (loss)/gain recognised in STRGL | (1,569) | 561 | (138) | 1,778 | 2,232 |
| | ===== | ===== | ===== | ===== | ===== |

SUPPLEMENTARY INFORMATION: ANALYSIS OF GENERAL INCOMING RESOURCES
FOR THE YEAR ENDED 28 FEBRUARY 2014 (NOT COVERED BY THE REPORT OF THE AUDITORS)

| | 2014 €'000 | 2013 €'000 |
|---------------------------------------|---------------|---------------|
| GENERAL DONATIONS AND BEQUESTS | | |
| General donations | 10,266 | 10,502 |
| Bequests | 3,498 | 4,168 |
| | ----- | ----- |
| | 13,764 | 14,670 |
| | ===== | ===== |
| LENTEN AND TRÓCAIRE GIFTS | | |
| Lenten Campaign: | | |
| Diocesan Returns | 5,563 | 5,772 |
| Dublin Schools | 368 | 454 |
| Donations - Dublin | 301 | 313 |
| Donations - Outside Dublin | 1,125 | 2,127 |
| Trócaire Gifts | 1,245 | 1,708 |
| | ----- | ----- |
| | 8,602 | 10,374 |
| | ===== | ===== |
| DEPOSIT AND INVESTMENT INCOME | | |
| Deposit income | 500 | 931 |
| | ----- | ----- |
| | 500 | 931 |
| | ===== | ===== |

PICTURE CREDITS

Front cover, Tumbo (12) Ngiluni village, Kitui, Kenya. Clare McEvoy

Page 4. Girls at the Dollow Primary School in southern Somalia. Allan Gichigi.

Page 16. Thandiwe Ncube, Inditshi Dam Committee, Zimbabwe. Margaret Masanga.

Page 18. Frida Kamuzima and Jean Baptiste Gatera, Rwanda. Elena Hermosa.

Page 21. Mulvarosa Pepilla Perote and grandson Brynzly Perote (12), Tacloban. Philippines. Eoghan Rice.

Page 23. Won Sa, Mon State, Myanmar. Eoghan Rice.

Page 25. Benita Ramírez, HIV activist, Honduras. Gerardo Aguilar.

Page 26. Students from St. Mac Dara's School, Dublin. Alan Whelan.

Page 27. Trócaire campaigners at the IF rally, Belfast. Eoghan Rice.

Page 27. Jestina Mukoko from Zimbabwe addresses the Trócaire 40th anniversary conference. Alan Whelan.

Page 28. Chef Donal Skehan helps to launch the 'Connecting for Change' campaign. Alan Whelan.