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TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

For the financial
year ended
28 February 2019

trōcaire



Kumba and mother Finda from Freetown, Sierra Leone, featured on the 2018 Trocaire box. Her family home and many others were destroyed when a devastating landslide hit on August 14, 2017. Trócaire supported the people affected by the landslide, many of whom had lost everything, with counselling, emergency supplies and school kits. (Photo: Kipp Wettstein)

Cover image: Young people in Shan state, Myanmar, are learning about democracy, governance and human rights. They get to practice public speaking skills, making it 'less scary' for them to get active in their villages. They are now getting involved in their communities and speaking out about the issues such as violence against women and land grabs. (Photo: Garry Walsh / Trócaire)

OUR 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.

We believe in the dignity and inalienable human rights of each person, regardless of their culture, ethnicity, gender or religion.

As we work to achieve our vision, we practice the following values, both within our programmes and our relationships: solidarity, perseverance, accountability, participation and courage.

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Bidi Bidi camp in Uganda, home to over 250,000 South Sudanese refugees. Trócaire provides vital support to people here and in other camps in northern Uganda. (Photo: Niamh McCarthy / Trócaire).

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Sr. Bridget Tighe, winner of the inaugural Trócaire Romero Award in August 2018. The award celebrates the courage and impact of Trócaire's partners around the world. Sr. Bridget, a member of the Franciscan Missionaries of the Divine Motherhood, works with Caritas Jerusalem and has worked for over 25 years with vulnerable people in the Middle East. (Photo: Eoghan Rice / Trócaire)





HOW WE WORK

We believe real change can be delivered only by working in partnership with local communities affected by poverty and injustice. Partnership means working with individuals, communities and local organisations to help bring about the change they want to see in their lives.

Fundamentally, partnership is about solidarity, respect and empowerment.

In Ireland, we work with communities north and south to educate, inspire and motivate people to take action in the name of global justice.

We believe that to bring about change we must work at four different levels:

- Empowering women and men to secure their basic rights
- Mobilising communities and engaging leaders to build sustainable and resilient communities
- Strengthening civil society to challenge injustice and tackle poverty
- Influencing those in power to create a fairer and more sustainable world.

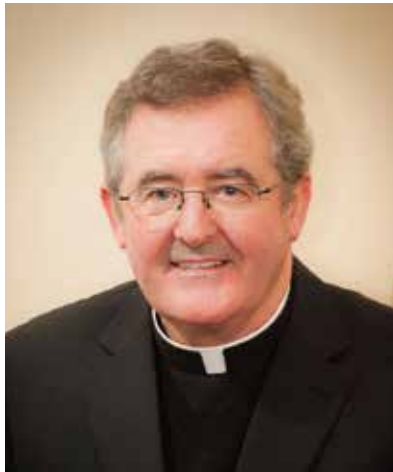
We measure our impact against these four levels.

In Ireland, we work with communities north and south to educate, inspire and motivate people to take action in the name of global justice.

Our work is funded by the Irish public and institutional donors, including the Irish government through Irish Aid.

MERCY IN ACTION - MESSAGE FROM THE CHAIR

Hugely positive changes have been seen across the world in the 46 years since Trócaire was founded.



Human rights are increasingly under threat in many parts of the world, while the dangers brought about by climate change are rising.

As recently as 1990, 28 per cent of children under the age of five in the developing world were underweight. Today, that figure stands at 17 per cent. Child mortality has declined by 49 per cent since 1990. Many once-deadly diseases have been brought under control or eradicated.

There is much to be positive about. Yet, as this Annual Report attests to, many challenges remain. Human rights are increasingly under threat in many parts of the world, while the dangers brought about by climate change are rising.

On his visit to Ireland in August 2018, Pope Francis spoke of the need to “forge a future of freedom and dignity, justice and solidarity”. This is the mission of Trócaire. It is the very essence of our Christian calling.

As Chair of the Board, it is clear to me that Trócaire knows its purpose and the strategies needed to bring about change. Trócaire’s teams around the world are working in different contexts but towards the same ultimate goal. They carry out their work with a dedication fuelled by an innate belief in their mission.

It has been a year of change for Trócaire. Éamonn Meehan retired in October 2018 after 27 years of service to the organisation, including five as Executive Director. Éamonn’s contribution to Trócaire and to the lives of the people it serves

has been enormous. On behalf of everybody associated with the organisation I wish him well in his retirement.

I led an open and competitive recruitment process to identify Éamonn’s successor. We met a number of very strong candidates. Following a robust series of interviews and assessments, I was happy to offer the position of CEO to Caoimhe de Barra. Caoimhe worked for Trócaire in a variety of roles between 1997 and 2015 including as Director of its International Division (2011-2015). She has proven herself to be a strong leader and an enormous asset to the organisation. I am very confident that under Caoimhe’s leadership Trócaire will continue to grow and deliver its mandate.

I would like to thank the Trócaire staff, who work so tirelessly in pursuit of justice, and supporters, who are steadfast in their support of this vital work. I would also like to thank my fellow Board members for donating so much time and expertise in helping to make Trócaire what it is.

The stories and images dotted throughout this year’s Annual Report are testament to the incredible impact Trócaire continues to have.

William Crean

Bishop of Cloyne
Chair of the Board of Trócaire

Luis Alonso Rodriguez (55), a coffee farmer from the community of Azacualpa in Honduras, holds a photo of himself with his son. He opposes plans for a mining company to dig for gold beneath the community's graveyard. He sent his son away from the community after receiving threats for opposing the mining. Trócaire's work in Honduras protects human rights defenders and supports communities to hold their government and big business to account. (Photo: Garry Walsh / Trócaire)



MESSAGE FROM THE CEO

Last October, I had the honour of taking up the mantle of Trócaire CEO from Éamonn Meehan, who retired after 27 years of service. I want to thank Éamonn for his dedication to Trócaire and for his strong leadership over many years.



In 2018, the warnings around the predicted impact of climate change and erosion of biodiversity became even more stark.

Trócaire remains steadfast in the promotion and protection of social justice and rights for the most vulnerable people worldwide. Our dual mandate of tackling the root causes of poverty and injustice by providing support to those most at need overseas and campaigning for change in Ireland and Europe has never been more relevant.

In 2018/19, Europe continued on a trajectory towards nationalism and away from the values of solidarity and peace on which the European Union was founded. Ireland stands out as a continued champion of multilateralism and human rights, including the right of people and organisations to mobilise peacefully and speak out against injustice. Trócaire is grateful to the Irish government, not only for its support for our work through Irish Aid but also for the Irish Government's stance on issues such as civil society space, human rights and democracy internationally.

In the past year, we have seen a deterioration in human rights standards in many countries. Governments are increasingly restricting civil society and targeting human rights defenders. We continued to see a significant number of actions taken to defend civil and political rights across a number of countries. This is in response

to the worsening human rights environment and illustrates our increased focus on this area of work.

We have launched a campaign to secure a binding Treaty on Business and Human Rights, recognising the fact that 247 of the 321 human rights defenders killed in 2018 were assassinated for protecting their communities' rights, often in the face of corporate interests. We have also seen important successes. Historic court judgements dating back to crimes committed during the genocide of indigenous communities in the 1980s were secured in Guatemala. The Dáil and Seanad voted in favour of a Bill which would ban trade with illegal settlements in the West Bank and other occupied territories.

In 2018, the warnings around the predicted impact of climate change and erosion of biodiversity became even more stark. Following a two-year campaign by Trócaire and other organisations, the Irish Government became the first state in the world to withdraw its investment in the fossil fuel industry. The Bishops' Conference of the Irish Catholic Church also announced its plans to divest from fossil fuels. Overseas, Trócaire continued to support vulnerable people to get more equitable access

to resources such as land and water and to improve their resilience to climate-related shocks. We have seen solid progress in improving food security, as well as in securing rights to land for women in particular.

Women and girls continue to face significant inequality around the world. Women remain under-represented in all spheres of life in most countries. Trócaire has focused on changing the social norms that constrain women and girls from participation in decision-making and that condone violence against them. We are seeing progress in this area, in terms of the attitudes of both men and women to women's right to participate in decision-making and in leadership positions, as well as in reduced tolerance for gender-based violence. This work requires huge effort and is an ongoing focus for Trócaire.

Conflict and political instability have been the major drivers behind Trócaire's humanitarian programmes in 2018/19. The impact of climate change is both a cause and a compounding factor in many conflicts. It leads to increased pressure on land and water, causing conflict and displacement. Our largest humanitarian programmes have been in regions where conflict and displacement have been normalised, such as the Middle East, South Sudan and Myanmar. Conflict and displacement in Ethiopia is a cause of grave concern, as is the ongoing humanitarian crisis in Yemen, where access is very limited. In the next year, Trócaire will increase its focus on research and advocacy around Safe Returns, which seeks to ensure that no displaced

person is forced to return to an environment which is dangerous or where their basic needs will not be met.

I want to thank the staff, partners, Board and Trustees of Trócaire for their work over the past year. I would like to thank our donors and supporters, who provide the funding that enables our impact. Without the generosity of the Irish public, north and south, Trócaire could not exist. The commitment of the public to social justice is astounding. It is a characteristic for which we are known around the world and one we should all take enormous pride in.

Finally, I would like to pay tribute to Sally O'Neill, who tragically lost her life following a road accident in Guatemala in April. Sally worked for Trócaire for 37 years prior to her retirement in 2015. She was a friend, mentor and inspiration to so many of us. The contribution Sally made to Trócaire and to the lives of so many people around the world is incalculable. We were devastated by her death, but continue to be inspired by her legacy.

Sincerely,

Caoimhe de Barra
Trócaire CEO



Sally O'Neill: a mentor and inspiration to so many, who tragically died in April 2019.
(Photo: Mark Stedman)



OUR WORK AT A GLANCE

In 2018/19 Trócaire's work improved the lives of 2.9 million people in some of the poorest countries in the world.

OVERSEAS



HUMAN RIGHTS

€5m spent

207,000 people supported directly



RESOURCE RIGHTS

€19.3m spent

496,000 people supported directly



WOMEN'S EMPOWERMENT

€17.2m spent

272,000 people supported directly



HUMANITARIAN

€24.8m spent

1,900,000 people supported directly

IN IRELAND



225,000 people reached through face-to-face outreach



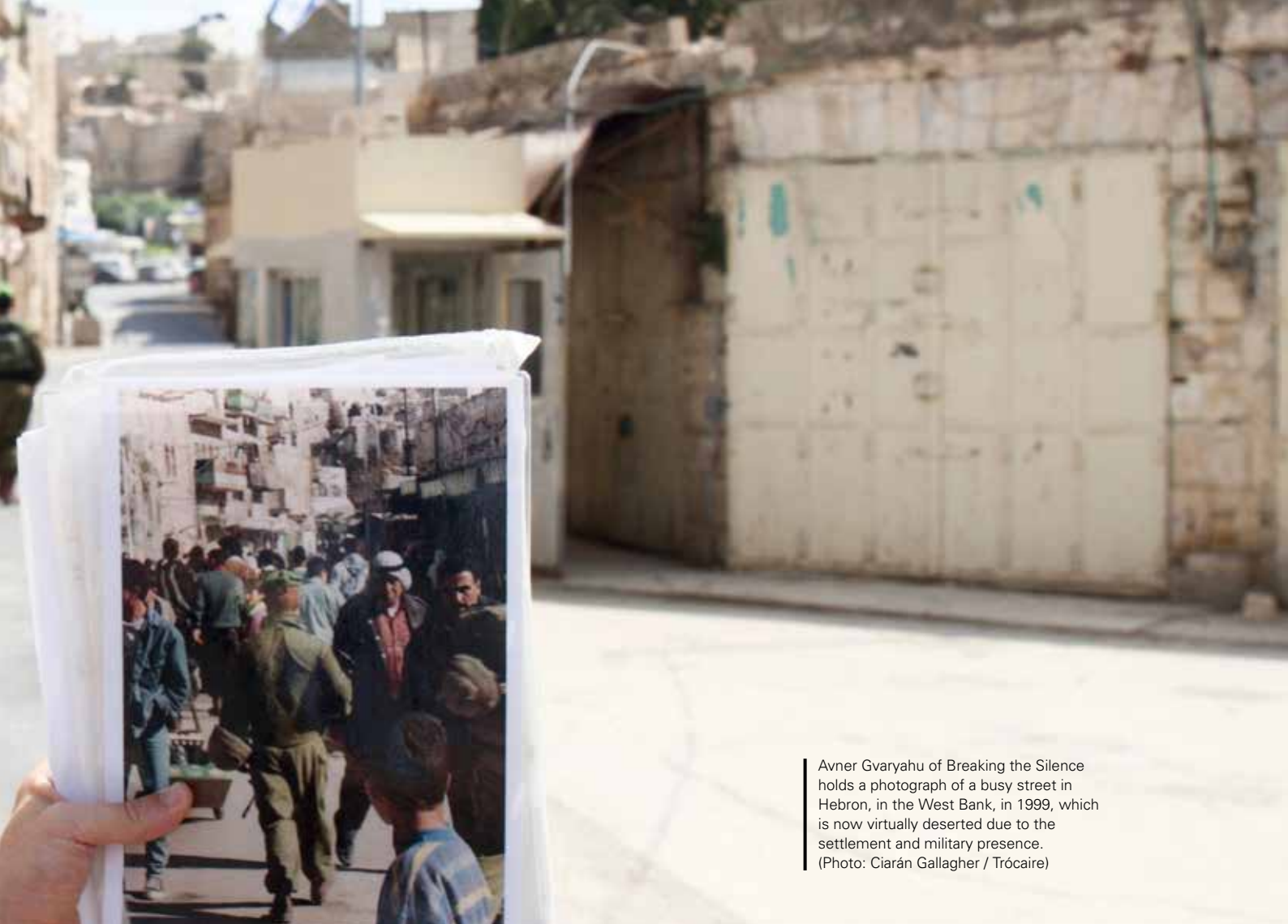
€23.2m in donations from the public in Ireland



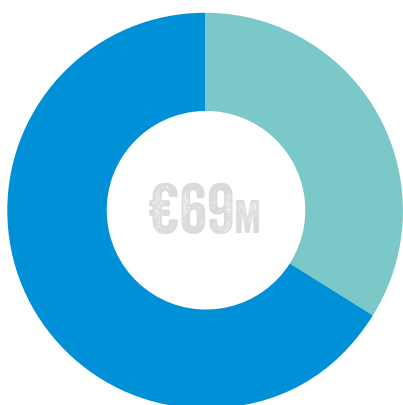
Successfully advocated for Ireland to become the first country in the world to divest public monies from the fossil fuel industry



Our campaign to ban trade with occupied territories cleared Dáil Éireann and Seanad Éireann



Avner Gvaryahu of Breaking the Silence holds a photograph of a busy street in Hebron, in the West Bank, in 1999, which is now virtually deserted due to the settlement and military presence. (Photo: Ciarán Gallagher / Trócaire)



INCOME

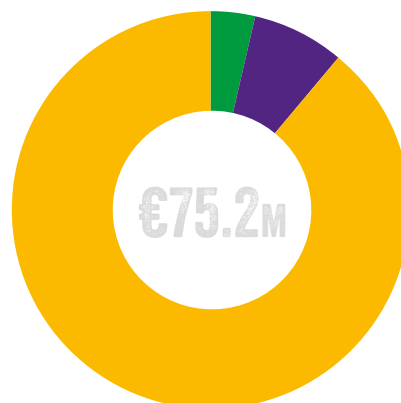
TOTAL INCOME: €69m

- Institutional funders and grants: €45.8m
- Public donations: €23.2m

EXPENDITURE

TOTAL EXPENDITURE: €75.2m

- Overseas programmes: €67m
- Fundraising: €5.5m
- Public Engagement: €2.7m



Expenditure figures include donations made to our East Africa Emergency Appeal in 2017/18. These donations were spent over an 18 month period, which accounts for the majority of the difference between income and expenditure figures for 2018/19.

WHERE WE WORK

We have long-term programmes in 19 countries around the world. The approximate number of people directly supported in each country is listed in brackets beside the country name.

CENTRAL AMERICA

1. Guatemala (78,000 people directly supported)
2. Honduras (40,000)
3. Nicaragua (46,000)
10. Somalia (210,000)
11. South Sudan (21,000)
12. Sudan (422,000)
13. Uganda (46,000)
14. Zimbabwe (178,000)

AFRICA

4. D.R. Congo (275,000)
5. Ethiopia (679,000)
6. Kenya (317,000)
7. Malawi (117,000)
8. Rwanda (37,000)
9. Sierra Leone (51,000)

MIDDLE EAST

15. Lebanon (13,000)
16. Israel / Palestine (23,000)
17. Syria (5,100)

ASIA

18. Myanmar (57,000)
19. Pakistan (274,000)

We also provided humanitarian assistance in:

20. Djibouti (1400)
21. Ecuador (200)
22. Eritrea (4,100)
23. Greece (4,800)
24. India (6,400)
25. Indonesia (600)
26. Philippines (500)
27. Yemen (11,000)



IMPACT FIGURES THROUGHOUT THIS REPORT RELATE TO PEOPLE DIRECTLY SUPPORTED BY OUR WORK.

For each person reached directly, many more would be reached indirectly through advocacy and community mobilisation.

Our figures are based on data collected in communities through partners and validated by programme teams with adjustments made to avoid double counting. Throughout this report impact figures have been rounded to their nearest zero. We are constantly refining and improving our approach to data collection to make these impact figures as accurate as possible.

Trócaire uses 15 standard indicators to measure impact. A sample of these are presented in graphs throughout the report alongside country specific information and case studies to illustrate achievements.



Daniel Okweng (left) with his brother, Emmanuel, outside their home in Barlonyo, northern Uganda. Daniel featured on the 2012 Trócaire box. Now aged 15, Daniel is doing very well in school and hopes to become a doctor. (Photo: Niamh McCarthy / Trócaire)



GOAL 1: THE HUMAN RIGHTS OF MARGINALISED WOMEN AND MEN ARE RESPECTED AND DEMOCRATIC SPACE IS PROTECTED.

Outcome 1: National governments and international duty bearers adopt policies to promote democratic and transparent processes that protect and fulfil the rights of people living in poverty.

Outcome 2: The rights of people who are marginalised and vulnerable to human rights violations are respected and protected.

2018 saw a further deterioration in human rights standards across many countries, with governments in many countries increasingly restricting civil society and targeting human rights defenders.

2018 saw a further deterioration in human rights standards across many countries, with governments increasingly restricting civil society and targeting human rights defenders. This targeting can take the form of intimidation, harassment, imprisonment and even physical violence.

Our programmes under Goal One are focused on taking actions that contribute towards the strengthening of human rights. Actions range from legal action in support of communities under threat to physical accompaniment for human rights defenders at risk.

Programmes under this goal area were carried out in seven countries: Guatemala, Honduras, Malawi, Nicaragua, Palestine, Pakistan and Zimbabwe.

The human rights situation in many of our Goal One countries – notably Honduras, Nicaragua and Zimbabwe – remains extremely volatile due to political uncertainty. Elsewhere, particularly Palestine and Guatemala, the human rights environment continues to worsen.

Human rights defenders working on land, indigenous and environmental rights have been targeted in Central America. Last year, 26 such people were killed in Guatemala and eight were killed in Honduras.

Many others were criminalised or harassed.

Working in support of human rights in each of these countries presents challenges. Most seriously, we were forced to close our office in Pakistan in November 2018 after the government refused to renew our registration. Trócaire was one of 18 international organisations forced to leave Pakistan. No reason for the decision was provided.

Despite the bleak context for human rights in these countries, our programmes continued to secure real and meaningful change. The number of actions taken by partners to challenge impunity for human rights violations has increased year-on-year, reaching 3,429 in 2018/19.

Zimbabwe accounted for the largest number of people supported under this area of work. Approximately 148,000 people in Zimbabwe were supported under Goal One, including through community training, mobile legal clinics, documentation of violations and litigation.

Central America is another key geographic focus for Goal One. We work with indigenous groups across Nicaragua, Honduras and Guatemala, many of whom are under threat from government or private sector.

The number of actions, including court cases, taken to challenge impunity in Guatemala doubled in 2018. This illustrates the continued deterioration in human rights standards in the country. These actions benefitted 16,622 people.

More positively, historic court judgements dating back to crimes committed during the genocide of indigenous communities in the 1980s were secured in Guatemala. Senior military leaders were found guilty of crimes against humanity and aggravated sexual assault.

In Honduras, we supported 44 cases in the national judicial system to support human rights defenders charged with criminal offences, while over 2,000 human rights defenders in that country gained new knowledge in techniques to defend human rights and their own security.

In Palestine, our partners use video, research reports, education tours and campaigns to provide information on violations to the international community. A total of 429 such actions were taken in 2018.

Partners in Palestine have secured the right for 233 Palestinians to remain in their homes through support for legal aid to prevent demolition orders and other threats. Furthermore, we have provided psychosocial support to 1,667 Palestinians.

Looking ahead

Securing permission to reopen our office in Pakistan is a key priority for 2019/20. We will attempt to re-register so as we can once again work to support communities in the country.

Elsewhere, we will continue to work with communities and human rights defenders at risk. Political processes in countries such as Zimbabwe, Nicaragua and Palestine will determine the path for civil society and human rights activists in each country. Further deterioration in human rights standards are likely in several Goal One countries.

This area of work will be supported by two campaigns in Ireland. We will campaign to secure the passage of the Occupied Territories Bill through Dáil Éireann, which would ban trade with illegal settlements in the West Bank and other occupied territories. We will also launch a major campaign in support of a UN treaty on business and human rights.



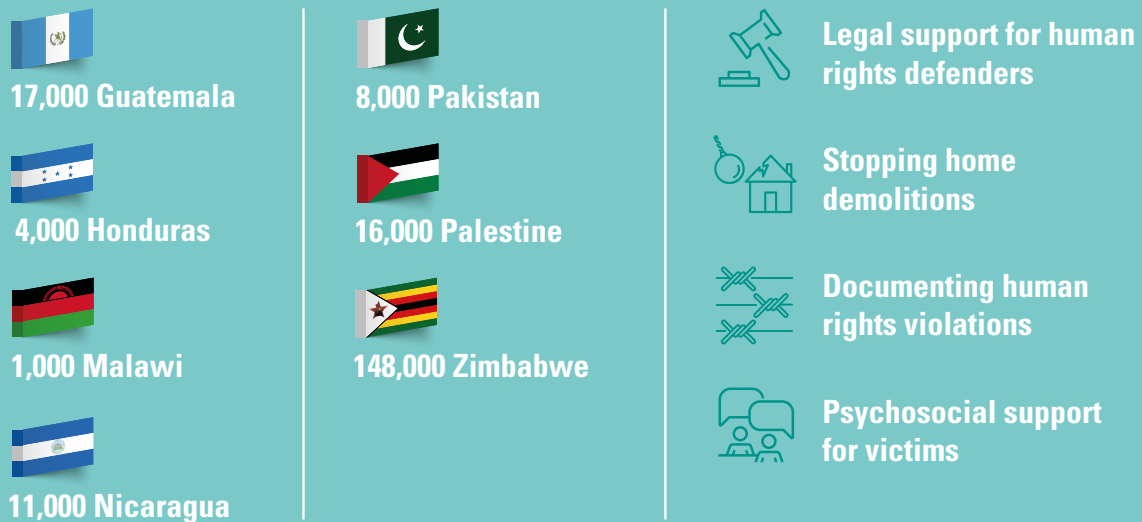
Human rights defender Martín Fernández at a community meeting with Tolupan people of Yoro, Honduras. (Photo: Martin Calix)

Protecting Human Rights

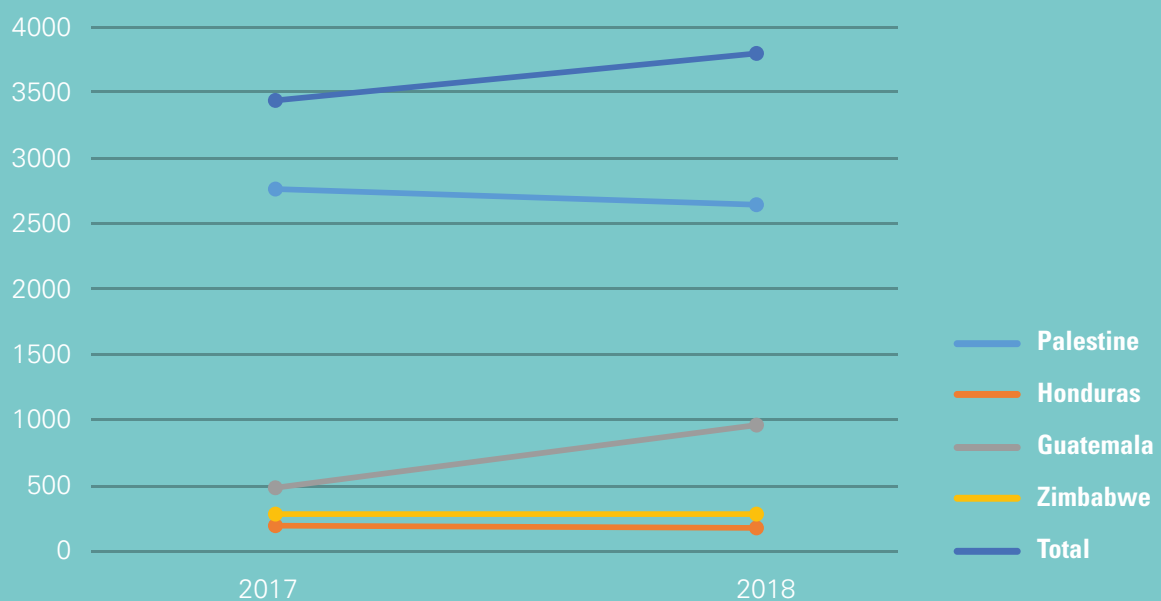
7 COUNTRIES

207,000 PEOPLE

Number of people directly supported per country



Actions taken to challenge impunity



The number of actions taken to challenge impunity for human rights violations across four sample countries.

ABDUCTED, TORTURED BUT STILL DETERMINED

Jestina Mukoko has risked her life to challenge human rights abuses in Zimbabwe and campaign for justice in a country where basic freedoms have been denied to the vast majority of the population.



As National Director of the Zimbabwe Peace Project, Jestina (pictured left) monitors and documents human rights abuses. In 2008, she was abducted by state agents and tortured. She was held for nearly three weeks, during which time her family had no idea of her whereabouts or if she was still alive.

Trócaire launched a campaign demanding her release. International pressure was a key factor in ensuring she survived the horrific ordeal.

It was a reminder of the risks facing human rights defenders and the need for organisations such as Trócaire to stand in support of them.

She visited Ireland in August 2018 to speak about what had been a historic year for Zimbabwe.

"When Mugabe was ousted, I was really excited," she says. "I was so excited that we had removed this man that I had seen as being really very repressive and being at the head of a system that was really cruel...[It was] euphoria similar to what we went through when the country got independence".



Following Mugabe's departure, fresh elections were held in late July. The pre-election period was calm. However, the results saw violence as the opposition disputed the outcome. The military opened fire on demonstrators, killing several people. It was clear that the much hoped for change would not come overnight.

She says that her experience of being targeted by the state shows that "the work that I was doing was recognised by the system" and this shows "the impact of the work that Zimbabwe Peace Project does, work that is supported by Trócaire".

The work of Jestina and human rights defenders like her remains crucially important in Zimbabwe.

"As a Human Rights defender I do have hope for the country or I would not find myself doing this work," she says. "What really drives me is when I see people that we work with wear a smile, it just keeps me going".

GOAL 2: EQUITABLE ACCESS TO AND USE OF RESOURCES



Outcome 1: People living in poverty, particularly rural women, benefit from the sustainable use and management of natural resources.

Outcome 2: People living in poverty exercise their right to access and control natural resources.

Photo: Venantie Mukacyemayire from Nyamagabe, Rwanda, at the water bond built by the community to improve crop production. (Photo: Alan Whelan/Trócaire).

A lack of access to basic resources such as land, food and water traps millions of people into extreme poverty.

We work with communities to ensure they have access to land and water, as well as the knowledge and equipment necessary to provide income and food for their families. Much of this work focuses on building community resilience to the impacts of climate change, which is changing rainfall patterns and leading to erratic weather.

Work under this goal area supported 496,000 people last year across 13 countries. Results across all countries are generally positive despite the challenge posed by

climate change. Targets for the promotion of agro-ecological practice to build resilience are on track or exceeded, while a wider diversity of food types grown by households has been documented across countries. Improved coping strategies across a number of countries is a further indication of positive trends.

Our biggest programmes under this goal area were located in Africa. In Ethiopia, 119,000 people were supported, including with access to irrigation, crops and training. Malawi and Kenya were our next largest countries of focus, with approximately 84,000 and 83,000 people supported respectively.

Support in Malawi included 4,259 people securing access to irrigation. This has enabled farmers to increase the number of harvests from one to two or three a year. In addition, 2,006 people benefitted from the establishment of 23 seed banks.

In Rwanda, 1,526 people were trained on farming techniques to mitigate the impacts of climate change, while 1,581 families received drought-resistant crops and 645 families now have access to rain harvesting facilities.

The general trend in 2018 towards food security in the communities where we work has been positive. Data from all countries shows that farming families have increased their yields.

However, food security still remains a persistent challenge for communities we work with all over the world. The worsening effects of climate change continue to limit people's ability to grow crops and provide for their families. The graph on the next page shows how progress is being made on moving families out of 'crisis' status. However, this progress is incremental and vulnerable to shocks.

For instance, Malawi continues to experience prolonged dry spells and food insecurity. Many communities in the southern and central regions experienced food shortages, particularly during the 'hungry months' between December and March as families wait for the next harvest.

However there have been some positive developments, with rainfall in Uganda and Ethiopia being well above average during 2018.

As well as supporting people's sustainable livelihoods, we have also mobilised communities to take action on their resource rights. A total of 37,894 people were supported to take action to defend their right to land and water in 2018.

This work includes supporting communities with access to their land and legal tenure, as well as protection from land grab and other negative impacts from the extractive and agribusiness industries. For example, in Nicaragua, 372 families gained access to their land in 2018.

Looking ahead

The combination of political and economic crises, together with unpredictable weather patterns, means that 2019 may be a challenging year in many countries we work in. In particular, the long-term impacts of Cyclone Idai will be felt in southern Africa. The cyclone washed away crops, which will lead to food shortages in Zimbabwe, Malawi and Mozambique. We will work with communities to support them in the months ahead as they rebuild from the devastation.














There is also a possibility of El Nino impacting food production in 2019. El Nino is a recurring weather pattern stemming from high temperatures in the Pacific. It has a major influence on weather around the world and can lead to extensive drought. The last El Nino, in 2016, had a devastating impact on east Africa in particular.

...food security still remains a persistent challenge for communities we work with all over the world. The worsening effects of climate change continue to limit people's ability to grow crops and provide for their families.

Resource Rights

13 COUNTRIES 496,000 PEOPLE

Number of people directly supported per country

 9,000 D.R. Congo	 3,000 Honduras	 5,000 Myanmar	 18,000 Rwanda
 119,000 Ethiopia	 83,000 Kenya	 21,000 Nicaragua	 51,000 Sierra Leone
 7,000 Guatemala	 84,000 Malawi	 66,000 Pakistan	 26,000 Uganda
			 5,000 Zimbabwe



Water and seeds to improve food production



Access and ownership of land

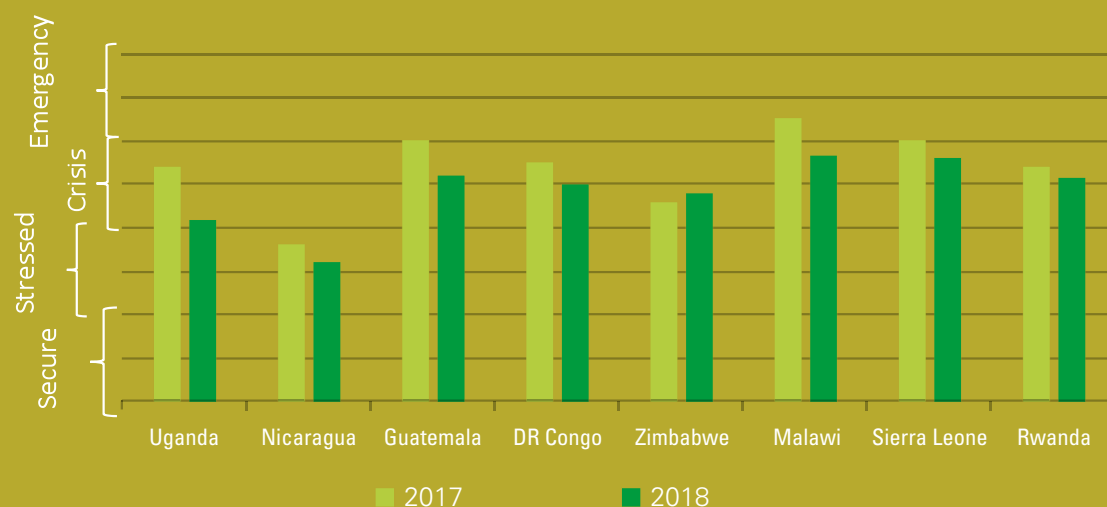


Improving resilience to climate change



Access to markets and income

Food security index



Data from communities across eight countries shows a positive trend of food security away from crisis status.

STANDING UP TO DEFEND LAND RIGHTS

In the forests of south-eastern Myanmar, twenty villages are at risk of losing their land. Daw Aye Ya (54) has campaigned to get legal title to guarantee their rights.



Sai Min Lat, Daw Aye Ya and U Mein Sein review documents they have prepared to apply for long-term leases for their lands. (Photo: Garry Walsh / Trócaire)

Despite the communities having lived in this area for generations, they are now at risk of losing their land.

Daw Aye Ya (54) lives in a village which is located in an area designated by the Myanmar government as a 'Reserve Forest' area.

Despite the communities having lived in this area for generations, they are now at risk of losing their land. They are afraid of a potential land grab by the military or private companies.

The reality of the situation is that many of these 'Reserve Forest' areas actually contain villages and agricultural lands inside them. None of these communities have ever possessed any official documentation and many were not aware their villages had even been classified as a Reserve Forest area.

But Daw Aye Ya is joining together with other community members to challenge the situation and demand their right to their land.

She is working with local organisation Tanintharyi Friends, a local Trócaire partner, to get official documentation which will show that they have the right to stay on their land for the next three decades.

The villagers have persisted in arguing for their rights, and have taken their case all the way to Myanmar's parliament in the capital Nay Pyi Taw. Here they met personally with the Minister of Natural Resources and Environmental Conservation.

Following the meeting in the capital, the news came through that the first person in the village has successfully received a 30 year lease.

The Forestry Department has promised verbally that they will proceed with all 238 applications submitted by the villages for their leases. Daw Aye Ya is confident their campaign will be successful.

For the future, she wants to inspire younger generations of women to speak up and become active in the community.



GOAL 3: WOMEN'S EMPOWERMENT



Outcome 1: Women, particularly young women, are participating in formal and informal decision making at all levels.

Outcome 2: Women are free from violence and its associated risks.

Photo: Trócaire partners from Sierra Leone, Pakistan and Myanmar were among the 200 delegates to attend the women's caucus in Dublin Castle in September 2018, which brought together women leaders from over 50 countries. (Photo: Garry Walsh / Trócaire)

Women and girls continue to face significant inequality around the world. Women remain under-represented in all spheres of life in many countries.

Our women's empowerment programmes operate across 13 countries. We work at multiple levels to build women's participation: with individual women to build their confidence and skills, with households and communities to build positive attitudes for gender equality, and with civil society and institutions to address power imbalances.

We also protect women from violence, working with both women and men to reduce gender-based violence.

In 2018/19, 112,000 people were supported through our work building women's involvement in decision-making, while a further 160,000 people were supported through our work reducing gender-based violence. In total, 272,000 people were supported by our work under this goal area.

Our work under Outcome One is tracked using a variety of surveys monitoring attitudinal change. Data shows an increase in positivity towards women participating in decision-making among the communities we work with. In Sierra Leone, for example, 63 per cent of women and 58 per cent of men are supportive of women's participation, compared with 47



per cent of women and 39 per cent of men in 2017. In Ethiopia, 57 per cent of men we work with expressed positive views towards women's involvement in decision-making, up from just 7 per cent.

The percentage of women with whom we work who have their own source of income rose from 23 per cent to 38 per cent in Rwanda, and from 74 per cent to 91 per cent in Ethiopia.

We are tracking women's confidence regarding expressing their rights. In Myanmar, for example, the confidence of women participating in our programme has increased from 2.6 to 3 on a four-point scale.

Survivors or those at risk of sexual and gender-based violence are supported under outcome two. Our programmes reduce the risk to women and girls, as well as providing support, recovery and social change. While social change is a long-term process, we registered an improvement in male attitude towards gender-based violence (see graph on the next page).

Further examples of impact under this Goal includes:

- 6,508 women in Ethiopia supported to develop their own sources of income
- 1,360 men and women in Sierra Leone benefited from training on female leadership
- 830 women in Rwanda participated in our savings and loan programme enabling them access to loans not available through commercial lenders
- 812 women survivors of violence in Ethiopia underwent counselling
- Over 150 police officers, judicial officials and doctors in Sierra Leone were trained on evidence gathering and medical examination protocols for victims of sexual offences
- 24 support groups established in Zimbabwe to support 399 survivors of violence.

Looking ahead

Ensuring a strong gender dimension to our work across all goal areas will continue to be a key focus for Trócaire. Our twin strategies of creating space for women to participate in decision-making structures, while at the same time working with both women and men to eradicate gender-based violence, is securing hugely positive results at community level.

Working on this area is challenging in some societies where traditional views of gender norms are deeply-held and violence against women is accepted. However, data shows we are making progress on this area across the communities where we work.

Women and girls continue to face significant inequality around the world. Women remain underrepresented in all spheres of life in many countries.

Empowering women

13 COUNTRIES 272,000 PEOPLE

Number of people directly supported per country

 5,000 D.R. Congo	 7,000 Honduras	 19,000 Myanmar	 12,000 Rwanda
 9,000 Ethiopia	 119,000 Kenya	 3,000 Nicaragua	 20,000 Sierra Leone
 5,000 Guatemala	 32,000 Malawi	 11,000 Pakistan	 20,000 Uganda
			 13,000 Zimbabwe



Supporting women to build leadership skills



Gender equality in decision-making

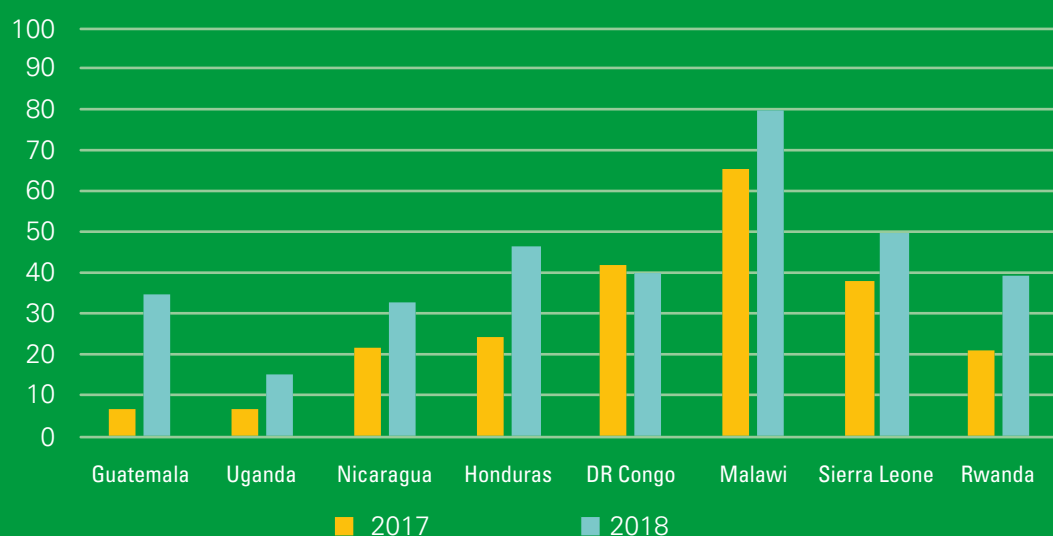


Protecting women from violence



Working with women and men to change attitudes

Male attitudes towards gender-based violence



The percentage of men in communities where we work who denounce all forms of gender-based violence, including physical, sexual and mental harm.

SURVIVING GENOCIDE AND DEFENDING WOMEN'S RIGHTS

After her husband was killed during the Rwandan genocide, Ancilla Uzamukunda (51) withdrew from the world for many years. Today, however, she has turned her life around to become an inspiring activist for women's rights in her community.



25 years ago, Rwanda turned on itself, unleashing a terrifying wave of violence that saw up to one million people murdered in just three months.

Tragically, Ancilla's husband was killed shortly after the birth of their only child.

The trauma of what she had experienced caused her to withdraw. She was haunted by the memory of the genocide. Overcome with grief, Ancilla barely left her house.

Help came in the form of a local group that helped women – many of whom were left widowed by the genocide – to come together and re-build their lives.

Discovering the group was the first step on the long road to recovery for Ancilla.

"My life started again when I found something which motivated me to get out of my house", Ancilla says.

She joined a group whose role is to report cases of gender-based violence to the authorities. Soon, she was elected its leader.

"I am extremely motivated by the fact that members of my community trust me and see me as a guide when it comes to women related issues," Ancilla proudly declares.

"Everyone has rights," she says. "Opportunities are out there, and if you go out, meet people, and engage in something meaningful, you will regain your life".

Like Rwanda itself, Ancilla has emerged from the shadow of chaos to rebuild her life.

"Opportunities are out there, and if you go out, meet people, and engage in something meaningful, you will regain your life".

Ancilla has become an activist for women's rights in her community in Rwanda. (Photo: Andrea Sciorato / Trócaire)



GOAL 4: PROTECTION OF HUMAN DIGNITY IN HUMANITARIAN CRISES

Outcome 1: Communities affected by crises receive timely, accountable and needs-based humanitarian assistance that protects their safety, dignity and fundamental human rights.

Outcome 2: Communities, and particularly women, are better resourced to prepare for, withstand and recover from crises and disasters

The level of humanitarian need rose yet again in 2018, with an increase in the number of people experiencing crisis-level food insecurity and more people forcibly displaced people than ever before.

In 2018/19 we provided humanitarian assistance to 1.9 million people in 25 countries. In terms of number of people reached, our largest humanitarian programmes were in Ethiopia (483,000 people) and in the South Kordofan region of Sudan (422,000 people). Our next largest programmes in terms of reach were in D.R. Congo (260,000), Somalia (210,000), Pakistan (189,000) and Kenya (150,000).

As well as responding in countries where we have a long-term presence, our role in the Caritas network allows us to support the delivery of humanitarian relief elsewhere. Last year, examples of such countries included Yemen, India and Ecuador.

The humanitarian assistance we provide is targeted to support those most in need and is delivered in a way that protects their safety, dignity and human rights. The level of humanitarian need rose yet again in 2018, with an increase in the number of people experiencing crisis-level food insecurity and more people forcibly displaced than ever before.

As well as tracking the reach of our programmes, we also track community satisfaction. Community surveys across eight countries showed an average satisfaction rate of 85 per cent (see table on page 30).

Conflict and political instability were the major drivers behind Trócaire's humanitarian interventions in 2018/19. Our largest humanitarian programmes are in countries where conflict and mass displacement has been normalised.

Ethiopia witnessed a worrying upsurge in ethnic violence last year. In the Borena region, we worked with Irish Aid to distribute essential aid to 18,235 displaced people.

Five years of civil war in South Sudan has left the country devastated. Despite a peace agreement, violence is endemic. Our humanitarian response in South Sudan supported 20,000 people with emergency aid.

A further 20,000 people were supported by our humanitarian programmes in Myanmar, where conflict intensified in the Kachin region, making humanitarian access more difficult.

Lebanon experienced its worst winter since the Syrian civil war started. We provided shelter, heating and other aid to 6,700 Syrian refugees in Lebanon in response to the harsh winter.

Drought in eastern and southern Africa continues to warrant a humanitarian response, although humanitarian needs resulting from drought were less severe in 2018/19 compared with recent years. For example,



Maji Hka Ra (53) and her family fled the fighting in Myanmar's Kachin state and are living in Lana Zup Ja camp for displaced people. She has received basic assistance such as rice from Trócaire's local partner KMSS to feed her family. (Photo: Gyung Dau)

2018 was the first year since 2014 without substantial and widespread drought in Ethiopia. Higher than average rainfall in countries such as Somalia, Sudan and Uganda created some new challenges as floods destroyed crops and negatively impacted people living in displacement camps. However, overall this rainfall was good for food security in the region.

Our humanitarian response focuses mostly on providing shelter, food, sanitation and protection. However, in Somalia and Sudan we continue to provide healthcare. A total of 87,246 medical consultations were conducted at our facilities in these two countries. Mosquito nets were distributed to 3,720 expectant mothers in Somalia.

In D.R. Congo, our response to the Ebola outbreak included the construction of 12 bamboo water tanks of 4,000 litres to improve hand washing facilities to reduce the threat of the virus spreading.

Our programmes remain a vital lifeline for communities experiencing humanitarian crisis. Our response is particularly focused on strengthening protection of women and girls in humanitarian settings and providing psycho-social support to people traumatised by conflict or displacement. This is a core focus of our humanitarian response in D.R. Congo, Lebanon, Myanmar, Rwanda, Somalia and South Sudan.

Looking ahead

Our partnership with Irish Aid to deliver emergency relief items to displaced communities in Somalia and Ethiopia was very successful and we plan on replicating this elsewhere as needs arise.

Where people are in need of food support but local markets are functioning, we will consider providing cash transfers or vouchers rather than food baskets. This move follows consultation with communities. Cash transfers are already in operation in countries such as D.R. Congo, Ethiopia, Guatemala and Kenya. However, we will increase the use of this approach where it is feasible in other countries.

Humanitarian support

25 COUNTRIES 1,900,000 PEOPLE

Number of people directly supported per country



Healthcare to
communities
affected by war



Shelter and camps
for people forced
from their homes

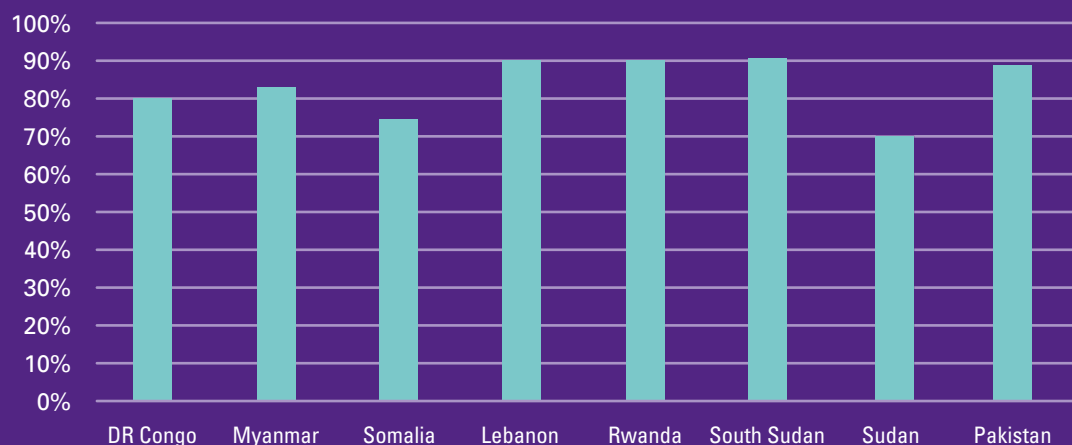


Water,
sanitation
and food



Protecting
women and
girls in crisis

% of target population satisfied with services provided



'YOU SAVED MY DAUGHTER'S LIFE'

Ania* knows how close she came to losing her eight-year-old daughter. In a country where a child dies every 10 minutes from a preventable disease, little Malak almost became another innocent victim of Yemen's brutal war.



With conflict raging all around her, Malak fell ill. A deadly cholera outbreak was sweeping through their neighbourhood so Ania knew instantly that her daughter's life was in danger.

"She started to vomit but her condition soon deteriorated," says Ania. "I started to worry. I knew it was serious. The hospital is very far away and I didn't have enough money to get there."

Ania's brother gave her the €3 she needed to get Malak to the hospital. Even then, she was worried about how she would be able to pay for treatment.

She was relieved to discover that Trócaire supporters in Ireland were paying for her daughter's life-saving medicine.

"The doctors put a needle in Malak's arm with a liquid to

help her," she says. "They said she will be better soon. They explained that all the cholera medication is being paid for by so I don't have to pay anything."

Trócaire supporters are funding a life-saving cholera response project operated by Islamic Relief. This project provides cholera medicine and tablets to hospitals, allowing doctors to save the lives of people affected by the outbreak of the disease.

Ania knows that without this support, she may have lost her daughter forever.

"Thank you Trócaire for helping the Yemeni people," she said. "May God bless you all. You saved my daughter's life and many others in the same hospital."

*Not her real name.

"Thank you Trócaire for helping the Yemeni people," she said. "May God bless you all. You saved my daughter's life and many others in the same hospital."



Malak (8) receiving medical support in Yemen after contracting cholera (Photo: Islamic Relief)

GOAL 5: PEOPLE AND LEADERS IN IRELAND ACTING FOR A JUST WORLD

Outcome 1: The Irish public is informed, engaged and takes action on the root causes of global injustice.

Outcome 2: The Irish Catholic Church continues to tackle the issues of global poverty and injustice.

Trócaire's Lenten campaign is a key moment for bringing issues of global justice into homes, classrooms and parishes nationwide.

Engaging with the public and policy-makers in both the Republic of Ireland and Northern Ireland is core to Trócaire's mandate. Over the course of 2018/19, we engaged approximately 225,000 people face-to-face through schools, parishes, festivals and events, as well as achieving a number of high profile advocacy successes.

Trócaire's Lenten campaign is a key moment for bringing issues of global justice into homes, classrooms and parishes nationwide. Our 2018 Lenten campaign highlighted humanitarian need around the world, focusing particularly on a community in Sierra Leone who had been devastated by a mudslide.

Our staff and volunteers spoke in 133 parishes during Lent 2018, while our Development Education team delivered workshops to schools nationwide about the importance of the Sustainable Development Goals (SDGs). The Lent 2018 Development Education resources – produced for early years, primary, post-primary and youth – were the first steps in a three-year SDG learning journey.

Our Development Education work continues to educate both students and teachers alike. Ninety-one per cent of 566 student and qualified teachers reported an increase in their confidence to explore global justice issues with their class as a result of participating in Trócaire training.

We launched the Romero Awards in 2018, a new programme for schools and families to explore global justice issues. A total of 949 pupils and 39 educators from 37 primary and post-primary schools and two youth groups participated in the schools' award. The family award saw 500 family activity packs distributed. Sr. Bridget Tighe from Sligo was awarded the inaugural International Romero Award in recognition of her work with vulnerable communities in the Middle East over 25 years.

Sr. Bridget received her award as part of Trócaire's involvement in the World Meeting of Families, which took place in August. We hosted two seminars (women's leadership and climate justice) and an experiential stand, engaging over 4,000 people. This supplemented our ongoing work with parishes nationwide. In 2018 our outreach through church and parish groups reached over 130,000 people.

Trócaire had a presence at large festivals and events such as Bloom, the Ploughing Championships, the Balmoral Show and Derry and Belfast Féiles.

Traditional and digital media remains a key driver of public engagement. Trócaire's work featured in over 2,500 media reports in 2018, while we used video and digital storytelling to engage tens of thousands of people across Facebook, Twitter and Instagram. In June 2018 Trócaire won the Public Relations Institute of Ireland's award for Excellence in Public Relations.



Trócaire staff and volunteers mark the passing of the Divestment Bill into law, which saw Ireland become the first country in the world to withdraw public money from the fossil fuel industry (Photo: Mark Stedman)

We continue to engage with policy makers in both the Republic of Ireland and Northern Ireland, although this is made more challenging by the absence of the Stormont Assembly. Following a two-year campaign from Trócaire, the Irish government became the first state in the world to withdraw its investments from the fossil fuel industry. Both Seanad Éireann and Dáil Éireann also voted in favour of banning trade with occupied territories, which would include illegal Israeli settlements in the West Bank. This followed

a seven-year campaign from Trócaire for such action.

Looking ahead

Throughout 2019 we will be engaging supporters and the public on the need for a UN binding treaty on business and human rights. This campaign will be a major focus of our public engagement work for the coming years and will seek to engage schools, parishes, policy makers and the media in the need for a global treaty to uphold human rights principles across the private sector.

Growing our volunteer programme will be a key focus for 2019. We now have 125 active volunteers nationwide. Having recently recruited a Volunteer & Outreach Officer for the West of Ireland, we are hoping to significantly grow our presence in Connacht.

We will also launch a Game Changers competition aimed at primary, post-primary and youth groups. This competition challenges young people to design a board game, card game or video game to explore global justice.

The Season of Creation is a key time in the liturgical calendar to engage parishes and communities on the issue of climate change through the message of Laudato Si. There will be a particular emphasis on the justice imperative for urgent action on the climate crisis that is affecting the world's most vulnerable communities.



WE COULDN'T DO IT WITHOUT YOU

People all over Ireland donate their time and money to support Trócaire's work. From organising cake sales to signing petitions, people all over the island do what they can to support our call for a just world. This support is what makes Trócaire possible.



GAA stars got behind Trócaire's 2018 Christmas Appeal. Photographed (clockwise) are celebrated Armagh footballers Joe and Aaron Kernan with Aaron's son James (Photo: Justin Kernoghan); Kildare player Tommy Moolick with first year students from Patrician Secondary School in Newbridge (Photo: Alan Whelan / Trócaire); Donegal All-Ireland winner Martin McHugh, along with his sons Mark and Ryan and grandson Noah, aged 1 (Photo: Michael O'Donnell); Mayo footballer and three-time All-Star Aidan O'Shea (Photo: Michael Donnelly).



Rachel O'Dwyer from Moneygall, Co. Tipperary, wins an award in the post primary senior category of the Trócaire / Poetry Ireland poetry competition (Photo: Garry Walsh / Trócaire)



Ali O'Connor, Patrick Conlon, Efel Clabby, Juan Padilla, Evan Chalmers and Rebecca Gill from Mercy Secondary school Ballymahon, Longford, supporting Trócaire's Lenten initiative encouraging students to give up social media for 24 hours to raise money for Trócaire. (Photo: Michelle Ghee)



Left: Riverdance founder John McColgan with Jess Walker (5) from Co. Kildare at Trócaire's Bloom garden. (Photo: Mark Stedman)

Bottom left: Dermot Higgins, who cycled around the world to raise money for Trócaire, speaks with students about his adventures. (Photo: Garry Walsh / Trócaire)



Trócaire received a gift in memory of Siobhán Sreenan who passed away suddenly over Christmas 2016. In her memory, ten children and adults in Gaza have received limb reconstruction surgery, while a sensory room for sight impaired children has been equipped in Al Shurooq School for the Blind, Bethlehem. These life-changing gifts honour the memory a loving wife and mother and champion of children with disabilities.

GOAL 6: INNOVATION, LEARNING AND IMPROVEMENT



Outcome 1: An environment of innovation and research is cultivated within Trócaire's programmes.

Outcome 2: An integrated country approach built on a foundation of rights and empowerment is adopted across Trócaire programme countries.

Outcome 3: Trócaire engages in evidence-based decision making and continuous learning and improvement.

Whether responding to humanitarian need in west Africa or strengthening engagement with the public in Ireland, innovation is central to how Trócaire approaches its work.

In 2018 we launched the Innovation Awards to encourage and celebrate a culture of innovation across the organisation. Thirty-eight submissions were made to the awards, covering our work across 10 countries. The winning innovation came from our team in Sierra Leone and related to the emergency response to mudslides that killed over 1,000 people. In times of emergency, access

to reliable information can be a major difficulty for people. When the mudslides hit, Trócaire established six information kiosks to provide accurate information and help people access support. These kiosks directly benefited over 7,000 people.

Our team in Rwanda has used digital technology to innovate in how it supports communities. Mobile phone money transfer, known as MoMo (Mobile Money), is extremely popular in Rwanda. Trócaire has begun transferring money directly to families through mobile phone technology. This eliminates costly bank fees and the risk of theft.

Lucy Ní Mhaoláin (11) plays Trócaire's new education game 'Project Honduras' together with her classmates Mia Ní Raghailigh (12), Harvey Mac Riocard (11) and Brandán Ó Casín (11) from Gaelscoil Bharra Cabrach in Dublin. (Photo: Garry Walsh / Trócaire)



2018 also saw blockchain technology used in Rwanda to transfer money between Trócaire and our partner organisations. Blockchain removes the need for multiple banks to be involved in transferring money, thus eliminating bank charges. Blockchain was successfully piloted by our team in Rwanda in 2018 and will be further trialled in the months ahead.

Digital data collection is an area that has grown significantly in Trócaire. This approach allows community members to input data digitally on a monthly basis. Moving data collection to digital platforms improves speed and efficiency of data

collection. Digital data collection tools for monitoring proved extremely beneficial in 2018. We are currently using digital data collection in seven countries. This will increase to 11 by the end of 2019.

Digital channels are also central to how we are innovating in Ireland. Since 2016, we have been involved in research with Limerick Institute of Technology (LIT) to explore the potential for digital games in Development Education. Following on from this research, in December 2018 Trócaire launched Project Honduras, the first digital development education game in Ireland. The game is based on the real-life experiences of two young climate activists Javier and Andrea in Honduras. It was designed in collaboration with children and educators and targets 12-14 year olds in classroom settings. Project Honduras won the prestigious International Educational Games Competition 2018 in France for the 'Best Game in Development' and was also a finalist in the Dóchas Innovation Award 2018.

Effective programme management is central to our commitment to continuous learning and improvement. This process is also being strengthened through digital. In 2016 we began a project to migrate programme management to Salesforce. This system went live in November 2017 across all country offices. Throughout 2018 training was delivered to staff across 14 countries to embed the approach, allowing for more efficient, accurate and consistent results management across our countries of operation.

Trócaire engages in research in order to further our learning and improvement. For example,

Trócaire has begun transferring money directly to families through mobile phone technology. This eliminates costly bank fees and the risk of theft.

a Resilience Learning Project in Kenya, Malawi and Zimbabwe is gathering learning on strategies to support farming communities vulnerable to climate change, to strengthen their resilience through linked interventions including improving food and economic security at the household level, and improving environmental management and disaster risk management at community level.

Trócaire expanded its research on localization in 2018, carrying out *Pathways to Localisation* which sets out practical recommendations to strengthen the role of local humanitarian partners.

Looking ahead

To further advance our thought leadership in digital Development Education, we have commissioned research with DCU on Digital Technologies to Advance Global Citizenship Education in Schools, which we will conduct between January and December in 2019. This will provide evidence and critical feedback to determine our future use of digital in the educational sector.

We are also continuing to build innovative communications approaches. For example, in 2019 we will launch a monthly podcast looking at global justice issues.

GOAL 7: EFFECTIVE PARTNERSHIPS

Outcome 1: Trócaire has diverse, relevant and institutionally strong portfolios of partners that can deliver innovative and impactful programmes in an accountable manner.

Outcome 2: Trócaire is working in collaboration with networks and preferred strategic partners in our countries of operation, in Ireland and globally, in order to achieve greater programme impact, more stable funding and greater policy influence.

Our partnership entails technical support to build capacity, strengthen performance and maximise impact.

Trócaire's entire way of working is grounded in the concept of partnership. This goes far beyond simply funding local organisations. Our partnership entails technical support to build capacity, strengthen performance and maximise impact.

We work with over 400 partners of varying type, size, capacity and experience. They include community-based organisations, local and national NGOs, missionaries, civil society networks, cooperatives and social movements.

A significant number of Trócaire's partnerships are fostered through the Caritas Internationalis Confederation, of which we are a member. With over 160 member organisations working at community level in almost every country in the world, our Caritas partners are firmly embedded in the communities and are often the first responders in the event of a crisis.

Approximately one-third of our partners are Catholic Church organisations. The remaining partners are a diverse mix of faith-based and secular organisations.

Prior to providing funding, we assess organisations against our eighteen minimum requirements for partnership funding. This process examines governance, financial management, statutory compliance, procurement, safeguarding, security and commitment to gender equality.

Our Partner Financial Management Manual provides ongoing support and tools for monitoring and strengthening partner capacity and systems.

As well as providing financial and technical support to strengthen programmes, our teams also work with partners to strengthen their policies and procedures.

We also strongly believe in localisation, which seeks to strengthen local organisations through direct funding. In 2018, partners in Myanmar, Lebanon and Rwanda were supported to access funding directly.

We continue to work with strategic partners in Ireland to achieve greater impact. We are members of coalitions, such as Stop Climate Chaos, and work closely with educational institutions such as DCU and Mary Immaculate College. We also fund community social justice organisations through our Connecting for Impact grants.

Looking ahead

During 2019 Trócaire will identify and support high risk partners and areas of work to strengthen their safeguarding and complaints mechanisms. This will have a specific focus on community engagement.

The opening of our new country office in Lebanon presents us with exciting opportunities to build new partnerships in the region in 2019, particularly in Syria itself.

436 PARTNERS 27 COUNTRIES

WHAT OUR PARTNERSHIP MEANS:



ORGANISATIONAL DEVELOPMENT

Working with partners to build their ability to serve their communities. We support partners to identify institutional, financial and programmatic strengths and gaps. We also work with partners to develop robust safeguarding policies and procedures, including complaints handling mechanisms.



ADVOCACY AND ACCOMPANIMENT

We accompany our partners through joint advocacy. We also support them to foster alliances and networks, as well as advocating internationally with them and on their behalf.



TECHNICAL SUPPORT

Our team of technical experts support the delivery of partner programmes, offering technical advice and support on areas such as results-based management, protection and gender-based violence.



FINANCIAL SUPPORT

As well as providing funding to local organisations, we also support them to access independent funding streams. We provide hands-on mentoring and coaching in financial and supply chain management systems.



“What I love about Trócaire is that they believe in us as local organisations. They believe in the importance of empowering local organisations on the ground because they know that we are the ones that come from the community. We are the ones who will be staying after the war has ended. When all the INGOs and the donors pack their stuff and leave, we will be here but more empowered and with a better ability to do our work. So I think that Trócaire knows this very well and this is why they invest in us as local organisations.”

Rouba Mhaissen, SAWA Director, Lebanon

GOAL 8: INCREASED SCALE AND INCOME

Outcome 1: Trócaire has increased and diversified institutional funding income.

Outcome 2: Public income is increased with an emphasis on attracting new donors and dependable income sources and on deepening engagement and growing income amongst existing supporters.

The financial year 2018/19 was another very successful year from an income perspective, with high levels of public donations and a strong institutional funding performance.

The financial year 2018/19 was another very successful year from an income perspective, with high levels of public donations and a strong institutional funding performance.

Donations from members of the public in Ireland to Trócaire amounted to €23.2m. Although this represents a decrease from 2017/18, that drop is almost entirely accounted for by the donation of €5.5m to the East Africa Emergency Appeal in 2017/18. Last year was one of our strongest years for public income and was significantly ahead of target (€22m).

The 2018 Lenten campaign generated €7.6m in donations. Although this represents a decrease of €1.1m compared with the previous year, the 2017 Lenten campaign was exceptionally strong as people responded to the outbreak of famine in South Sudan.

Our Committed Giving programme saw €4.4m raised through direct debit, while income from legacies rose significantly to €4m. Our 2018 Christmas campaign, incorporating both the Gifts of Love and Christmas Appeal, saw a total of €2.3m donated, almost a 10 per cent increase on 2017.

Income from institutional funders in 2018/19 amounted to €45.8 million. We made 65 donor applications, of which 59 per cent were successful.

This compares with 80 funding applications in 2017/18, with a win-rate of 60 per cent.

Irish Aid remains our largest institutional funder, with €21.5m provided to Trócaire in 2018/19. This breaks down as €16.6m for development programmes and €4.9m for humanitarian programmes. The UK Government, through the Department for International Development (DFID), provided €3.1m to support Trócaire's work, making it our second largest institutional funder.

We secured a number of large grants over the course of the year. For example, in Zimbabwe we secured a three-year SIDA (Government of Sweden) grant worth €1.8m for women's empowerment work. In Ethiopia, we were successful in winning a humanitarian response grant of \$400,000 from the United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA), as well as an Irish Aid project which saw us distribute €700,000 worth of aid to displaced communities in the Borena region.

Donor diversification is an objective. Our three main donors – Irish Aid, DFID and Caritas – account for 45 per cent of overall organisational income. This is a slight decrease from 46 per cent in 2017/18, illustrating an increasingly diverse donor portfolio.

Angela O'Neill De Guilio of Trócaire with comedians PJ Gallagher, Deirdre O'Kane and Neil Delamere, whose annual St. Patrick's Night for Comic Relief event supports Trócaire's work. (Photo: Community Foundation Ireland)



Brexit has presented challenges, both from a public and institutional funding perspective. Northern Ireland is responsible for one-third of Trócaire's public income but the uncertainty caused by Brexit has affected consumer confidence and spending. At an institutional level, UK organisations are unclear about their eligibility for EU funding in the absence of a Brexit deal. This has impacted on which organisations Trócaire can consider as consortium members for EU grants.

There is further analysis of organisational income in the financial report section of this document. There is additional commentary on the management risks relating to income in the Principal Risks and Uncertainties section (pages 60 – 65).

Looking ahead

The continued growth of institutional funding has led to us investing in a new Standards and Compliance Unit. This is in response to increasing levels of regulation and an institutional funding portfolio that is growing in size and complexity. Comprising of a Head of Standards and

Compliance, a Supply Chain and Logistics Manager, a Data Protection Officer and a Compliance Officer, this unit will drive donor compliance in the organization.

From a public fundraising point of view, we will be investing in door-to-door fundraising in 2019/20.

	2018/19	2017/18	2016/17	2015/16	2014/15
Public donations	€23.2m	€29.1m	€22.2m	€24.9m	€23m
Lent	€7.6m	€8.7m	€7.4m	€8.3m	€8m
Christmas	€2.3m	€2.1m	€2.1m	€1.9m	€1.9m
Committed Giving	€4.4m	€4.6m	€4.8m	€5.3m	€5.1m
Legacies	€4m	€3.3m	€2.8m	€2.8m	€2.5m
Humanitarian	€0.5m	€5.5m	€0.9m	€2.8m	€1.2m
Institutional funding	€45.8m	€45.8m	€40.1m	€40.5m	€34.8m

GOAL 9: AN ACCOUNTABLE AND EFFECTIVE ORGANISATION

Outcome 1: Trócaire can be held to account by our key stakeholders for delivery of our commitments to them.

Outcome 2: Trócaire is an efficient and effective organisation which gets the best value from our financial resources.

Outcome 3: Trócaire continues to attract and retain skilled, motivated, and empowered staff.

In Ireland we continue to review our activities and engagement to ensure that they are in keeping with national legislation such as Children First.

Trócaire strives to ensure it operates to the highest standards of accountability and effectiveness.

We have achieved Triple Lock Standard from the Charities Institute of Ireland (CII), a standard issued to charities who operate to best practice in financial reporting, transparency and ethical fundraising. Our commitment to accountability was highlighted in 2018 when we won 'Best Annual Report' at the Carmichael Good Governance Awards.

Accountability means being accountable to donors, supporters and the people we work with (see page 67 for further details about our Stakeholder Accountability Framework). At a financial level, we conduct regular financial reviews of partners. We have suspended funding to organisations who do not meet our financial compliance requirements.

In 2017 we began the process of obtaining certification under the Core Humanitarian Standards on Quality and Accountability (CHS). This is the gold standard for the development and humanitarian sector and sets clear commitments related to programme quality and effectiveness. A Quality and Accountability Improvement Plan was developed for the organisation in 2018 based on findings from a 2017 CHS self-assessment. This is a time-bound action plan with

77 clear, tangible deliverables. We made improvements in key areas in 2018, including reviewing timelines of payments to partners, developing a 'how to' guide on information sharing to communities, and developing guidance on community targeting.

A key aspect of accountability is ensuring programme participants are safe from exploitation and abuse. During 2018 Trócaire's global safeguarding team visited eight countries to provide training and capacity building to 87 partners on both safeguarding and complaints mechanisms. Each country office has identified safeguarding focal



persons who continue to work with partners to continuously review and monitor safeguarding practices. In Ireland we continue to review our activities and engagement to ensure that they are in keeping with national legislation such as Children First.

During 2018 Trócaire sought to further develop its in-country complaints mechanisms. Our country offices have dedicated complaints e-mail addresses and complaints boxes. Our complaints response framework ensures that sensitive complaints (fraud, safeguarding, gross misconduct) are managed in an effective and confidential manner.

Trócaire also signed up to Transparency International's Integrity at Work programme, which focuses on strengthening organisational 'Speaking Up' culture.

The effectiveness of our work is monitored on an ongoing basis by the organisational scorecard, which tracks progress against key strategic deliverables. Staff participate in the performance management process to monitor progress against deliverables at an individual level.

Attracting and retaining skilled staff is crucial for organisational effectiveness. We have rolled-out a number of HR initiatives, including developing a One Trócaire employee experience, and the creation of a new Management Standards and Management Development Programme.

We continue to work with Great Places to Work to further strengthen Trócaire's employee engagement. Our Great Places to Work partnership has highlighted areas of strength and issues to be addressed. Managers and

staff across the organisation have collaborated on new initiatives and work systems.

We are also committed to reducing the impact of our activities on the environment through our GLAS initiative. In 2017 our carbon footprint amounted to 1,654 tonnes. This was an increase from 2016. In 2018/19 we reduced our carbon footprint by 9 per cent, ahead of the target set of 5 per cent. Our emissions now amount to 1,510 tonnes. Flights make up 69 per cent of our emissions, while energy is 19 per cent, road travel 7 per cent and paper use 5 per cent.

Further details on Trócaire's work to strengthen governance and accountability can be found in the Structure, Governance and Management section of this report (starting page 46).

Looking ahead

We will continue to work towards our Quality and Accountability Improvement Plan, focusing on completing deliverables identified in the plan with a view towards beginning the CHS verification process in 2020.

We will participate in the Great Places to Work survey again in 2019. This will include a greater focus on employee wellbeing.

GLAS policies are now embedded into the organisation's annual planning and budgeting processes. We are targeting continued and consistent emissions reductions to ensure environmental care is central to our activities. We have set a target of a further 5 per cent reduction in emissions from 2018/19 to 2019/20.

Ciara Mehari (8) from Co. Kildare helps to launch Trócaire's 2018 Christmas Appeal. Trócaire has achieved Triple Lock Standard from the Charities Institute of Ireland in recognition of adhering to the highest standards of fundraising, transparency and reporting. (Photo: Mark Stedman)





Berta
VOLVERA Y
MILLONES

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Tania Carolina Hernandez (23), a young activist with COPINH, at the grave of Berta Cáceres, who founded the organisation. Berta was killed in her home in March 2016 for her role in opposing the construction of a hydro-electric dam. In December 2018, seven men were found guilty of her murder. David Castillo, president of the company behind the Agua Zarca project, has been charged and is behind bars awaiting trial for his involvement in her killing. (Photo: Garry Walsh / Trócaire)

"¡Despertemos!
Despertemos humanidad!
Ya no hay tiempo."

Berta Cáceres
Flores

de Marzo de 1971 -

de Marzo de 2016 -

REPORT OF THE TRUSTEES

Structure, Governance and Management

REGISTRATION AND CONSTITUTION

Trócaire is the 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 and with a Charities Regulatory Authority Number 20009601.

Trócaire was established to express the concern of the Irish Catholic Church for injustice in the developing world. Trócaire is governed by a Trust Deed dated 18 December 1973, as amended on 14 June 2001, 19 October 2010 and 5 December 2018.

GROUP STRUCTURE

Trócaire (Northern Ireland) is a subsidiary of Trócaire. It is a registered charity in Northern Ireland (Charity Commission Number NIC 103321) and it is a Company Limited by Guarantee registered in Northern Ireland (Company Number NI021482).

While Trócaire (Northern Ireland) is a separate company with staff based in Belfast, as well as some staff in Derry and London, the operations of Trócaire are closely integrated on an all-Ireland basis.

Trócaire registers its Country Offices with the appropriate national authorities in the countries where it operates.

These Country Offices are branches of Trócaire.

TRUST DEED AMENDMENTS

The Board of Trócaire proposed amendments to the Trust Deed during the financial year. These amendments remove the position of Executive Director/CEO from the Board of Trócaire and specifically provide that current Trócaire employees may not serve on the Board of Trócaire. The amendments provide that the Board may appoint directors of subsidiary bodies such as Trócaire Northern Ireland, subject to the ratification of these appointments by the Trustees of Trócaire. The amendments include a series of technical changes to bring the Trust Deed in line with the most recent requirements of the Revenue Commissioners and the Charity Regulatory Authority. Finally, the Trust Deed amendments also create powers for the Trustees to restructure Trócaire to be a Company Limited by Guarantee.

Further changes to Trócaire's governance structure are planned for the financial year 2019/2020. These include a review and update of the governing documents of Trócaire Northern Ireland. They also include further work on the possibility of converting Trócaire from a Trust to a Company Limited by Guarantee by 29 February 2020.



Margarita (34) joined the migrant caravan with 15 members of her family. They are attempting to escape violence and insecurity in Honduras. (Photo: Simone Dalmaso)



TRUSTEES AND BOARD

Trustees are appointed by the Episcopal Conference. There are seven Trustees, each 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 during the financial year 2018/2019 were as follows:

Archbishop Eamon Martin
(Chair)

Archbishop Diarmuid Martin

Archbishop Kieran O'Reilly

Archbishop Michael Neary

Bishop John Kirby

Bishop William Crean

Bishop Noel Treanor

The Trustees meet annually to receive the annual report and audited financial statements of Trócaire. Other meetings take place as required. The last AGM was held on 27 June 2018. The Trustees also met on 3 October 2018 and 5 December 2018. At the October 2018 meeting, the Trustees approved the appointment of Caoimhe de Barra as CEO of Trócaire following an open recruitment process and the unanimous approval of the Episcopal Conference. At the December 2018 meeting, the Trustees approved the Trust Deed amendments referred to above. The Trust Deed provides that the CEO is the Secretary to the Trustees. She is assisted in this role by the Director of

Corporate Services, Michael Wickham Moriarty.

The Board schedules six formal meetings a year. In November 2018, an additional meeting was held focusing on the Trust Deed amendments, resulting in seven board meetings during the financial year. One of these meetings takes place over a residential weekend to allow time for the members of the Board to develop a deeper understanding of the work of Trócaire 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. Trustees and Board members also travel overseas to view our work first hand.

The Board are selected based on their skills and experience to assist and advise the Trustees in their governance of Trócaire. The updated Trust Deed stipulates that there should be one ex-officio member of the Board, the Secretary to the Irish Episcopal Conference. It also provides for two Bishops to be Board members, including the Chair of the Board. The Director of Corporate Services, Michael Wickham Moriarty, serves as Secretary to the Board.

The following are the profiles for the Board during the financial year 2018/2019:

Bishop William Crean has served as Chairman of Trócaire since March 2013. He was ordained Bishop of Cloyne in January 2013. He was a founder director of Radio Kerry. He served for two years as Chairperson of ARENA (Adult Religious Education National Association). He served as curate of Glenbeigh and Killorglin and he has served

as Parish Priest in Castlegregory/Cloghane and in Cahersiveen. He is committed to dialogue between faith and modern culture.

Bishop Ray Field is an Auxiliary Bishop in the Archdiocese of Dublin. Bishop Field trained as a barrister studying at the King's Inns and was called to the Irish bar and to the English bar. He was also a member of the first successful Irish expedition to Mount Everest in 1993 with Dawson Stelfox. In May 1997 he was appointed Auxiliary Bishop for the Archdiocese and Titular Bishop of Árd Mór. He was ordained a Bishop in September 1997. Bishop Field is a member of the Episcopal Commission for Pastoral Care, Chairman of the Council for Immigrants and a member of the Council for Healthcare.

Harry Casey is an ex-officio member of the Board representing the Irish Episcopal Conference. He studied Philosophy, English, Theology and Education at The Pontifical University of Ireland and NUI Maynooth and did his postgraduate studies in Rome. He worked for 18 years as a secondary teacher in St. Patrick's Classical School, Navan, Co. Meath and also served as diocesan adviser for post primary catechetics in the diocese of Meath. He is currently Executive Administrator of the Commissions and Agencies of the Irish Episcopal Conference.

Chris Queenan is a retired senior executive with global experience in banking and consumer finance. Chris has extensive global governance experience. In his most recent role with GE Capital (GECIFC) Chris led the internal audit function, providing

independent assurance to the US Audit Committee and Management Board. The function comprised 150 auditors across 12 countries covering consumer and commercial activities with assets of approximately \$90bn. Chris is a member of the Audit Committee Institute and the Institute of Chartered Accountants in Ireland. Chris chairs the Audit and Risk Committee of the Trócaire Board.

Conall O’Caoimh is a founder and Director of Value Added in Africa (VAA), an Irish registered charity. VAA’s mission is to build a channel into European markets for African-made value-added goods. Previously Conall worked as a consultant to many Irish NGOs on projects relating to strategic planning, project evaluation, policy, training, consortium building and funding. He was Chair of the Debt and Development Coalition at the time of the Jubilee Campaign. Conall has worked extensively in Development Education, volunteer engagement and the media. He received ministerial appointments to the National Trade Advisory Forum and on the National Consultative Committee on Racism and Interculturalism. He has degrees in Economics and Politics and in Liberation Theology, an MA in Development Studies and a Higher Diploma in Philosophy and in Community Leadership. Conall is Chair of the International Programmes Advisory Committee of the Board of Trócaire.

Gerry Culligan has served as Commercial Director of Iarnród Éireann/Irish Rail since January 2012 with responsibility for all matters relating to revenue and customer care. Gerry has over 25 years commercial and financial experience across a number of industries. He was previously

the non-executive Chairman of Eircom Phonewatch and is a former Director of the Eircom ESOP, the trust fund established to facilitate the acquisition and holding of shares in Eircom for the benefit of employees, past and present. In addition, Gerry is a non-Executive Director of the Carmichael Centre for Voluntary Groups. Gerry is a qualified accountant (ACMA) and a member of the Institute of Taxation in Ireland. Gerry chairs the Funding and Public Engagement Committee of Trócaire’s Board.

Sandra Lawler is a Founder Director of the Alternatives Group, a business that was set up in 2000 and provides flexible marketing, digital and leadership talent solutions. Sandra and her co-founder were finalists in the Ernst & Young Entrepreneur of the Year, were previous recipients of the Image/Sunday Times Female Entrepreneur of the Year and won the Chambers Ireland Best SME CSR Award for their CSR initiative, Marketing for Change. Sandra is a member of the Institute of Directors and the Marketing Institute of Ireland. She is a Social Entrepreneurs Ireland (SEI) Academy mentor.

Rosemary McCreery has had a long and varied career in international development with UN agencies. She has worked in Togo, Madagascar and Indonesia with governments to develop UNICEF-supported programmes of cooperation intended to improve the health and well-being of women and children. In Romania she helped to develop a programme focused on child protection. Rosemary served as Director of the Cambodia Office of the UN High Commissioner for Human Rights from 1998-2000. In 2000 she returned to UNICEF

to head the office for Russia, Ukraine and Belarus until 2003. Rosemary was appointed UN Assistant Secretary General for Human Resources Management in 2003. Rosemary retired from the UN in 2007 and has continued to work internationally in the field of child rights and child protection, mainly in sub-Saharan Africa. She served on the Board and as Chair of the International Service for Human Rights, a Geneva-based NGO. She has recently been appointed as a lay member of the Mental Health Tribunals established under the 2001 Mental Health Act. During 2018 and 2019 Rosemary chaired both the Organisation and Human Resources Committee as well as the Nominations Committee on an interim basis.

Sr. Carmel Flynn is a member of the Society of the Sacred Heart. Having completed a H. Dip. Ed. in Trinity, she worked in a secondary school in Uganda managed by her congregation, eventually becoming Headmistress. She worked to enable all the teachers to secure proper teaching qualifications and fostered the integration of Christians and Muslims in the school through encouraging dialogue. Following studies for a Masters in the United States, she taught in a constituent college of Makerere University until asked to become Head Teacher by the Ministry of Education in a school in Karamoja. She later taught in Indonesia before returning to Ireland, where she became active in justice and peace work within her congregation. This included assisting in the application of projects in Uganda and Kenya, as well as assessing projects operating in countries where the congregation has a presence. As a student at UCD she volunteered with Trócaire and has always

promoted the organisation's educational resources among teachers and students in the schools and colleges of the congregation worldwide. Carmel is keenly interested in the empowerment of women.

Annette Honan taught as a post-primary teacher before becoming engaged in justice education full-time, firstly as Education Officer with the Columban Justice and Peace office, Dalgan Park, and later as Coordinator of Education and Campaigns with Trócaire (1995-2002). Currently Annette works as consultant for the National Council for Curriculum and Assessment (NCCA). She is responsible for developing and supporting the curriculum in Leaving Certificate Politics and Society as well as junior cycle Religious Education, Civic Social and Political Education (CSPE), Philosophy and Wellbeing. She also teaches Intercultural Education and Development Education methodologies to pre-service teachers as part of a programme with Hibernia College and acts in an advisory role to Worldwide Global Schools and to Irish Aid on Development Education.

David Donoghue was one of the Irish Government's negotiators for the Good Friday Agreement. He has served as Irish Ambassador in Russia, Germany and Austria. From 2001 to 2004 he was the Director General of Ireland's development co-operation programme (Irish Aid) and oversaw in this capacity a programme growing significantly in budget allocation and thematic and geographic range. He also served as Political Director from 2009 to 2013, a post which gave him responsibility for Ireland's overall foreign policy. From 2013 to 2017 David was the

Permanent Representative of Ireland to the United Nations in New York. At the request of the President of the General Assembly, he served as co-facilitator (with Kenya) for the UN negotiations which led to the adoption of the 2030 Agenda for Sustainable Development in 2015. He also served as co-facilitator (with Jordan) for the negotiations which produced the New York Declaration on large movements of refugees and migrants, adopted at a special summit in September 2016. David retired from the Irish Foreign Service in September 2017.

Emma Murray is an Associate Partner with PricewaterhouseCoopers LLP (PwC) and holds the position of audit partner on a number of key businesses and charities in the United Kingdom and Ireland. She trained as a chartered accountant with PwC in Northern Ireland from 2000, became a member of Chartered Accountants Ireland in 2005 and a Fellow in 2015. Emma has worked as part of the Assurance practice of PwC for almost 19 years and in addition spent two years within Business Recovery Services dealing with businesses in financial distress. Emma's primary role is as a 'Responsible Individual' who provides assurance to companies in the areas of external audit with a focus on compliance with regulatory standards, governance and internal control. Emma is a main committee Board member of Chartered Accountants Ireland – Ulster Society and currently holds the position of Vice Chair.

Fiona Tierney started her career in the civil service before joining Telecom Éireann in the run-up to privatisation and flotation. She held a number of senior

management positions at Eircom. Amongst her achievements is the establishment and leadership of Eircom's wholesale business. She subsequently used her business skills with the international consulting firm, Hay Group. Fiona was a member of the management team at Aer Lingus. She then joined Dalriada Executive Research as a partner for a short time before taking up the position of CEO of the Public Appointments Service. Fiona served as Chair of the Organisation and Human Resources Committee of Trócaire's Board. She completed her second three year term on the Board of Trócaire, stepping down at the AGM in June 2018.

Monica McWilliams is Professor of Women's Studies based at the Transitional Justice Institute, University of Ulster and is currently an Oversight Commissioner for Prison Reform in Northern Ireland. She co-founded the Northern Ireland Women's Coalition, a cross community political party and was the Coalition's negotiator at the multi-party peace talks in Northern Ireland. She is a signatory of the Belfast/Good Friday Agreement and was an elected member of the Northern Ireland Legislative Assembly from 1998 to 2003. Monica also served as the Chief Commissioner of the Northern Ireland Human Rights Commission, delivering advice on a Bill of Rights for Northern Ireland. She has undertaken a range of international projects in conflict situations, the most recent involving women on the Afghan High Peace Council. She has published widely on domestic violence, human security and the role of women in conflict situations and her work has been recognized by

the John F. Kennedy 'Profiles in Courage' award and the Frank Cousins Peace Award. Monica is a recipient of an honorary doctorate for her work on domestic violence from Lesley College, Massachusetts. Monica completed her second three year term on the Board of Trócaire, stepping down at the AGM in June 2018.

Deirdre Kenny was educated at The Teresian School in Donnybrook, Dublin, and UCD where she obtained a B.Comm (hons). She then went on to study law, qualifying as a solicitor in 1990. She joined O'Donnell Sweeney's property department before joining Seales and Fagan Solicitors as a partner in 1997. She acted for a number of small charities, including Friends of Comunita Cenacolo, Worldpriest and Almas (children affected by AIDS and poverty

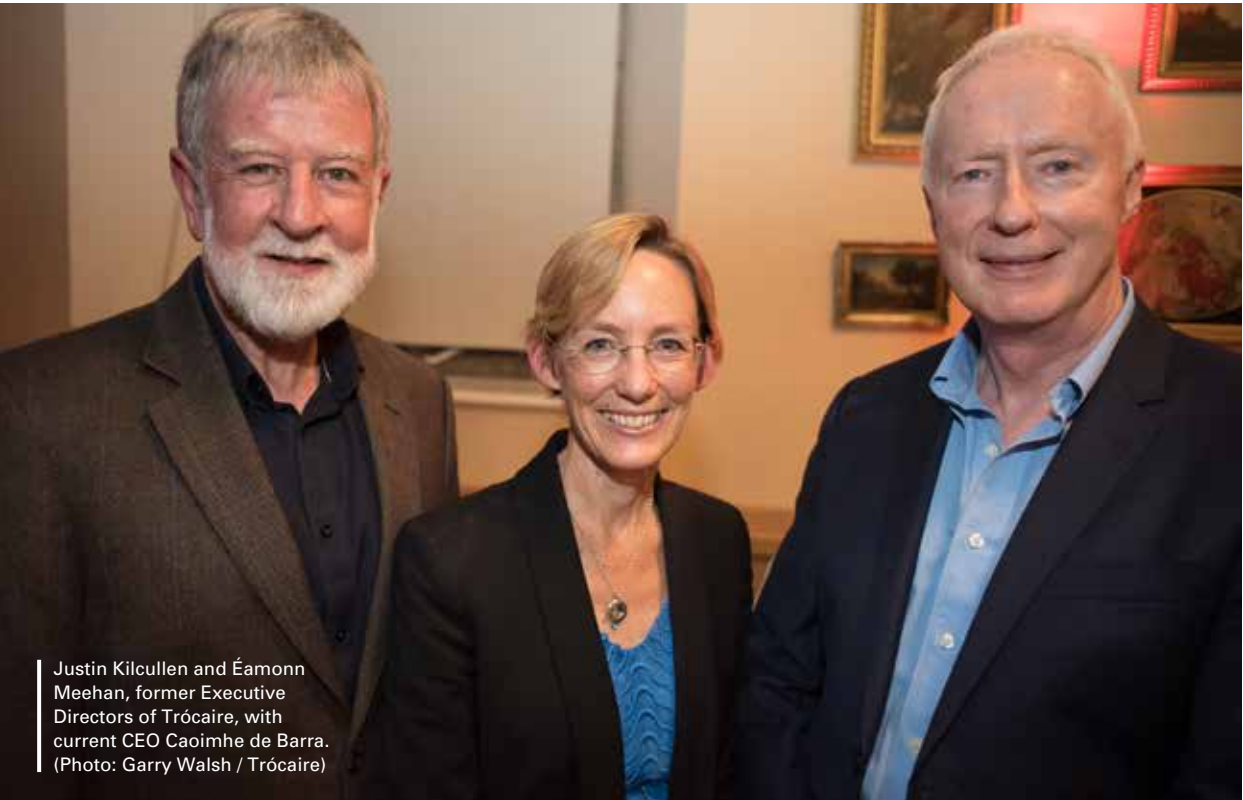
worldwide). In 1999/2000 she took a sabbatical and volunteered with SPIRASI at their centre for the care of survivors of torture. She also spent three months with the Community Cenacolo, an addiction service, in one of their houses in Italy. She was a director of the newly opened house in Knock. She is a non-executive director of Clancourt Group, a property development company. In 2014, Deirdre completed a Masters in Theology, receiving First Class Honours for her thesis entitled: 'On Charity and Justice - The writings of Benedict XVI and his contribution to Catholic Social Teaching'. Deirdre stepped down from the Board of Trócaire at the AGM in June 2018.

Éamonn Meehan first joined Trócaire staff in 1991 as Programme Manager for the Southern Africa Region. In this

role, he managed the day-to-day running of Trócaire's work in South Africa, Mozambique, Angola, Zambia and Zimbabwe. In 1996 he became Head of the International Division, responsible for Trócaire's work overseas. This included the allocation of resources to development and humanitarian programmes and securing co-financing from the Irish government, the EU and others. In 2002 Éamonn was appointed Deputy Director and Head of Trócaire's Ireland Division with responsibility for fundraising and marketing, communications, development education, policy and campaigns. Éamonn became Executive Director of Trócaire in October 2013 and retired from the role in October 2018. The Trust Deed of Trócaire was amended in December 2019 to remove the position of Executive Director/CEO from the Board.

The following table shows attendance at the Board meetings during the year:

BOARD MEMBERS				
Name	Appointed	Retiring	Eligible for Reappointment	Board Attendance
Bishop William Crean	March 2013	N/A	N/A	7/7
Bishop Ray Field	May 2018	March 2019	N/A	3/6
Harry Casey	October 2004	N/A	N/A	6/7
Christopher Queenan	June 2013	June 2019	No	7/7
Conall O'Caoimh	June 2015	June 2021	No	6/7
Gerry Culligan	June 2016	June 2022	June 2019	6/7
Sandra Lawler	June 2016	June 2022	June 2019	6/7
Rosemary McCreery	June 2017	June 2023	June 2020	7/7
Sr Carmel Flynn	June 2017	June 2023	June 2020	6/7
Annette Honan	June 2018	June 2024	June 2021	4/5
David Donoghue	June 2018	June 2024	June 2021	3/5
Emma Murray	June 2018	June 2024	June 2021	4/5
Fiona Tierney	June 2012	June 2018	No	2/2
Monica McWilliams	June 2012	June 2018	No	2/2
Deirdre Kenny	June 2014	June 2018	No	1/2
Eamonn Meehan	October 2013	October 2018	N/A	3/3



Justin Kilcullen and Éamonn Meehan, former Executive Directors of Trócaire, with current CEO Caoimhe de Barra. (Photo: Garry Walsh / Trócaire)

There are five committees of the Board each of which meets a number of times a year to provide specialised advice to the Board. Board committees are made up of both Board members and external members who are not Board members. Each committee is chaired by a Board member and comprises people with broad and deep experience in their specialised area who volunteer their time to advise Trócaire. Committee members also attend an

induction programme and visit our programmes overseas. The committees are:

(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.

During the year, the Organisation and Human Resources Committee provided support and advice to the Board on the process to recruit a new CEO. The Committee continued to focus on oversight of safeguarding as the safeguarding function within Trócaire was further expanded and developed, as well as maintaining oversight of headcount and salary budgets.

ORGANISATION & HUMAN RESOURCES COMMITTEE MEMBERS				
Name	Appointed	Retiring	Eligible for Reappointment	Committee Attendance
Fiona Tierney (Chair)	June 2012	June 2018	N/A	0/1
Rosemary McCreery (Interim Chair)	June 2018	June 2019	N/A	3/3
Matt Walsh	October 2015	October 2021	N/A	3/4
Nicola McCracken	May 2017	May 2023	May 2020	3/4
Eimear Kenny	2014/2015	September 2018	N/A	2/2
Éamonn Meehan	October 2013	October 2018	N/A	0/2

AUDIT & RISK COMMITTEE MEMBERS

Name	Appointed	Retiring	Eligible for Reappointment	Committee Attendance
Chris Queenan (Chair)	June 2013	June 2019	N/A	6/6
Donal Flynn	January 2015	January 2021	N/A	6/6
Fergal Power	January 2015	January 2021	N/A	5/6
Yvonne Hill	January 2015	January 2021	N/A	5/6
Karen Dillon	May 2017	May 2023	May 2020	6/6
Denis Murphy	May 2017	May 2023	May 2020	5/6

(2) The Audit and Risk

Committee assists the Board in fulfilling its responsibilities by independently reviewing financial statements and the effectiveness of our internal controls. This Committee monitors the effectiveness of the external and internal audit functions and assists the Board in fulfilling its responsibilities for determining the nature and extent of the risks it is willing to take in achieving its strategic objectives.

During the last financial year, the Audit & Risk Committee had a major focus on risk management,

overseeing the development of a risk appetite statement and examining Information Security and Institutional Funding risks. The Committee supported an enhanced value transfer offering for the defined benefit pension scheme. It also supported the recruitment of a new Head of Internal Audit.

(3) The International Programmes Advisory Committee

(IPAC) is responsible for giving advice on the development of Trócaire's international programme work and monitoring the impact of this work.

The main area of focus for the IPAC has been to oversee the mid-term review of the Strategic Plan. An external consultancy group, ODS (Organisational Development Support), noted "the strategic plan's relevance, its uptake in country offices as well as the Ireland-based teams, and the progress towards achieving the goals and shifts in the strategy, are overwhelmingly positively assessed". A number of proposals arising from the review are currently being addressed to ensure ongoing relevance of the plan.

INTERNATIONAL PROGRAMMES ADVISORY COMMITTEE MEMBERS

Name	Appointed	Retiring	Eligible for Reappointment	Committee Attendance
Conall O'Caoimh (Chair)	May 2013	May 2019	N/A	4/4
Rosemary McCreery	January 2014	January 2020	N/A	4/4
David Donoghue	December 2018	December 2024	December 2021	2/2
Deirdre Kenny	May 2015	June 2018	N/A	0/1
Mairtin O'Fainin	May 2013	May 2019	N/A	3/4
Nata Duvvury	October 2017	October 2023	October 2020	3/4
Kevin Farrell	September 2018	September 2024	September 2021	1/3
Sr Denise Boyle	December 2018	December 2024	December 2021	1/1
Sr Geraldine Henry	October 2012	December 2018	N/A	3/3

FUNDING & PUBLIC ENGAGEMENT COMMITTEE MEMBERS

Name	Appointed	Retiring	Eligible for Reappointment	Committee Attendance
Gerry Culligan (Chair)	June 2016	June 2022	June 2019	4/5
Sandra Lawler	June 2016	June 2022	June 2019	4/5
Annette Honan	October 2018	October 2024	October 2021	2/2
Bronagh Twomey	May 2016	May 2022	May 2019	4/5
Rachel Power	May 2016	May 2019	N/A	5/5
Ronan Morris	October 2016	October 2022	October 2019	4/5

(4) The purpose of the Funding & Public Engagement Committee

is to oversee the development, implementation and evaluation of the public fundraising and public engagement strategies. During 2017/18 this committee oversaw the development of a business case and associated strategy for additional investment in public income fundraising which was subsequently approved by the Board. This committee continues to oversee the deployment of this strategy and the return on investment.

(5) The Nominations Committee

is responsible for ensuring that the Board is of sufficient size, composition and diversity to discharge its duties and responsibilities.

The Nominations Committee also provides oversight of the membership of other Board Committees and the Board of Trócaire Northern Ireland.

In recent years, the Nominations Committee met on an ad hoc

basis when required. During the last year, the terms of reference of the Committee have been revised to provide for more regular meetings and a more structured, formal approach for all nominations to Committees as well as to the Board.



Siblings Florence and Camilo, whose parents were killed in the conflict in South Sudan. They are now attending school in the Palabek Refugee Settlement Camp supported by Trócaire. (Photo: Mark Stedman)

NOMINATIONS COMMITTEE MEMBERS

Name	Appointed	Retiring	Eligible for Reappointment	Committee Attendance
Fiona Tierney (Chair)	June 2012	June 2018	N/A	1/1
Rosemary McCreery (Interim Chair)	June 2018	June 2019	N/A	3/3
Chris Queenan	June 2013	June 2019	N/A	4/4
Harry Casey	October 2004	N/A	N/A	3/4
Eamonn Meehan	October 2013	October 2018	N/A	1/1
Caoimhe de Barra	October 2018	N/A	N/A	3/3

Paska Amdo tends her crop on the land she has been allocated at the Palabek Refugee Settlement Camp supported by Trócaire. (Photo: Mark Stedman)



EXTERNAL INDEPENDENT BOARD REVIEW

An external independent review of Trócaire's Board was carried out in 2017 by corporate governance consultant Noreen O'Kelly. This Board Effectiveness review contained 64 individual recommendations for the Board and Committees. Many of these recommendations were carried out during the financial year 2017/2018. Further reforms were carried out during 2018/2019 and as a result 89 per cent (57 out of 64) of the recommendations are now completed. A follow up independent external review is planned for 2020.

GOVERNANCE REFORMS

One of the recommendations of the 2017 Board Effectiveness Review was to create a Deputy Chairperson to assist the Board Chair in his duties. The Board

approved a Terms of Reference for a Deputy Chairperson.

Another recommendation was to provide for Board-only sections of the meeting without members of the Executive Team or other staff present. This began in April 2018 with Board-only time at the beginning of each meeting. In April 2019, Board-only time was also provided for at the end of meetings to allow Board members to reflect on the quality of the meeting and the related papers.

The terms of reference of all committees have been reviewed since 2017 and the membership of all committees has been reviewed since 2018. The Remuneration Committee was dissolved by the Board in October 2018, as the work of this committee is carried out by the Organisation and Human Resources Committee.

There has been major reform on the management and reporting of strategic risk by the Board and its committees. This is covered in further detail in the risk section of this report (pages 59-65).

Significant work was undertaken during the year to consider the legal structure of Trócaire. The possibility of restructuring Trócaire from being a Trust to being a Company Limited by guarantee was the subject of a series of Board discussions as well as meetings with the Trustees and the Episcopal Conference. Work is ongoing on the practical steps of making such a change. If such a restructure is undertaken, it is likely to take place on 29 February 2020 or at a later date. Work is also underway to review and update the governing documents of Trócaire Northern Ireland.

BOARD RECRUITMENT

The Nominations Committee of the Board meets at least twice per year to identify and nominate candidates to the Board as well as to review proposed new members to Board Committees. The Nominations Committee considers the skillsets required by the Board as well as the need for diversity among Board members. In advance of the June 2019 AGM, the Nominations Committee identified three candidates to fill the vacancies of three Board members due to retire in 2018.

David Donoghue, Annette Honan and Emma Murray were nominated and accepted as new Board members. These nominations strengthened the Board by bringing in additional programmatic experience, a strong development education perspective and further skills in the area of financial management and accountability. The nominees were considered from a gender balance perspective and they maintain Northern Ireland-based board membership to reflect the all-Ireland nature of Trócaire's work. Bishop Ray Field was also appointed to the Board by the Episcopal Conference to replace Bishop Donal McKeown. This is one of three Board appointments which are outside the scope of the Nominations Committee. The other two are the Chair of the Board and the Executive Secretary of the Episcopal Conference who is an ex-officio member.

TRAINING & INDUCTION

A comprehensive day of induction is offered to all new board members on their appointment to Trócaire to give new members an understanding of the breadth of Trócaire's

work and a good understanding of Trócaire's core operations. Induction is provided by the Executive Leadership Team as well as other staff members. The topics covered by induction include: Trócaire's Strategic Plan, International Programming, Public Engagement, Fundraising & Marketing, Finance, Human Resources and Risk. The four new board members who were recruited in 2018/2019 - David Donoghue, Annette Honan, Emma Murray and Bishop Ray Field - went through this induction programme on 10 October 2018. A half-day formal training for all Board and Committee members on Charities Governance provided by Chartered Accountants Ireland is scheduled for September 2019.

BOARD & TRUSTEE FIELD VISITS

Board members are afforded the opportunity to travel internationally with members of Trócaire's Executive Leadership Team in order to view the implementation of Trócaire's programmes in the field and to meet with communities, partners and local Trócaire staff. Sr Carmel Flynn travelled with Trócaire's International Director, Sean Farrell, to view programmes in Kachin in Myanmar in November 2018. A further visit for current Board members is planned for October 2019.

In addition to the Board visits, Trócaire regularly facilitates international visits for members of the Irish Episcopal Conference, which includes Trócaire Trustees and Board members. In November 2018 Bishop William Crean, the Chair of the Trócaire Board, travelled with Bishop Ray Browne

(Bishop of Kerry), Bishop Alan McGuckian (Bishop of Raphoe) and Reverend Professor Michael Mullaney (President of St. Patrick's College, Maynooth) to visit Trócaire programmes in Ethiopia. They were accompanied by Caoimhe de Barra and Sean Farrell. In December 2018, Caoimhe de Barra and Sean Farrell travelled with Archbishop Eamon Martin, the Chair of the Trustees, to visit a Trócaire partner in Iraq. Bishop Noel Treanor, a Trócaire Trustee, and Bishop Alan McGuckian travelled with Sean Farrell to Israel and Palestine in January 2019 as part of the Holy Land Co-ordination group.

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. Terms of reference for the Board provide details on the functions currently delegated by the Trustees to the Board. Reports are provided to the Trustees following each Board meeting and each year at the AGM the Board and Executive Leadership Team make a detailed annual report to the Trustees. The Trustees appoint the CEO of Trócaire and have delegated a range of day-to-day decision-making powers to the CEO and the Executive Leadership Team.

RISK MANAGEMENT AND INTERNAL CONTROL

There is a three line approach to internal control at Trócaire. The first line is the policies, processes and procedures for the management of operations. The second line is the risk management processes which

seek to identify gaps and exposures. The third line is the internal audit function, which independently monitors these first two lines.

Trócaire has established a comprehensive risk management process, which seeks to ensure the responsible people in the organisation identify, manage and mitigate risks in line with Trócaire's risk framework. This risk management process is an integral part of Trócaire's governance and management systems. Risks are regularly discussed and assessed at all levels in the organisation up to Board and Trustee level.

The risk management 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 organisation's risk management approach.

The risk management framework involves risk identification, analysis, control, review and reporting. There are

four levels of risk registers in place: the organisational level risk register, the divisional level risk registers, the country and programme level risk registers and the Trócaire Northern Ireland risk register. Management at each level ensure that risk analysis is part of the decision-making process. Significant risks are captured through the risk registers and escalated to the next level of management.

Following the 2017 Board Effectiveness review, a range of improvements have been made to Trócaire's risk management process. Board Committees now regularly examine strategic risks and report their findings and recommendations to the Board. Risk reporting at Board and Committee level is carried out using heat maps and exception-based reporting to highlight emerging risks, significant shifts and longer-term trends. Each Committee of the Board has considered its tolerance levels and no-go areas for the strategic risks under their review. This work on risk tolerances has enabled the Board to develop a Risk Appetite Statement for the organisation for the first time (see page 59).

The Executive Leadership Team in Trócaire is responsible for developing and executing the organisation's risk management process. The Director of Corporate Services role encompasses the role of Chief Risk Officer who is responsible for improving risk management processes within Trócaire.

INTERNAL AUDIT

Trócaire has a dedicated Internal Audit Unit comprising two qualified and experienced staff, complemented by 'guest' auditors. The mission of Internal Audit, incorporated in its recently updated charter (endorsed by the Audit & Risk Committee in February 2019), is to support Trócaire in accomplishing its strategic objectives in an accountable, transparent and cost-efficient manner. It does this by:

- Providing independent assurance on Trócaire's governance, risk management and internal control processes
- Providing high quality advice and consultancy services
- Developing the organisation's capacity with regard to good governance, risk management and internal control through education / awareness training and related activity
- Working to the International Standards for the Professional Practice of Internal Auditing.

The Internal Audit function also provides important support and advice to the organisation in its duty to prevent, detect and investigate allegations of fraud or other financial wrongdoing.



Pat and Una McDonagh of Supermac's with Trócaire CEO Caoimhe de Barra and Bishop John Kirby at the annual Supermac's gala for Trócaire. (Photo: Hany Marzouk)

Preventing, detecting, investigating and responding to fraud, bribery and corruption is a priority for Trócaire.

The Head of Internal Audit reports directly to and has unrestricted access to the Chair of the Audit & Risk Committee. This structure enables the Internal Audit function to operate independently and influence change and continuous improvement.

The scope of Internal Audit's work spans across all Trócaire geographic locations, all Head Office functions and Trócaire Northern Ireland. Internal Audit's work is not restricted to financial considerations; it embraces the range of risks facing a modern NGO. Important audit work was completed during 2018/19, including country audits in Myanmar, Uganda, Rwanda, Israel/Occupied Palestinian Territories and South Kordofan. In addition to country audits, a number of internal audits during 2018/19 focused on key risk areas such as Information Security and compliance with funding codes of practice.

The new Head of Internal Audit has prepared a Strategic Audit Plan, endorsed by the Audit & Risk Committee in February 2019, which builds upon the achievements of recent years. The Plan is aligned to the key risks facing the organisation and is designed to give an independent assurance on the management of those risks. Audits of institutional funding and public income are planned for 2019/20, as well as reviews of the risk management and

governance processes and a programme of country audits with visits planned to Ethiopia, DR Congo, Nicaragua, Honduras and Sierra Leone.

Fraud, Corruption and Bribery

Internal Audit also assists the organisation in investigating allegations and concerns of fraud or financial wrongdoing by partners or Trócaire staff and maintains a register of cases. Preventing, detecting, investigating and responding to fraud, bribery and corruption is a priority for Trócaire. We adopt a zero-tolerance approach and take any allegation seriously. Trócaire has a range of mitigations in place to reduce the risk of fraud.

The nature of Trócaire's operating environment gives rise, on occasions, to allegations and concerns of fraud or other financial wrongdoing. In such circumstances, the cases are investigated. The investigations are typically resourced in-country, with assistance from Internal Audit, HR (where

cases involve staff) and the International Division. In 2018/19 financial year, 16 cases of allegations or concerns of fraud or other financial wrongdoing were investigated, with three cases carried forward from the previous year.

There is a process to ensure donors are informed about cases when they arise and following completion of investigations. The cases and investigations that have arisen during the year do not point to a lack of organisational control, rather they reflect the environment in which Trócaire operates. The Fraud, Corruption and Bribery Policy is under review and new guidelines are being prepared for investigating officers.

The Head of Internal Audit provides an annual assurance statement to the Audit & Risk Committee and he confirms that allegations and concerns are reviewed and investigated. The table below summarises the number cases received and closed.

Number of open cases carried forward from 2017/18	3	<i>Trócaire (0), Partner (3) – reported on in 2017/18 Annual Report</i>
New cases received in year	16	<i>Trócaire (5), Partner (11) (Note: 2016/17 figures were 2 Trócaire and 7 Partner)</i>
Cases closed in year following investigation	14	<i>Trócaire (2), Partner (12)</i>
Open cases as at 28 February 2019	5	<i>Trócaire (3), Partner (2)</i>

Of the 16 cases received in the year, three investigations were prompted by concerns raised by Trócaire staff, a further three prompted by donors / other NGOs and 10 cases were prompted by information from external sources including partner staff, programme participants and anonymous whistle blowers.

In terms of outcomes, the amount of fraud or potential loss verified was low. The table below provides more detail.

Value of potential fraud / loss (including unrecovered ineligible expenditure) following investigations	€14,277 (2017/18 figure was €9,600)
Value of ineligible expenditure recovered following investigations	€11,251 (2017/18 figure was €8,000)
Cases where partnerships terminated following investigations	5
Cases where disciplinary action taken (internal)	1

The loss of funds represents 0.03% of expenditure in the year (2017/18: 0.02%)

CONFLICTS OF INTEREST

During 2018/2019 Trócaire's Conflict of Interest Policy was updated to reflect both new guidance in this area from the Charities Regulatory Authority as well as recent experiences



B'Tselem activist Nasseer with his daughter Dalia (4) at their home in the village of Susya in the West Bank. Susya is under threat of demolition from the Israeli military. (Photo: Ciarán Gallagher / Trócaire)

of different units of Trócaire in managing conflicts of interest. The Policy requires all Trócaire personnel including Board and committee members, staff, volunteers, partners and relevant third parties to disclose actual or potential conflicts of interest. Annual declarations of conflicts of interest are made by Trustees, Board and committee members, and the Executive Leadership Team. Guidance including worked examples have been prepared to assist managers and their teams in responding to conflicts of interest, and these have been translated into Spanish and French. A dedicated e-mail

address has been set up to gather and record conflicts of interest across the organisation.

RISK APPETITE STATEMENT

The Trócaire Board has approved a Risk Appetite Statement to set out a vision of the approach that the organisation will take to managing our key areas of risk in 2019/20.

We view risk appetite as the amount of risk we are willing to take or accept to achieve our strategic objectives. The statement is rooted in Trócaire's Values, and is aligned to Trócaire's Strategic Plan.

Trócaire's value of courage underpins its risk appetite. This value is articulated in the current Strategic Plan as follows:

"We are courageous in our struggle for a just world, speaking out strongly when we campaign with and for others. We encourage a culture of creativity and innovation that enables us to take risks while acting responsibly to deliver our goals."

There are a number of characteristics of Trócaire's model of work that determine the inherent level of risk exposure of the organisation. These include Trócaire's geographical scope, its partnership model, the programme areas of its work and its advocacy mandate.

The risk appetite statement articulates Trócaire's risk position across all of its identified strategic risks as well as some additional risk areas. The following chart summarises the relative appetite levels for these risk areas.

PRINCIPAL RISKS AND UNCERTAINTIES

The top eight risks and uncertainties facing Trócaire are as follows:

STAFF SECURITY & SAFETY: the risk that external events could lead to death, injury, kidnap or trauma of staff members or others to whom Trócaire has a duty of care.

Trócaire staff often work and live in unstable regions and countries. The Organisation and Human Resources Committee monitors this risk. Trócaire has implemented comprehensive safety and security management policies to ensure that this risk is appropriately managed. Trócaire has a full-time Global Security Advisor who advises the Executive Leadership Team. In each country office the Country Director is the security focal point. They are supported by the Global Security Advisor,

the Head of Region and the International Director.

Trócaire's global security strategy has elements of protection, deterrence and acceptance. The strategy is most heavily weighted towards acceptance, with minor elements of protection and very little deterrence employed. Trócaire focuses on acceptance, which seeks to build a safe operating environment through consent, approval and cooperation from local communities and authorities. This approach continues to reap dividends and is highly effective in allowing Trócaire's continued operations in some of the world's most unstable security environments.

There is an organisational security manual in place. Each country office has a security plan and a visitor briefing for all new arrivals. All staff travelling to or working overseas must

RISK APPETITE LEVELS

Advocacy & campaigning on global justice issues			High
Humanitarian response programming			
Partnership work in line with our social justice mandate			Open
Innovation in programming to achieve quality impact			
Ambition to grow scale and mix of Income			Cautious
Innovation to maintain brand relevance			
Risks related to development & maintenance of ICT systems			Low
Risks related to maintenance of income levels			
Reputational risk			No appetite
Risks relating to development of staff			
Risks relating to information security & data protection			
Risk of non-compliance with regulation, codes of conduct, grants			
Risk of not maintaining strong church relations			
Risks to staff security & well-being			
Risk of poor fraud management			
Exposure of people in programmes to risk of abuse			

undertake security training before travelling. This training must be refreshed a minimum of once every three years. International travel must be approved in advance by the Chief Executive Officer. Trócaire has a crisis management plan and crisis management team.

The proportion of Trócaire's work carried out by the Humanitarian team continues to grow. This trend is forecast to continue for the foreseeable future. Humanitarian work by its very nature often takes place in extremely dynamic and unstable security environments.

During the year Trócaire introduced new mitigations for this risk. As part of a new flight booking contract, automated security briefings are available to Trócaire before and during their period of travel. In addition, there is now a centralised reporting system that allows Trócaire management to quickly view the location of staff who are travelling overseas to support a rapid response to critical incidents. In 2017/2018, a full internal audit of security was conducted and the recommendations continue to be implemented in 2019.

In an effort to continually improve its processes and procedures Trócaire seeks to capture and learn from security and safety incidents. Any staff member who is involved in an accident or security incident or a 'near miss' is required to complete an Incident Report Form. This form must be routed through management at the country level and forwarded to senior management at Trócaire head office.

Staff were involved in eleven such incidents during the past year. Three incidents were

car accidents with no injuries sustained. One incident was a workplace accident that resulted in a physical injury to an employee. There were four thefts or attempted thefts involving Trócaire staff. The other incidents related to partner staff, were near misses or involved Trócaire staff witnessing incidents.

Year	Number of Incidents
2018/19	11
2017/18	8
2016/17	12
2015/16	10

STAFF WELL-BEING: The risk of excessive workload pressure on staff causing health risks, staff burn-out or harm, churn or difficulty in recruitment and retention

There have been many changes in our sector and in how we work in the last number of years. The sector is more competitive, donors demand more accountability and the mechanisms to secure institutional funding are changing to commercial models with heightened due diligence and reporting requirements. Standards, compliance and reporting requirements generally across all disciplines have increased dramatically in the last number of years also. While pressure is driven by institutional donors in large part, donors rarely cover all of the true costs of programme implementation, including the professional staff complement required to maintain quality and rigour. This means that there is increased pressure on staff, especially at the field office level, to meet growing demands.

Trócaire is putting a range of mitigations in place in response to this risk, including increasing our ability to recover true costs from institutional funding, conducting a review of our operating model to ensure it is fit for purpose in the changing environment, and addressing the workload stresses that have arisen due to changes in Trócaire's funding model. Other mitigations in place include human resource processes that enable people to set realistic objectives, that develop skills in workload and stress management and that offer channels for assistance in the event of difficulties with workload and stress.

ATTRACT AND MANAGE INSTITUTIONAL FUNDING: The risk that Trócaire fails to attract and manage increased levels of institutional funding from diverse sources.

Globally donor trends are leading institutional funders to move away from traditional funding models. Global trends in nationalism and populism also threaten the aid programmes of some countries. Trócaire is responding through a future-oriented donor engagement strategy, focusing on quality relationships for impactful programming.

In 2018/2019 Trócaire received more income from Institutional Funding sources than in any previous financial year. While Irish Aid remains Trócaire's largest institutional donor, Trócaire continues to build relationships with new donors and currently has funding from 33 institutional donors, in addition to significant funding from Caritas and CIDSE member organisations. In 2018/2019 Trócaire accessed funding

from the Swedish International Co-operation Agency for the first time after successfully completing a HQ based due diligence. Further details on institutional funding income for the year is income in the section on Goal 8 – Increased Scale and Income on page 40.

Trócaire places a priority on its relationship with Irish Aid. Trócaire held a number of senior level bilateral meetings with Irish Aid in Ireland during the financial year. This is in addition to ongoing contact between Trócaire country management teams with Irish Aid and Irish embassy staff in the countries where Trócaire operates. A senior member of the Irish Aid management team met and briefed Trócaire Board members at their October 2018 meeting. DfID (the UK Department for International Development) remains Trócaire's second most significant donor. In addition to Maynooth and Belfast based staff, Trócaire now has a staff member based in London to assist its country offices in accessing DfID funding as well as in developing relationships and networks.

In addition to strengthening its capacity for engaging in institutional funding, Trócaire began in 2018/2019 to invest in its capacity to manage commercial contracts from institutional donors. Trócaire currently is involved in one such commercial contract with the Scottish government. During 2018/2019 Trócaire was on a framework for commercial contracts. We partner with other agencies to seek commercial contracting opportunities from DfID.

The increased range and size of Trócaire's institutional donor portfolio brings with it

a number of risks. Each donor has its own contractual and compliance requirements so a more diverse portfolio places a greater compliance burden on Trócaire. Trócaire must enhance the capacity of its country offices and partners in order to effectively deploy increased levels of donor funds. Most institutional funding for humanitarian programmes are by their nature short-term. As a result, the level of this type of institutional funding income can be quite volatile.

During 2018/2019 a new Standards & Compliance unit was established within Trócaire in part to respond to the increase in compliance standards from institutional donors. As noted above a review of Trócaire's operating model is planned to begin in 2019, which aims to respond to the challenges of Trócaire's changing funding model.

The International Programmes Advisory Committee monitors the institutional funding portfolio and institutional funding is a standing item on the agenda of every meeting. In addition, given the financial risks, the Audit & Risk Committee received an in-depth presentation on institutional funding risks during the financial year.

PUBLIC INCOME GROWTH:
The risk that Trócaire cannot maintain or grow diverse sources of public income at the levels necessary to meet the organisation's mandate and deliver on its objectives.

As shown on page 40 under Goal 8 - Increased Scale and Income - 2018/2019 was another strong year for donations from the Irish public. Trócaire exceeded its

fundraising target from the public in 2018/2019 even though total fundraising was lower than 2017/2018 levels. Trócaire's new fundraising strategy - Until Love Conquers Fear - began to demonstrate success in 2018. While fundraising performance has been strong in the Republic of Ireland, economic uncertainty and weak sterling have constrained fundraising performance in Northern Ireland.

The long-term trend in fundraising has been generally static, excluding emergencies. There is strong competition for fundraising in the Irish market, both among international aid agencies and from domestic focused charities. This competition increases fundraising costs and reduces returns. Trócaire's return on fundraising investment is significantly better than the average rate for Irish charities.

This risk is monitored by the Fundraising & Public Engagement Committee and is regularly discussed by the Board. In early 2019 the Board of Trócaire have agreed to invest in new fundraising mechanisms in the financial year 2019/2020.

SYSTEMS & TECHNOLOGY:
The risk that Trócaire fails to develop or maintain systems to effectively manage its operations, manage or report on programme work, to meet compliance requirements and to facilitate the generation of institutional funding.

In 2016, Trócaire commenced a project to redesign programme and project management processes and migrated them to the Salesforce platform. The system went live across the organisation in November 2017. In 2018, further country specific

training was designed and delivered across 14 countries. The processes and systems designed as part of this project are now embedded within the organisation and continuous improvements are scoped and planned. Much of the country level data contained in this annual report has been sourced through this platform, which continues to develop and deliver information, insights and analysis in new and efficient ways.

While these new Salesforce-based programme and project management processes move to a business as usual stage, there are additional areas requiring an investment of resources. The Executive Leadership Team have identified a number of high priority systems and technology needs, including the redevelopment of information systems to manage human resources on a global level.

Trócaire has a global IT Operations team and a dedicated Enterprise Systems team in place. Trócaire is a very active member of the Nethope community, which enables sharing of learning across international development NGOs and the technology sector, for improved efficiency and impact.

This risk is monitored by both the International Programmes Advisory Committee and the Audit & Risk Committee.

BREXIT: The risk that Brexit could have a materially negative impact on the income of Trócaire and/or that it could cause uncertainty for the operation of Trócaire as a North/South organisation.

Throughout the financial year Trócaire has monitored the potential risks from the

UK's scheduled exit of the European Union. As an all-Ireland organisation Brexit poses specific risks to Trócaire. The reduction in the value of Sterling against the Euro has impacted income in recent years as has continued economic uncertainty, particularly in Northern Ireland. Furthermore, as Trócaire explored funding opportunities from the EU, it had to consider the implications of partnering with UK based organisations as the EU introduced specific Brexit related conditions for grants including UK partners.

Trócaire developed a specific Brexit risk register to consider the range of thirteen risks arising from Brexit. This register included regulatory issues, public income threats, institutional funding threats and further currency volatility. The highest rated risk on this register is further currency volatility. Mitigations include prudent treasury management and strong engagement with our stakeholders and supporters in Northern Ireland.

Each committee of the Board considers the Brexit risks related to their areas of focus, but overall Brexit risk updates are being provided to the Audit & Risk Committee as well as to the Board.

CYBER SECURITY: the risk that a cyber-attack causes the integrity, availability and confidentiality of Trócaire information to be compromised or that Trócaire personnel cannot access systems to perform routine operations.

Globally cyber security is an increasing risk for all organisations. Trócaire exposure to cyber security risk rises as it develops and is more dependent on information systems to

operate in a more effective and efficient manner. At the same time there is a global proliferation of crime focused on digital processes. During the financial year, Trócaire experienced one major information security breach as a staff member's e-mail account was compromised. The Office of the Data Protection Commissioner was informed as were individuals whose personal data may have been accessed. Remedial information security measures were taken and all Trócaire e-mail accounts were reviewed for similar breaches with no further breaches detected. The introduction of multi-factor authentication from Trócaire information systems during 2018/2019 is a major technical step to protect systems. In addition to this major breach Trócaire is aware of multiple attempted breaches including brute force attacks and social engineering attempts during the year. Trócaire's systems successfully protected the organisation against these attacks.

A third party review of information security in Trócaire was completed during the financial year. Together with a review of our work on data protection, this has informed a strategy for two parallel projects on Information Security and Data Protection. These projects support and reinforce each other. This risk is monitored by the Audit & Risk Committee.

SAFEGUARDING PEOPLE IN OUR PROGRAMMES & ACTIVITIES: the risk that persons (those within our programmes and activities) can be exploited or abused by our staff, people working on our behalf, or by our partner organisations.

Trócaire believes that all individuals have the right to live with dignity and freedom from exploitation and abuse. It is Trócaire's policy to safeguard all individuals who are involved in or affected by its 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 child safeguarding policies for our Ireland and overseas work since 2006. In May 2016 Trócaire appointed a Global Safeguarding Advisor to drive safeguarding practices (children, adults and staff) across all of Trócaire's work both overseas and in Ireland. During 2018/2019 further investment was made to expand to a two person safeguarding team.

Throughout 2018/2019 the Global Safeguarding team worked with teams overseas and in Ireland to further strengthen Trócaire's safeguarding practices. Partner capacity-building support on safeguarding was provided by the safeguarding team through eight country visits providing training and advice to 87 partners. In addition, our in-country teams continue to work directly with our partners on safeguarding implementation.

Trócaire takes all safeguarding allegations, concerns or risks seriously and ensures that there is appropriate follow-up on each case. There were no confirmed cases relating to Trócaire staff in 2018/2019.

Trócaire requires partner organisations to report safeguarding cases to Trócaire. We review response mechanisms and if necessary take appropriate actions.

In the year 2018/19 Trócaire's complaints mechanisms responded to six cases of safeguarding allegations or concerns relating to partner organisations, of which one was unfounded.

Outcomes in relation to the five confirmed cases were as follows:

- 3 dismissals
- 1 dissolved partnership
- 1 disciplinary sanction

Cases are reported to relevant bodies in keeping with national legislation and other requirements.

During the current financial year, Trócaire will identify priority partners and strengthen their safeguarding and complaints mechanisms with a specific focus on community engagement. A pilot programme to harmonise Trócaire's approach to accountability, protection mainstreaming and safeguarding will be conducted across five countries to gather and apply organisational learning for future programming. Trócaire is also making arrangements for an external expert review of the Trócaire safeguarding team from 2019 onwards.

Overall accountability for ensuring implementation of appropriate safeguarding measures lies with the Trustees. The Director of Human Resources is the Chief Designated Safeguarding Officer who, with the support of the Global Safeguarding Advisor, 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. This risk is monitored by Trócaire's Organisation and Human Resources Committee. The Global Safeguarding Advisor also provided a detailed briefing to Trócaire Trustees and Board members at the June 2018 AGM.

Trócaire's Safeguarding Commitment Statement and policies are published on Trócaire's website: <https://www.trocaire.org/about/safeguarding>

DEFINED BENEFIT PENSIONS RISK

Although it is not one of the principal strategic risks to Trócaire, the Audit & Risk Committee oversaw a measure to reduce the financial risk from the defined benefit pension scheme. Given the strong funding position of this scheme at the end of the financial year 2017/2018, Trócaire proposed to the trustees of this pension scheme that an enhanced transfer value would be offered to members. Independent financial advice was offered to all members of the scheme, and the offer was entirely voluntary for all current and former staff members in the scheme.

Twenty-eight out of 83 members of the defined benefit pension scheme availed of the enhanced transfer value offering. This represented 34 per cent of the members, but 40 per cent of the scheme liabilities. The result of this resulted in a settlement gain of €1,084,000 in the financial statements of Trócaire as shown on page 78. It also reduces the scale of this financial risk to Trócaire in the future by 40 per cent.

TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Trustees are required to prepare group and company financial statements that give a true and fair view of the state of Trócaire'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, Trócaire has employed appropriately qualified personnel and has maintained appropriate computerised accounting systems. It is also responsible for safeguarding the assets of the organisation, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Audit and Risk Committee 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 significant influence, being the ability to direct the operating and financial policies of the undertaking.

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 Reform Group and exists to provide charities in Ireland with a Fundraising Code of Practice. These standards were consulted on, revised and reissued by the Charities Regulator as the Guidelines for Charitable Organisations on Fundraising from the Public.

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. Trócaire has developed charters to demonstrate its commitments to its supporters in the Republic of Ireland and Northern Ireland and they are published on its website.

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 on Images and Messages. This Code promotes good practice among overseas development and humanitarian 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.

The combination of Trócaire's adherence to the Irish Development NGOs' Code of Corporate Governance, its adherence to the Guidelines for Charitable Organisations on Fundraising from the Public and the fact that Trócaire publishes its Annual Report in compliance with the Charity SORP (Standard of Reporting Practice under FRS102) means that Trócaire is considered 'Triple Locked' by the Charities Institute of Ireland. According to the Charities Institute of Ireland, "to actively demonstrate openness, transparency and integrity to its beneficiaries and donors a charity should be operating to the triple lock standards - transparent reporting, good fundraising and governance".

NEW CHARITIES GOVERNANCE CODE

A new mandatory Charities Governance Code was launched by the Charities Regulatory Authority in Ireland in November 2018. All Irish registered charities are obliged to comply with this code by 2020. This is one of a range of voluntary and mandatory codes of practice that Trócaire is subject to. The Board received an initial briefing on this new Charities Governance Code in February 2019. An initial review of the Code indicates that Trócaire is compliant with the vast majority of the core and additional standards included in the Code. During 2019 the Executive Leadership Team will work with the Board to demonstrate Trócaire's compliance with all standards included in the Code and to take any remedial action that is required.

INTEGRITY AT WORK PROGRAMME

In June 2018, the Board of Trócaire committed to Transparency International Ireland's Integrity at Work programme. The Integrity at Work programme is an initiative promoting supportive working environments for anyone reporting concerns of wrongdoing. As part of this programme Trócaire has provided training to managers on handling protected disclosures, the Protected Disclosures (Whistleblowing) Policy has been reviewed, Trócaire's support for staff speaking out has been communicated across the organisation and the Integrity at Work pledge has been displayed in Trócaire offices.

COMPLAINTS & FEEDBACK HANDLING

Trócaire maintains systems to receive and respond to complaints and feedback from its stakeholders in Ireland and overseas. A complaint is a formal communication where there is an expectation of a response from Trócaire. Feedback is a communication which does not necessarily imply that a response is expected. Complaints can be determined as valid (i.e. relate to an issue which is Trócaire's responsibility and is under our control) or not valid (i.e. not Trócaire's responsibility / not under our control). Complaints that are valid can be sensitive (e.g. relate to a breach of our Code of Conduct, such as a suspected safeguarding, data protection or fraud issue) or non-sensitive (e.g. relating to the quality of our work but not affecting the security, safety or dignity of a person, asset or data).

Responding to complaints and feedback overseas

During the financial year Trócaire continued to record progress in the implementation of country level Complaints Handling Mechanisms. Complaints were recorded on the complaints logs at country level. Each Trócaire country office have dedicated mechanisms for receiving and handling concerns.

In 2018/19, 16 cases of allegations or concerns of fraud or other financial wrongdoing were investigated, with three cases carried forward from the previous year. (See page 58 for further information.)

Safeguarding complaints are detailed on page 64.

Responding to complaints and feedback in Ireland

The Ireland-based Donors team seek to deal with the complainant or person providing feedback in a professional and courteous manner and, in the case of a complaint, ultimately resolve the issue to their satisfaction. Sensitive complaints are escalated directly to a senior manager.

Complaints are received through many channels, including telephone, post, email and face-to-face. All complaints are centrally recorded in Trócaire's Salesforce system. They are assigned to the relevant staff member and our commitment – as per our Supporters' Charter – is to resolve the issue within 48 hours. Most complaints are responded to and closed off on the day they are received. We have weekly and monthly reports and dashboards that highlight and display all complaints received from the public. These reports and dashboards are circulated to relevant staff and management to ensure visibility and oversight. Trends in complaints and feedback are used to help Trócaire to better engage with the Irish public.

In 2018/2019 Trócaire received 279 complaints in Ireland. This number is reflective of the fact that Trócaire engages with a large number of supporters and potential supporters throughout the year. The largest number of these complaints (60 out of 279) were requests to be removed from the Trócaire mailing list. The second largest number were from people who received unwanted correspondence from the Trócaire (56 out of 279). The third largest category of complaints were 21 contacts from people waiting to receive

gift cards they had ordered (it can take up to seven days for gifts cards to be received after order). Trócaire seeks to close all complaints to the satisfaction of those who contact them. Feedback is often expressing admiration or support for Trócaire's work and is acknowledged when appropriate.

STAKEHOLDER ACCOUNTABILITY

Trócaire makes the following seven commitments to our stakeholders under our Stakeholder Accountability Framework:

- We put our values into practice, respecting the rights and valuing the contribution of our diverse stakeholders.
- 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.
- We are a transparent organisation and endeavour to collaborate and share information openly with our stakeholders.
- We consult and listen to our stakeholders to ensure that our work is informed by their active participation and feedback.
- We strive to safeguard all our stakeholders against harm, abuse or exploitation and to have complaint handling arrangements in place.
- We work to ensure that all programmes are of the highest quality in line with international standards and best practice and can demonstrate results which bring positive changes in people's lives.

- 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.

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

During 2018/2019 a paper was developed to describe what accountability in our overseas programming means to Trócaire and provides examples from across the organisation of how various dimensions of accountability can be put into practice with our stakeholder groups (e.g. communities we work with, local partners, staff, volunteers and supporters). While primarily aimed at Trócaire staff and volunteers overseas, the paper will be useful to a wider set of interested parties. It is published on Trócaire's website and is available in English, Spanish and French: https://www.trocaire.org/sites/default/files/trocaire_accountability_in_practice.pdf

FINANCIAL REVIEW

The results for the year are presented on page 78 in the form of a Consolidated Statement of Financial Activities in order to comply with the Statement of Recommended Practice (SORP) *Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)*.

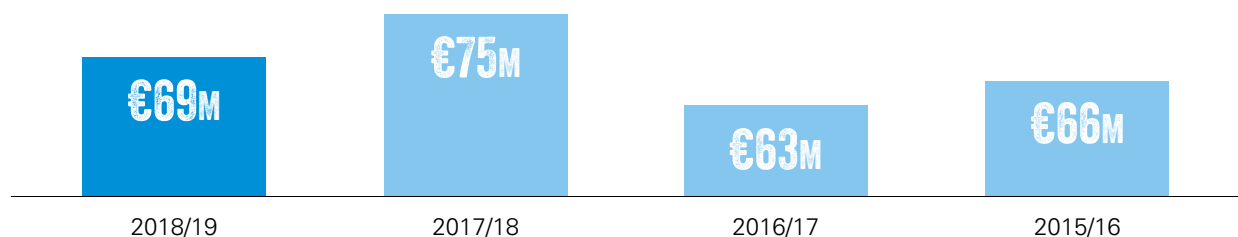


A detailed commentary on the financial results reflected in the 2018/19 Annual Report is set out below. The principal risks and uncertainties facing the organisation are set out on pages 60-65.

Siblings Richard (17), Godfrey (14), Reagan Oketayot (12), Ivan Agnerwot (9), Prossy (7) and Ivan Onono (5). After their parents were killed in South Sudan, the children fled to Uganda, where they are now living in a refugee camp. Trócaire is supporting refugees in northern Uganda with trauma counselling, skills training so they can earn an income and with kitchen gardens so they can grow their own food. (Photo: Mark Stedman / Trócaire)



TOTAL INCOME



INCOME

In 2018/19 we raised €69m, a decrease of eight per cent on the previous financial year. This decrease was a result of the generous response from the Irish public to the East Africa Emergency Appeal in 2017/18. No major emergency appeal was launched in 2018/19.

Public donations and legacies

The Irish public very generously donated €23.2m.

- Unrestricted donations and legacies decreased by €1m. This reflects a particularly strong Lenten Appeal in 2017/18 as the public responded to the threat of famine in east Africa.

- Restricted donations and legacies were €5m lower due to no major emergency appeal having been launched.

Charitable Activities

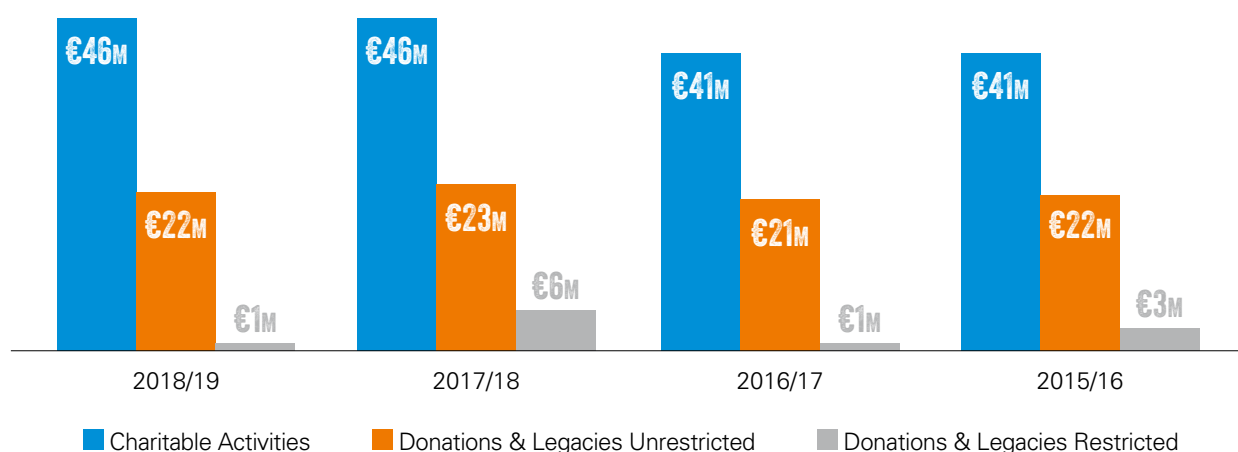
Income from Charitable Activities of €46m is comprised of funds received through Institutional Funding.

- €32m from Governmental organisations, similar to the previous year.
- €8m from agencies and other groups.
- This was further supplemented by €6m from the Caritas network.

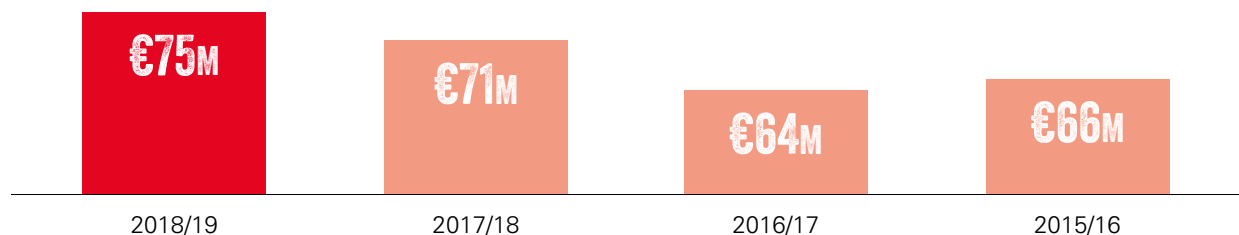
Of the €32m secured from Governmental organisations, €21.5m of this was from Irish Aid. In addition to the Irish Aid Programme Funding scheme, which accounted for €16.6m, Trócaire was allocated over €4.9m from Irish Aid towards emergency response. The Irish Government continues to be Trócaire's single largest donor contributing 31 per cent of the total organisational income (27 per cent in 2017/18).

Goal 8 of the strategic plan aims to ensure a diversified funding base as new donors and contracts were secured during the financial year. Public income growth and the ability to attract and manage institutional funding are among the principal risks and uncertainties facing Trócaire.

SOURCE OF INCOME



TOTAL EXPENDITURE



EXPENDITURE

The statement of financial activities shows the analysis of charitable expenditure between charitable activities, Goals 1-5 and the cost of raising funds, Goal 8. Our total expenditure for the year was €75m which represents a €4m (6%) increase over 2017/18 levels. This is the highest level of expenditure achieved in our history. The increase in spend is primarily as a result of income generated as a response to the east Africa crisis in 2017/18, expended in 2018/19. The Trócaire response to the crisis extended to 18 months. This resulted in a planned deficit for the financial year of €6m.

Charitable activities spend was €70m (€65m in 2017/18) which represents 93 per cent (92 per cent in 2017/18) of total expenditure.

- Overseas programme: Grants to partner organisations have increased to €46m. This represents 61 per cent of our total spend, (61 per cent in 2017/18). The Trustees consider this a key performance indicator and are satisfied with the level of grants being given to partners. In the last financial year Trócaire worked with partners in over 20 countries. Trócaire's largest programme is in Somalia.

Please see Appendix 1 for a full list and spend on all of Trócaire's country programmes. Spend on Goal 4, the protection of human dignity in humanitarian crises, is the largest programme spend with €25m (€27m in 2017/18).

- Expenditure in support of our programmes and partners was €19m, an increase of €2m over the previous year. This expenditure is primarily spent in our countries of operation and is focused on partner capacity building, monitoring, evaluation and ensuring we maximise our impact.
- Ireland programme: Charitable activities also includes expenditure on Goal 5, which is aimed at creating a greater awareness of the causes of world poverty and injustice and how change can be achieved. The focus of

this goal is that people and leaders in Ireland are acting for a just world. Spend under this Goal was €3m (€3m in 2017/18).

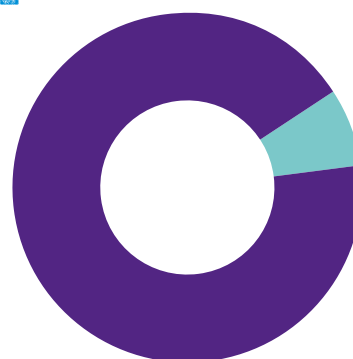
Raising Funds

Spend on raising funds of less than €6m represented 7 per cent (8 per cent in 2017/18) of total expenditure. For every €1 invested in fundraising from the general public, Trócaire received €4.10 in return (€5.10 in 2017/18). The response to the east Africa appeal contributed to the increased rate of return achieved in 2017/18. The return achieved is significantly better than the sector average of €3.23 as stated in the 'The Irish Not-for-Profit Sector: Fundraising Performance Report 2018' by 2into3.

The total costs set out above in relation to charitable activities and raising funds include an allocation of support costs.

EXPENDITURE

CHARITABLE ACTIVITIES
93%



RAISING FUNDS
7%

DETAILED EXPENDITURE

Goal 1: Human rights and democratic space

Goal 2: Equitable access to and use of resources

Goal 3: Women's empowerment

Goal 4: Protection of human dignity in humanitarian crises

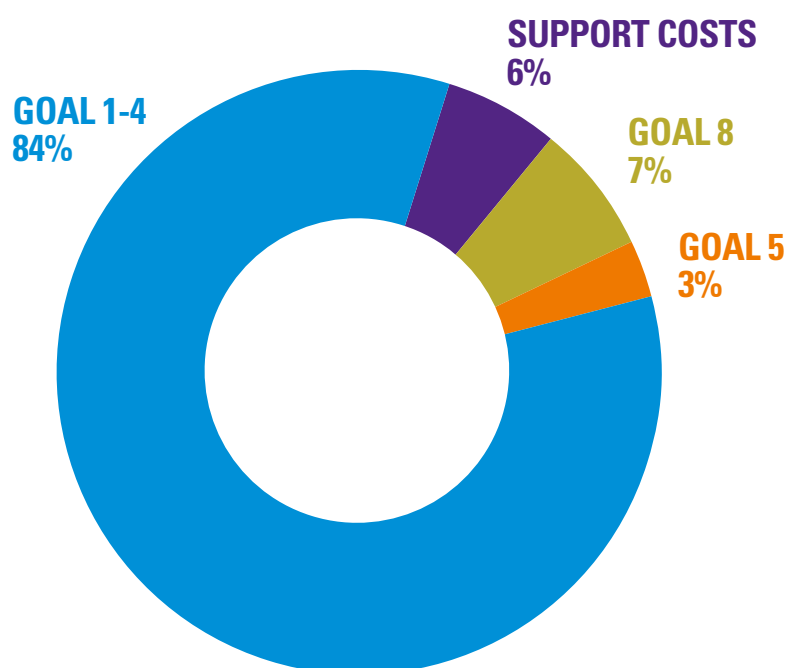
Goal 5: People and leaders in Ireland acting for a just world

Goal 6: Innovation, learning and improvement

Goal 7: Effective partnerships

Goal 8: Increased scale and income

Goal 9: An accountable and effective organisation



Support Costs

Support costs are those costs which cannot be directly attributed and have been allocated in proportion to estimated benefits received. These include costs such as finance, compliance and standards, human resources, ICT, premises and governance costs. These services play a crucial role in providing core organisational support in the delivery of our programme globally. Our total support costs for the year were €5m (€4m in 2017/18). This represents 6 per cent of our total expenditure, a similar level to the previous financial year. The increase is mainly due to increased investment required in safeguarding, standards & compliance, GDPR and ICT. The investment in these areas allows us to meet regulatory and donor compliance requirements.

Expenditure by Goal

Expenditure on Goals 6, 7 and 9, which are Goals for a stronger Trócaire, are intrinsically part of the Goals 1 to 5 and Goal 8. Success in these areas is monitored through balance

scorecard reporting with the key developments set out on pages 36-43.

FINANCIAL POSITION AND RESERVES POLICY

It is Trócaire's policy to maintain a prudent level of reserves to enable the charity to deliver on our commitments and mandate and to ensure that we manage financial, governance and operational risk. An adequate and working reserve policy provides essential accountability to our beneficiaries, institutional funders, public supporters, and other stakeholders and assures them that the charity's activities are sustainable. Trócaire's available resources at the end of the year are €44m (2017/18 - €49m). Of the available resources, €24m (2017/18 - €30m) is held in **restricted funds**, as the funds were donated for specific areas and activities. **Unrestricted funds** of €20m (2017/18: €19m) are held in general and designated funds.

- In managing its unrestricted reserves of €20m, 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 2019 is €0.5m.

- The reserve in the Development Programme Fund stood at €18m. This will be used to fund programmes overseas to further the objectives of the organisation.
- The reserve in the General Fund at the end of the year amounted to €1.5m, of which €1m is invested in fixed assets and is not available for other use.

Free Reserves

As recommended by SORP 2015, in order to ensure that the organisation has access to funds it is necessary to adjust unrestricted reserves by excluding Fixed Assets and the Defined Benefit Pension Liability as valued under FRS102. It would be unlikely that the

organisation would be able to liquidate the fixed assets in a timely manner.

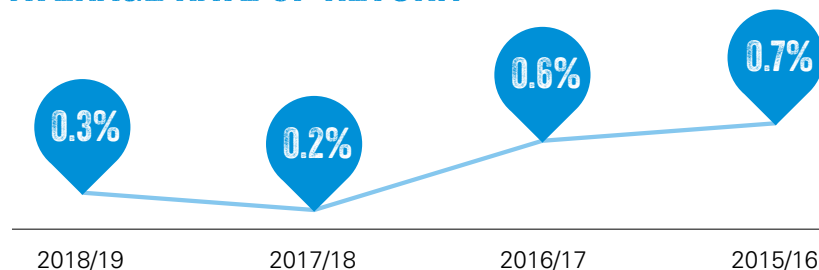
Free reserves as at 28 February 2019 are €21m. This is equivalent to six months of planned expenditure for 2019/20 based on the organisational budget as approved by the Board in February 2019. This meets the Trustees policy of holding free reserves in a range of a minimum of five to a maximum of seven months of planned expenditure. Should free reserves deviate from this range, actions required would be agreed with the Board.

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 deposits accounts, spreading the total invested and limiting the amount invested with any individual financial institution. These financial institutions are reviewed by the Audit & Risk Committee and recommended to the Board for authorisation. 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.

AVERAGE RATE OF RETURN



The investment return in the current year was in line with expectations having factored in the rates currently offered in the market.

The Investment Policy is reviewed by the Audit & Risk Committee and recommended to the Board for approval.

DEFINED BENEFIT PENSION SCHEME DEFICIT

The valuation of the pension scheme at 28 February 2019, for the purposes of FRS102, showed a funding deficit of €1.3m (2017/18: €2.6m).

This deficit represents the difference between the liabilities of the pension fund and the value of its underlying assets; it does not represent an immediate cash commitment, as the cash flow required to meet the €1.3m deficit relates to future pension contributions. The valuation of the pension scheme's assets under FRS102 is different from

the triennial actuarial valuation, which determines the pension contributions required to reduce the deficit.

The triennial valuation was last completed on the 28 February 2016 and Trócaire have committed to an annual contribution of €250k.

In 2018/19 Trócaire proposed to the trustees of the scheme that an enhanced transfer value would be offered to members. Twenty-eight out of 83 members of the defined benefit pension scheme availed of the enhanced transfer value offering. This represented 34 per cent of the members, but 40 per cent of the scheme liabilities. The result of this is a settlement gain of €1,084,000.

FRS102 requires that the pension deficit should be shown as a reduction in unrestricted funds.

The defined benefit pension scheme is closed to new entrants and all future benefits have ceased.



Thomas (16) and Viola (15), two of the 1,612 students in Awich School in the Palabek Refugee Settlement Camp that provides education to South Sudanese refugees living in Uganda. The school is supported by Trócaire. (Photo: Mark Stedman)

Grants to Partners as a % of total expenditure	
2018/19	2017/18
61%	61%

Support Costs as a % of total expenditure	
2018/19	2017/18
6%	6%

Return on Fundraising Spend	
2018/19	2017/18
€4.10	€5.10

Unrestricted Reserves in months	
2018/19	2017/18
6 months	6.5 months

KEY PERFORMANCE INDICATORS

The following are key financial performance indicators which are reported on by management as a measure of performance and financial strength.

- Grants to partners is a measure of how much of our funds is spent by our partner organisations in the field. Trócaire work with a diverse, relevant portfolio of partners that can deliver innovative and impactful programmes in an accountable manner.
- Support costs as a percentage of total expenditure shows how much of total expenditure is absorbed by essential but noncore activities and functions.
- Return on fundraising spend is how much we get back for every €1 invested.
- Unrestricted reserves is a measure in months of how much resources Trócaire has available to draw down on in order to continue its work in the event of an economic downturn.

The above indicators are considered satisfactory and in line with the expectations of the trustees.

FINANCIAL RESULTS OF SUBSIDIARY

In addition to the parent company, Trócaire holds a subsidiary Trocaire Northern Ireland. In the 2018/19 year, Trocaire Northern Ireland generated an income of GBP£6.6m, had expenditure of GBP£8.5m with total funds of GBP£5.5m as at the financial year-end. The year-end position of the company was satisfactory and it is expected to continue in operation for the foreseeable future.

POST BALANCE SHEET EVENTS

There have been no events subsequent to the year-end that require any adjustment to or additional disclosure in the 2018/19 financial statements.

GOING CONCERN

Set out above is a review of Trócaire's financial performance and the general reserves position as at 28 February 2019. Based on the results for the year, the year-end financial position and the approved 2019/20 budget, the Trustees believe that the charity has adequate resources to continue in operational existence for the foreseeable future.

The Trustees believe that there are no material uncertainties that call into doubt Trócaire's ability to continue in operation. Accordingly, Trócaire continues to adopt the going concern basis in preparing the financial statements.

POLITICAL CONTRIBUTIONS

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

AUDITORS

Deloitte Chartered Accountants and Statutory Audit firm is eligible and has expressed a willingness to continue in office.

SIGNED ON BEHALF OF THE TRUSTEES: Eamon Martin and William Crean

Date: 26/6/19

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRÓCAIRE

Report on the audit of the consolidated financial statements

OPINION ON THE CONSOLIDATED FINANCIAL STATEMENTS OF TRÓCAIRE

In our opinion the consolidated financial statements:

- give a true and fair view of the assets, liabilities and financial position of the charity as at 28 February 2019 and of the incoming resources and application of resources for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework.

The financial statements we have audited comprise:

- the Consolidated Statement of Financial Activities;
- the Consolidated Balance Sheet;
- the Consolidated Cash Flow Statement;
- the Trust Statement of Financial Activities;
- the Trust Balance Sheet;
- the Trust Cash Flow Statement;
- the related notes 1 to 21, including a summary of significant accounting policies as set out in note 1.

The relevant financial reporting framework that has been applied in their preparation is the Irish law and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council ("the relevant financial reporting framework").

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the "*Auditor's responsibilities for the audit of the financial statements*" section of our report.

We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which ISAs (Ireland) require us to report to you where:

- The trustees' use of the going concern basis of accounting in preparation of the consolidated financial statements is not appropriate; or
- The trustees have not disclosed in the consolidated financial statements

any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the consolidated financial statements are authorised for issue.

OTHER INFORMATION

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report and Consolidated Financial Statements for the financial year ended 28 February 2019, other than the consolidated financial statements and our auditor's report thereon. Our opinion on the consolidated financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are

required to determine whether there is a material misstatement in the consolidated financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' Responsibilities Statement, the trustees are responsible for the preparation of the consolidated financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with

ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (Ireland), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.



Kumba, who featured on the 2018 Trócaire box, stands with her family overlooking the site of the devastating mud slide that destroyed their community in Freetown, Sierra Leone, in August 2017. The support of the Irish public has allowed Trócaire to support this family and many more like them. (Photo: Mark Stedman).

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the entity (or where relevant, the group) to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the charitable activities within the group to express an opinion on the consolidated financial statements. The group auditor is responsible for the direction, supervision and performance of the group audit. The group auditor remains solely responsible for the audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that the auditor identifies during the audit.

This report is made solely to the Trustees of Trócaire, as a body. Our audit work has been undertaken so that we might state to the Trustees 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 Trustees of Trócaire as a body, for our audit work, for this report, or for the opinions we have formed.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

Based on the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

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

Kevin Sheehan

For and on behalf of Deloitte Ireland LLP

Chartered Accountants and Statutory Audit Firm

Deloitte & Touche House, Earlsfort Terrace, Dublin 2

Date: 26/6/19

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2019

		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
		Funds	Funds	2019	Funds	Funds	2018
	Notes	€'000	€'000	€'000	€'000	€'000	€'000
Income from:							
Donations and legacies	3.1	22,013	1,157	23,170	23,030	6,112	29,142
Charitable activities	3.2	-	45,830	45,830	-	45,803	45,803
Investment Income	3.3	69	5	74	60	-	60
TOTAL INCOME		22,082	46,992	69,074	23,090	51,915	75,005
Expenditure on:							
Raising funds	4	(5,527)	(2)	(5,529)	(5,602)	(88)	(5,690)
Charitable activities	5	(16,392)	(53,329)	(69,721)	(14,723)	(50,686)	(65,409)
TOTAL EXPENDITURE		(21,919)	(53,331)	(75,250)	(20,325)	(50,774)	(71,099)
Net (expenditure)/income		163	(6,339)	(6,176)	2,765	1,141	3,906
Other recognised gains/ (losses):							
Exchange gain/(loss) on consolidation of subsidiary		184	25	209	(189)	9	(180)
Actuarial (loss)/gain on valuation of retirement benefit scheme	18	(57)	-	(57)	100	-	100
Liabilities extinguished on settlements during the year	18	1,084	-	1,084	-	-	-
NET MOVEMENT IN FUNDS		1,374	(6,314)	(4,940)	2,676	1,150	3,826
Reconciliation of funds							
Fund Balances at beginning of the financial year	15/16	18,771	30,312	49,083	16,095	29,162	45,257
FUND BALANCES AT END OF THE FINANCIAL YEAR	15/16	20,145	23,998	44,143	18,771	30,312	49,083

There are no other recognised gains or losses other than those listed above and the net movement in funds for the financial year. All income and expenditure derives from continuing activities.

CONSOLIDATED BALANCE SHEET AS AT 28 FEBRUARY 2019

	Notes	2019 €'000	2018 €'000
FIXED ASSETS			
Tangible fixed assets	8	696	867
CURRENT ASSETS			
Stock	9	543	324
Debtors	10	33,453	31,338
Cash at bank and in hand	11	26,668	28,690
Short term investments	12	1	1
		60,665	60,353
CREDITORS (Amounts falling due within one year)	13	(15,871)	(9,560)
NET CURRENT ASSETS		44,794	50,793
Retirement benefit scheme liability	18	(1,347)	(2,577)
TOTAL NET ASSETS		44,143	49,083
FUNDS OF THE CHARITY			
Restricted funds	15	23,998	30,312
Unrestricted funds	16	20,145	18,771
TOTAL FUNDS		44,143	49,083

The financial statements were approved by the Board of Trustees on 26/6/19 and signed on its behalf by:
Eamon Martin and William Crean

CONSOLIDATED CASH FLOW STATEMENT FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2019

	Note	2019 €'000	2018 €'000
Cash flows from operating activities			
Net cash (used in)/from operating activities	17	(2,096)	4,098
Cash flows from investing activities			
Purchase of fixed assets		-	(306)
Interest received		74	60
Net cash from/(used) in investing activities		74	(246)
Change in cash and cash equivalents in the financial year		(2,022)	3,852
Cash and cash equivalents at the beginning of the financial year		28,691	24,839
Cash and cash equivalents at the end of the financial year		26,669	28,691
Analysis of cash and cash equivalents:			
Cash at bank and in hand		26,668	28,690
Short term investments		1	1
Total cash and cash equivalents		26,669	28,691

TRUST STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2019

		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
		Funds	Funds	2019	Funds	Funds	2018
	Notes	€'000	€'000	€'000	€'000	€'000	€'000
Income from:							
Donations and legacies	3.4	15,673	986	16,659	15,739	4,601	20,340
Charitable activities	3.5	-	44,905	44,905	-	42,870	42,870
Investment Income	3.6	44	5	49	45	-	45
TOTAL INCOME		15,717	45,896	61,613	15,784	47,471	63,255
Expenditure on:							
Raising funds	4	(4,368)	(3)	(4,371)	(4,321)	(88)	(4,409)
Charitable activities	5	(10,140)	(51,061)	(61,201)	(12,248)	(45,728)	(57,976)
TOTAL EXPENDITURE		(14,508)	(51,064)	(65,572)	(16,569)	(45,816)	(62,385)
Net (expenditure)/income		1,209	(5,168)	(3,959)	(785)	1,655	870
Other recognised gains/ (losses):							
Actuarial (loss)/gain on valuation of retirement benefit scheme	18	(57)	-	(57)	100	-	100
Liabilities extinguished on settlements during the year	18	1,084	-	1,084	-	-	-
NET MOVEMENT IN FUNDS		2,236	(5,168)	(2,932)	(685)	1,655	970
Reconciliation of funds							
Fund Balances at beginning of the financial year	15/16	11,508	29,166	40,674	12,193	27,511	39,704
FUND BALANCES AT END OF THE FINANCIAL YEAR	15/16	13,744	23,998	37,742	11,508	29,166	40,674

There are no other recognised gains or losses other than those listed above and the net movement in funds for the financial year. All income and expenditure derives from continuing activities.

TRUST BALANCE SHEET AS AT 28 FEBRUARY 2019

	Notes	2019 €'000	2018 €'000
FIXED ASSETS			
Tangible fixed assets	8	444	615
		<u>444</u>	<u>615</u>
CURRENT ASSETS			
Stock	9	543	324
Debtors	10	35,237	32,189
Cash at bank and in hand	11	18,387	19,622
Short term investments	12	1	1
		<u>54,168</u>	<u>52,136</u>
CREDITORS (Amounts falling due within one year)	13	(15,523)	(9,500)
		<u>38,645</u>	<u>42,636</u>
NET CURRENT ASSETS			
Retirement benefit scheme liability	18	(1,347)	(2,577)
TOTAL NET ASSETS		<u>37,742</u>	<u>40,674</u>
FUNDS OF THE CHARITY			
Restricted funds	15	23,998	29,166
Unrestricted funds	16	13,744	11,508
TOTAL FUNDS		<u>37,742</u>	<u>40,674</u>

The financial statements were approved by the Board of Trustees on 26/6/19 and signed on its behalf by:
Eamon Martin and William Crean

TRUST CASH FLOW STATEMENT FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2019

	Note	2019 €'000	2018 €'000
Cash flows used in operating activities			
Net cash used in operating activities	17	(1,284)	(588)
Cash flows from/(used in) investing activities			
Purchase of fixed assets		-	(306)
Interest received		49	45
Net cash from/(used in) investing activities		49	(261)
Change in cash and cash equivalents in the financial year		(1,235)	(849)
Cash and cash equivalents at the beginning of the financial year		19,623	20,472
Cash and cash equivalents at the end of the financial year		18,388	19,623
Analysis of cash and cash equivalents:			
Cash at bank and on short term deposit		18,387	19,622
Short term investments		1	1
Total cash and cash equivalents		18,388	19,623

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2019

1. 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 PREPARATION

The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) *Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)*.

Trócaire is a public benefit entity as defined by FRS 102.

The consolidated financial statements have been prepared on a going concern basis. Following the Trustees review of Trócaire's results for the year, the year-end financial position and the approved 2019 budget, the Trustees believe that the charity has adequate resources to continue in operational existence for the foreseeable future and consequently believe there are sufficient resources to manage any operational or financial risks. There is no material uncertainty about the ability to continue.

The presentation currency of these financial statements is Euro (€). All amounts in the financial statements have been rounded to the nearest €1,000.

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements include a 100%

consolidation of the financial statements of Trócaire's subsidiary undertaking Trocaire (Northern Ireland). The results and balance sheet of Trocaire (Northern Ireland) have been consolidated on a line by line basis. No separate income and expenditure account of the subsidiary undertaking has been presented, as permitted by paragraph 15.11 of SORP 2015. Trócaire is availing of the exemption under FRS 102 (33.11) Related Party Disclosures not to disclose details of transactions with companies within the Group.

The work of the organisation in the developing world is carried out through branches of the Trust located in the countries of operation. All funds held by the branches are the legal property of the Trust. Expenditure, assets and liabilities are included in the financial statements of the Trust.

INCOME

Income is recognised when the organisation becomes legally entitled to the funds, the income can be measured reliably and it is probable the funds will be received.

Where income has been received in advance, it is deferred until the conditions are met. Where income has not yet been received, but all criteria for recognition has been satisfied, the income is accrued as a debtor in the balance sheet.

Income reflected in the financial statements includes;

- Donations and Legacies: donations from the public, corporates, trusts, legacies, major donors and related tax refunds.

- Charitable Activities; Income from institutional donors which includes Governments and other agencies and groups.
- Investment income, in the form of bank deposits, received during the year.

Donations and Legacies

- Monetary donations from the public are recognised as income when the donations are received.
- Legacy income is recognised when confirmation of unconditional entitlement to the bequest is received.
- Tax refunds are recognised when all legislative requirements have been met and the amounts can be measured with reasonable certainty.

Charitable Activities

Grants from institutional donors are recognised when Trócaire is legally entitled to the income and is fulfilling the conditions contained in the related funding agreements which may be time or performance related.

Trócaire may be liable for any disallowable expenditure- no provision or disclosure has been made in these accounts for any such liabilities because the likelihood is deemed remote and immaterial.

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

FUND ACCOUNTING

There are two types of funds maintained as follows:

Restricted funds represent income which can only be used for particular purposes as specified by donors.

Unrestricted funds are comprised of general funds and designated funds. General funds are expendable at the discretion of the organisation in furtherance of the objectives of the charity while designated funds are a portion of the unrestricted funds that have been set aside for a particular purpose.

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 review the restricted income funds on an annual basis. Where restricted public funds remain unspent three years following receipt and the Board consider that funds exist which are surplus to requirements, an appropriate transfer can be made to unrestricted funds.

In accordance with FRS102, the defined benefit pension scheme is included with unrestricted funds.

RESOURCES EXPENDED

All expenditure is accounted for on an accruals basis and has been analysed between cost of raising funds and charitable activities.

Resources expended can be subcategorised as follows:

Charitable Activities

Grants to partners: Grants are charged to the Statement of Financial Activities when

they have been approved and where a binding commitment has been made to the partner organisation. Grants represent funds made available to partners and comprise either cash funds transferred to the partners or in kind provision of goods and services procured on their behalf. Grants that have been approved but not yet disbursed at the balance sheet date are carried forward as approved partner commitments in the balance sheet.

Programme costs: Those costs, excluding grants to partners, which can be directly attributed to our overseas and Ireland programmes. This expenditure is primarily spent in our countries of operation and is focused on partner capacity building, monitoring, evaluation and ensuring we maximise our impact. In Ireland our programme work is aimed at creating a greater awareness of the causes of world poverty and injustice and how change can be achieved.

Raising Funds

Costs of raising funds comprise the costs incurred in fundraising, including the costs of advertising, producing publications, printing and mailing fundraising material and staff costs.

Support Costs

Support costs are those costs which cannot be directly attributed and have been allocated in proportion to estimated benefits received. These include costs such as finance and logistics, human resources, IT and communications, premises and governance costs. The support costs have been allocated as follows, 80% to overseas

programme, 10% to Ireland programme, and 10% to raising funds.

FOREIGN CURRENCIES

The consolidated financial statements are prepared in Euro.

Transactions in foreign currencies during the financial year are translated at the rate of exchange ruling on the date of the transaction. Foreign currency balances at the balance sheet date are translated at the rate of exchange on that date. Any gain or loss arising from a change in exchange rates subsequent to the date of a transaction is included in the Statement of Financial Activities.

PENSIONS

Trócaire operates both defined contribution and defined benefit pension schemes.

Defined Contribution Scheme

Pension benefits are funded over the employees' period of service by way of contributions from the organisation and employees. Contributions are charged to the Statement of Financial Activities in the year in which they become payable.

Defined Benefit Scheme

The defined benefit scheme was closed to new members on 1 September 2013. The defined benefit scheme is administered by Trustees and is independent of the charity's finances. Contributions are paid to the scheme in accordance with the recommendations of independent actuaries to enable the Trustees to meet from the scheme the benefits accruing in respect of current and future service.

For defined benefit schemes the amounts charged to operating surplus are the costs arising from employee services rendered during the financial year and the cost of plan introductions, benefit changes, settlements and curtailments. They are included as part of staff costs. The net interest cost on the net defined benefit liability is charged to income and expenditure. Re-measurement comprising actuarial gains and losses and the return on scheme assets (excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in other comprehensive income.

Defined benefit schemes are funded, with the assets of the scheme held separately from those of the charity, in separate Trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method. Actuarial valuations are obtained at least triennially and are updated at each balance sheet date.

Other long-term employee benefits are measured at the present value of the benefit obligation at the reporting date.

TAXATION

No charge to corporation taxation arises as the Trust has been granted exemption under Sections 207 and 208 of the Taxes Consolidation Act 1997. Irrecoverable value added tax is expensed as incurred.

TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing €3,000 or more are capitalised and 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
- **Freehold and long leasehold property**
2% straight line method
- **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 carrying values of tangible fixed assets and Freehold property are reviewed annually for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

Tangible fixed assets held by overseas locations are not included in the tangible fixed assets in the balance sheet but expensed at the time of purchasing as part of the charitable expenditure.

SHORT TERM INVESTMENTS

Current asset investments are stated at market value.

STOCKS

Stocks consist of relief supplies held pending distribution and are valued at the lower of cost and net realisable value.

DEBTORS

Debtors are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Debtors and prepayments in countries of operation comprise balances arising from programme activities. Income recognised by the Group from institutional funders, but not yet received at year end, is included in debtors.

CASH AT BANK AND IN HAND

Cash at bank and in hand is comprised of cash on deposit at banks requiring less than 3 months notice of withdrawal. These are carried at amortised cost.

CREDITORS

Creditors and provisions are recognised where the Group has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be reliably measured or estimated. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due and at their present value where the time value of money is deemed significant. Creditors in countries of operation comprise accruals and trade payables arising from programme activities. Funds already received from institutional donors that do not meet the criteria for recognition as income, are shown in creditors.

FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. Financial liabilities are classified according to the substance of the contractual arrangements entered into.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar instrument.

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the entity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are recognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the entity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are recognised only when the obligation specified in the contract is discharged, cancelled or expires.

OPERATING LEASE

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

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the entity's accounting policies, which are described in note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements and estimations that the Board of Trustees have made in the process of applying

the organisation's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

DEFINED BENEFIT PENSION SCHEME

The organisation has a defined benefit pension scheme in operation for certain employees. There are estimates with respect to certain key assumptions made in calculating the actuarial liability relating to the scheme including the discount rate, inflation and mortality rates, as disclosed in note 18 to the financial statements.

PROVISIONS

Trócaire's activities encompass many foreign territories which can be subject to in-country assessment locally in respect of employment taxes and related obligations. The Trustees review in-country potential liabilities and where necessary take professional advice, and make appropriate provision where required.

3. INCOME

Group:	Unrestricted Funds €'000	Restricted Funds €'000	Total 2019 €'000	Unrestricted Funds €'000	Restricted Funds €'000	Total 2018 €'000
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3.1 DONATIONS AND LEGACIES

General Donations & Legacies	10,024	669	10,693	9,725	570	10,295
Lenten Campaign	7,575	-	7,575	8,719	-	8,719
Committed Giving	4,414	-	4,414	4,586	-	4,586
Special Appeals	-	488	488	-	5,542	5,542
Total Donations and Legacies	22,013	1,157	23,170	23,030	6,112	29,142

3.2 CHARITABLE ACTIVITIES

Contributions from Governments and similar bodies:

Irish Aid	-	21,452	21,452	-	20,200	20,200
EU & ECHO	-	4,196	4,196	-	2,932	2,932
Swedish Government, SIDA	-	1,788	1,788	-	-	-
Australian Aid	-	1,541	1,541	-	2,028	2,028
UN Agencies	-	1,633	1,633	-	513	513
UK Government, DFID	-	1,185	1,185	-	6,236	6,236
US Aid	-	211	211	-	295	295
	-	32,006	32,006	-	32,204	32,204

Contributions from Caritas agencies:

SCIAF (Scotland)	-	2,638	2,638	-	1,449	1,449
Caritas Germany	-	1,837	1,837	-	30	30
Misereor (Germany)	-	657	657	-	761	761
Caritas Relief Services (USA)	-	615	615	-	(11)	(11)
Caritas France	-	280	280	-	20	20
Cafod (England and Wales)	-	137	137	-	366	366
Caritas Austria	-	80	80	-	50	50
Caritas Australia	-	70	70	-	135	135
Development & Peace (Canada)	-	53	53	-	223	223
Caritas Spain	-	50	50	-	280	280
Caritas Belgium	-	50	50	-	200	200
Cordaid Netherlands	-	44	44	-	1,301	1,301
Caritas Italy	-	20	20	-	65	65
Caritas Japan	-	4	4	-	19	19
Secour Catholique (France)	-	(80)	(80)	-	380	380
Caritas Switzerland	-	(244)	(244)	-	498	498
Caritas New Zealand	-	-	-	-	313	313
Caritas Seoul	-	-	-	-	152	152
Caritas Korea	-	-	-	-	45	45
Caritas Taiwan	-	-	-	-	33	33
Caritas Hong Kong	-	-	-	-	5	5
Cáritas de Guadalajara	-	-	-	-	5	5
	-	6,211	6,211	-	6,319	6,319

3.2 CHARITABLE ACTIVITIES (CONTINUED)

	Unrestricted Funds €'000	Restricted Funds €'000	Total 2019 €'000	Unrestricted Funds €'000	Restricted Funds €'000	Total 2018 €'000
Contributions from agencies and groups:						
IRF	-	2,180	2,180	-	477	477
PSI (DFID)	-	1,921	1,921	-	1,695	1,695
TRACE	-	1,158	1,158	-	986	986
ASB Deutschland	-	553	553	-	257	257
Canadian Food & Grain Bank	-	424	424	-	472	472
Oxfam	-	361	361	-	177	177
Human Dignity Foundation	-	277	277	-	274	274
Kindermissionswerk, Die Sternsinger	-	160	160	-	-	-
Lifes2good Foundation	-	100	100	-	-	-
Kenneally International Foundation	-	87	87	-	85	85
Community Foundation for Ireland	-	82	82	-	106	106
Start Fund	-	68	68	-	51	51
Bisschoppelijke Vastenactie	-	60	60	-	60	60
International Land Coalition	-	57	57	-	21	21
Bank of Ireland	-	46	46	-	54	54
State of Guernsey OAC	-	45	45	-	91	91
Electric Aid	-	34	34	-	40	40
Dreams	-	25	25	-	539	539
Drivers of Food Choice	-	9	9	-	101	101
Danish Refugee Council	-	2	2	-	147	147
DGF	-	(2)	(2)	-	262	262
MCA - Honduras	-	(34)	(34)	-	38	38
Comic Relief	-	-	-	-	352	352
ACF International	-	-	-	-	320	320
Palladium	-	-	-	-	277	277
Big Lottery Fund	-	-	-	-	191	191
MSF	-	-	-	-	82	82
Porticus Foundation	-	-	-	-	51	51
Ashden Trust	-	-	-	-	45	45
Action Aid International	-	-	-	-	33	33
Ford Foundation	-	-	-	-	23	23
Fisher Foundation	-	-	-	-	2	2
HIRDA	-	-	-	-	(1)	(1)
Goal	-	-	-	-	(4)	(4)
THET (DFID)	-	-	-	-	(24)	(24)
	-	7,613	7,613	-	7,280	7,280
Total Charitable Activities	-	45,830	45,830	-	45,803	45,803
3.3 INVESTMENT INCOME						
Interest Receivable	69	5	74	60	-	60
TOTAL INCOME	22,082	46,992	69,074	23,090	51,915	75,005

Income is recognised when the organisation becomes legally entitled to the funds, the income can be measured reliably and it is probable the funds will be received. Negative income can on occasion arise if not all of the proposed and agreed project activities can be completed due to external factors, or where savings can be identified over the lifetime of the project.

Trust:

	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	Funds	Funds	2019	Funds	Funds	2018
	€'000	€'000	€'000	€'000	€'000	€'000

3.4 DONATIONS AND LEGACIES

General Donations & Legacies	7,417	622	8,039	6,880	508	7,388
Lenten Campaign	4,889	-	4,889	5,379	-	5,379
Committed Giving	3,367	-	3,367	3,480	-	3,480
Special Appeals	-	364	364	-	4,093	4,093
Total Donations and Legacies	15,673	986	16,659	15,739	4,601	20,340

3.5 CHARITABLE ACTIVITIES

Governments and similar bodies:	-	31,126	31,126	-	30,129	30,129
Caritas agencies	-	6,211	6,211	-	6,096	6,096
Agencies and groups:	-	7,568	7,568	-	6,645	6,645
Total Charitable Activities	-	44,905	44,905	0	42,870	42,870

3.6 INVESTMENT INCOME

Total Investment Income	44	5	49	45	-	45
TOTAL INCOME	15,717	45,896	61,613	15,784	47,471	63,255

4. RAISING FUNDS EXPENDITURE

Goal 8: Increased scale and income

Group:	Unrestricted	Restricted	Total	Total
	Funds	Funds	2019	2018
	€'000	€'000	€'000	€'000
Cost of generating donations and legacies	3,473	-	3,473	3,850
Cost of generating Lenten Campaign	1,208	-	1,208	1,048
Cost of generating Committed Giving	361	-	361	281
Cost of generating Special Appeals	-	-	-	90
Support Costs (Note 6.1)	485	2	487	421
	<u>5,527</u>	<u>2</u>	<u>5,529</u>	<u>5,690</u>
	<u><u>5,527</u></u>	<u><u>2</u></u>	<u><u>5,529</u></u>	<u><u>5,690</u></u>
Trust:	Unrestricted	Restricted	Total	Total
	Funds	Funds	2019	2018
	€'000	€'000	€'000	€'000
Cost of generating donations and legacies	2,685	-	2,685	2,611
Cost of generating Lenten Campaign	941	-	941	1,048
Cost of generating Committed Giving	279	-	279	281
Cost of generating Special Appeals	-	-	-	90
Support Costs (Note 6.1)	463	3	466	379
	<u>4,368</u>	<u>3</u>	<u>4,371</u>	<u>4,409</u>
	<u><u>4,368</u></u>	<u><u>3</u></u>	<u><u>4,371</u></u>	<u><u>4,409</u></u>

Raising funds expenditure is comprised of the costs incurred in fundraising. These include the costs of advertising, producing publications, printing and mailing fundraising material, staff costs in these areas, and an appropriate allocation of support cost.

5. CHARITABLE ACTIVITIES EXPENDITURE

	Programme	Support	Total	Total	
Group:	Grants	Costs	Costs	2019	2018
	€'000	€'000	€'000	€'000	€'000
Overseas Programme					
Strategic Plan 2016-2020					
Goal 1: Human rights and democratic space	3,419	1,257	290	4,966	4,395
Goal 2: Equitable access to & use of resources	12,825	5,432	1,081	19,338	16,236
Goal 3: Women's empowerment	11,174	5,056	959	17,189	14,262
Goal 4: Protection of dignity in humanitarian crises	18,577	4,730	1,525	24,832	26,782
International projects	553	120	45	718	704
Strategic Plan 2006-2016					
Addressing HIV and AIDS	-	-	-	-	336
Governance and human rights	-	-	-	-	70
	46,548	16,595	3,900	67,043	62,785
Ireland Programme					
Goal 5: People and leaders in Ireland are acting for a just world	221	1,970	487	2,678	2,624
	46,769	18,565	4,387	69,721	65,409

Expenditure on charitable activities is analysed as shown above.

Further analysis of our overseas programme (by country) can be seen in Appendix 1 and a list of our 50 largest partner grants can be seen in Appendix 2. (Appendices are not covered by the audit report).

5. CHARITABLE ACTIVITIES EXPENDITURE (CONTINUED)

Trust:	Grants	Programme Costs	Support Costs	Total 2019	Total 2018
	€'000	€'000	€'000	€'000	€'000
Goals 1-4:					
Overseas programme	39,045	16,182	3,729	58,956	55,751
Goal 5:					
Ireland programme	173	1,606	466	2,245	2,225
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	39,218	17,788	4,195	61,201	57,976
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	Unrestricted Funds	Restricted Funds	Total	Total	
Trust:	€'000	€'000	2019	2018	
	€'000	€'000	€'000	€'000	
Overseas programme (Goals 1-4)	7,899	51,057	58,956		55,751
Ireland programme (Goal 5)	2,241	4	2,245		2,225
	<hr/>	<hr/>	<hr/>		<hr/>
	10,140	51,061	61,201		57,976
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>		<hr/> <hr/>

6. SUPPORT COSTS

6.1 SUPPORT COSTS

	Group		Trust	
	2019	2018	2019	2018
	€'000	€'000	€'000	€'000
Human resources, safeguarding, learning and development	1,262	812	1,262	811
Information communications and technology	1,026	866	1,026	866
Premises and facilities	1,022	1,283	831	890
Finance	609	549	609	549
Governance (see note 6.2)	586	542	565	520
Standards and Compliance	369	156	369	156
	4,874	4,208	4,662	3,792

Support costs which cannot be directly attributed have been allocated in proportion to estimated benefits received and are apportioned as follows:

- 80% to the Overseas programme (Goals 1-4)
- 10% to Ireland programme (Goal 5)
- 10% to Raising funds (Goal 8)

	Group		Trust	
Analysed as follows:	2019	2018	2019	2018
	€'000	€'000	€'000	€'000
Overseas programme (Goals 1-4)	3,900	3,366	3,730	3,034
Raising funds (Goal 8)	487	421	466	379
Ireland programme (Goal 5)	487	421	466	379
	4,874	4,208	4,662	3,792

6.2 GOVERNANCE COSTS

	Group		Trust	
	2019	2018	2019	2018
	€'000	€'000	€'000	€'000
Strategic management and directorate	388	348	383	342
Internal audit	141	137	141	137
Statutory audit fee*	57	57	41	41
	586	542	565	520

* In the current and prior financial year our auditors provided an external audit service only.

7. STAFF COSTS

The average number of employees in Ireland and overseas during the financial year was 483 (2018: 465).

	Group		Trust	
	2019	2018	2019	2018
	Numbers	Numbers	Numbers	Numbers
The full staff profile is as follows:				
Staff engaged in:				
Overseas programme	382	370	379	367
Management and support staff in Ireland	39	34	37	32
Ireland programme	34	33	28	28
Raising funds	28	28	23	24
	483	465	467	451

	Group		Trust	
	2019	2018	2019	2018
	€'000	€'000	€'000	€'000
The aggregate amounts paid to or on behalf of staff are as follows:				
Salaries	12,673	11,778	12,120	11,247
Employer's social security contributions	947	857	900	819
Employer's pension contributions – Defined Contribution Scheme	850	706	805	669
Severance Costs	72	82	72	82
Employer's pension contributions — Defined Benefit Scheme	47	58	47	58
	14,589	13,481	13,944	12,875

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 (2018: € nil).

The number of employees whose total employee benefits (excluding employer social security contributions and pension costs) was greater than €60,000 is as follows:

Salary Range	Group		Trust	
	2019	2018	2019	2018
	Numbers	Numbers	Numbers	Numbers
€60,000 to €70,000	12	12	11	11
€70,001 to €80,000	5	6	5	6
€80,001 to €90,000	6	4	6	4
€90,001 to €100,000	2	1	2	1
€100,001 to €110,000	1	-	1	-
€120,001 to €130,000	-	1	-	1
	26	24	25	23

7. STAFF COSTS (CONTINUED)

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 per cent dependent on age.

The Organisation and Human Resource Committee has the responsibility for approval and monitoring of the organisation's compensation strategy, its compensation framework, salary management processes and benchmarking mechanisms to determine pay and benefits including pension arrangements of all staff below the Chief Executive Officer. The Executive Leadership Team have set Trócaire's market reference point to construct pay ranges and to benchmark remuneration around the median of the

market having regard to similar employment in the NGO sector as well as general business/ public service sectors where appropriate. Pay and conditions of the Chief Executive Officer are approved by the Remuneration Committee

Chief Executive Officer Caoimhe de Barra is paid a salary of €125,000 per annum and is a member of the company pension scheme. Caoimhe de Barra started with Trocaire on the 17th September 2018.

Former Executive Director, Éamonn Meehan was paid a salary of €118,750 per annum (2017: €118,750), was a member of the company pension scheme and had the use of a company car valued at €7,689 (benefit in kind). Eamonn Meehan resigned on 10th October 2018.

The Executive Leadership Team (which is considered key management) remuneration, including employers' social security and pension contributions, is €857,273 (2018: €785,685).

8. FIXED ASSETS

Group:	Fixtures, fittings and equipment €'000	Software Computer installation €'000	Motor vehicles €'000	Freehold property €'000	Leasehold property €'000	Total €'000
COST:						
Balance at 1 March 2018	312	2,030	26	263	436	3,067
Exchange difference	-	-	-	-	8	8
Disposals	-	(171)	(26)	-	-	(197)
Balance at 28 February 2019	312	1,859	-	263	444	2,878
DEPRECIATION:						
Balance at 1 March 2018	270	1,720	20	5	185	2,200
Charge for year	6	154	1	5	6	172
Exchange difference	-	2	-	-	-	2
Disposals	-	(171)	(21)	-	-	(192)
Balance at 28 February 2019	276	1,705	-	10	191	2,182
Net Book Value						
Balance at 1 March 2018	42	310	6	258	251	867
Balance at 28 February 2019	36	154	-	253	253	696

- Leasehold properties: The properties are located at 50 King Street, Belfast and 9 Cook Street, Cork.
- Freehold property: Located at 12 Cathedral Street, Dublin 1.

8. FIXED ASSETS (CONTINUED)

Trust:	Fixtures, fittings and equipment €'000	Software Computer installation €'000	Motor vehicles €'000	Freehold property €'000	Leasehold property €'000	Total €'000
COST:						
Balance at 1 March 2018	117	2,019	26	263	6	2,431
Disposals	-	(171)	(26)	-	-	(197)
Balance at 28 February 2019	117	1,848	-	263	6	2,234
DEPRECIATION:						
Balance at 1 March 2018	76	1,710	20	5	5	1,816
Charge for year	5	155	1	5	-	166
Disposals	-	(171)	(21)	-	-	(192)
Balance at 28 February 2019	81	1,694	-	10	5	1,790
Net Book Value						
Balance at 1 March 2018	41	309	6	258	1	615
Balance at 28 February 2019	36	154	-	253	1	444

9. STOCK

	Group		Trust	
	2019	2018	2019	2018
	€'000	€'000	€'000	€'000
Value at 28 February 2019	543	324	543	324

Stocks consist of relief supplies held pending distribution and are valued at the lower of cost and net realisable value.

10. DEBTORS

	Group		Trust	
	2019	2018	2019	2018
	€'000	€'000	€'000	€'000
Amounts falling due within one year:				
Amounts due from subsidiary undertaking:				
Trocaire (Northern Ireland)	-	-	2,881	1,616
Donor income accrued	30,401	28,172	29,589	27,572
Taxation refundable	1,520	1,632	1,296	1,507
Other debtors/prepayments	1,016	1,073	959	1,033
Advertising prepaid	512	459	512	459
Deposit income accrued	4	2	-	2
	33,453	31,338	35,237	32,189

Included in donor income accrued is an amount of €0.5m (2018: €0.06m) relating to legacies and €29.9m (2018: €28.1m) due from institutional funders. Included in the institutional funders income accrued is Irish Aid Programme Funding and Irish Aid Humanitarian Programme Funding of €20.6m (2018: €19.6m).

Advertising prepaid of €0.5m (2018: €0.5m) relates to the Lenten fundraising campaign.

11. CASH AT BANK AND IN HAND

	Group		Trust	
	2019	2018	2019	2018
	€'000	€'000	€'000	€'000
Funds held in:				
Parent Company	10,230	14,887	10,230	14,887
Trocaire Northern Ireland	8,281	9,068	-	-
Countries of operation	8,157	4,735	8,157	4,735
	<u>26,668</u>	<u>28,690</u>	<u>18,387</u>	<u>19,622</u>
	=====	=====	=====	=====

12. SHORT TERM INVESTMENTS

	Group		Trust	
	2019	2018	2019	2018
	€'000	€'000	€'000	€'000
Amounts falling due within one year:				
Market value at 1 March 2018 and at 28 February 2019	1	1	1	1
	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
Historical Cost	1	1	1	1
	=====	=====	=====	=====

The short term investments held by Trócaire are Prize Bonds (State Savings) donated by a supporter.

13. CREDITORS

	Group		Trust	
	2019	2018	2019	2018
	€'000	€'000	€'000	€'000
Amounts falling due within one year:				
Approved partner commitments	11,632	6,395	11,632	6,395
Accruals	1,965	1,941	1,632	1,890
Donor income deferred	1,226	500	1,226	500
Trade creditors	583	483	583	483
Payroll taxes	465	241	450	232
	15,871	9,560	15,523	9,500

Approved partner commitments

Grants are charged to the Statement of Financial Activities when they have been approved and where a binding commitment has been made to the partner organisation. Grants represent funds made available to partners and comprise either cash funds transferred to the partners or in kind provision of goods and services procured on their behalf. Grants that have been approved but not yet disbursed at the balance sheet date are carried forward as approved partner commitments in the balance sheet. The liability at the 28/2/2019 has increased by €5m from that at the 28/2/2018, this is due to a once off change in the start dates of projects to align with the calendar year for Irish Aid programme funding. These projects would previously have commenced in March.

Donor income deferred

Income is deferred when it is received ahead of income recognition criteria being met.

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted	Restricted	Total	Total
	Funds	Funds	2019	2018
	€'000	€'000	€'000	€'000
Net assets, after retirement benefit scheme deficit	19,449	23,998	43,447	48,216
Tangible fixed assets	696	-	696	867
Fund balances at end of financial year	20,145	23,998	44,143	49,083

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 in short term cash deposits to enable the charity to respond rapidly to unforeseen emergency situations.

I 15. RESTRICTED FUNDS

Group:

	Balance at beginning of year €'000	Incoming Resources €'000	Resources Expended €'000	Balance at end of year €'000
Institutional funding and donor advised funds	24,763	46,504	(48,589)	22,678

Specific Funds:

Syria and refugee crisis	1,804	103	(635)	1,272
Indonesia	-	65	(40)	25
East Africa Appeal	3,745	46	(3,779)	12
Rohingya refugee crisis	-	11	-	11
Yemen	-	216	(216)	-
South Sudan	-	34	(34)	-
Occupied Palestinian Territory	-	11	(11)	-
Philippines	-	1	(1)	-
Iraq	-	1	(1)	-
	30,312	46,992	(53,306)	23,998

Trust:

Institutional funding and donor advised funds	24,722	45,532	(47,570)	22,684
Specific funds	4,444	364	(3,494)	1,314
	29,166	45,896	(51,064)	23,998

The balances on the restricted funds represent amounts received from donors for specified purposes in response to specific appeals, which have not been expended at the balance sheet date. The balance on specified funds will be spent on relief and recovery.

16. UNRESTRICTED FUNDS

Group:

	Balance at beginning of year €'000	Incoming Resources €'000	Resources Expended €'000	Balance at end of year €'000
Designated Funds:				
Development Programme	16,854	22,082	(20,708)	18,228
Emergency	467	-	-	467
	<u>17,321</u>	<u>22,082</u>	<u>(20,708)</u>	<u>18,695</u>
General Fund	1,450	-	-	1,450
	<u>18,771</u>	<u>22,082</u>	<u>(20,708)</u>	<u>20,145</u>

Trust:

Designated Funds	10,058	15,717	(13,481)	12,294
General Fund	1,450	-	-	1,450
	<u>11,508</u>	<u>15,717</u>	<u>(13,481)</u>	<u>13,744</u>

(a) Development Programme Fund

The Development Programme Fund is used to support relief and development programmes overseas, in partnership with local communities.

(b) 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.

Resources expended include the exchange difference arising on consolidation of subsidiary and the actuarial movement on the valuation of the defined benefit pension scheme as per the SOFA.

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

Group:	2019	2018
	€'000	€'000
Adjusted for:		
Net (expenditure)/income for the financial year (as per SOFA)	(6,176)	3,906
Depreciation	172	187
Impairment of property	-	176
Loss on disposal of fixed assets	5	-
Increase in stock	(219)	(324)
Defined Benefit Pension Scheme costs	47	58
Defined Benefit Pension Scheme contribution	(250)	(250)
Interest and investment income receivable	(74)	(60)
Increase in debtors	(2,115)	(37)
Increase in creditors	6,311	608
Exchange Gain	203	(166)
	<hr/>	<hr/>
Net cash (used in)/from charitable activities	(2,096)	4,098
	<hr/>	<hr/>

Trust:	2019	2018
	€'000	€'000
Adjusted for:		
Net (expenditure)/income for the financial year (as per SOFA)	(3,959)	870
Depreciation	166	180
Loss on disposal of fixed assets	5	-
Increase in stock	(219)	(324)
Defined Benefit Pension Scheme costs	47	58
Defined Benefit Pension Scheme contribution	(250)	(250)
Net movement with group undertakings	(1,265)	(576)
Interest and investment income receivable	(49)	(45)
Increase in debtors	(1,783)	(1,593)
Increase in creditors	6,023	1,092
	<hr/>	<hr/>
Net cash used in charitable activities	(1,284)	(588)
	<hr/>	<hr/>

18. RETIREMENT BENEFIT SCHEMES

Defined contribution schemes

The Trust operates a defined contribution retirement benefit scheme for all qualifying employees of Trócaire. The total expense charged to the statement of financial activities in the year ended 28 February 2019 was €0.8m (2018: €0.7m).

Defined benefit schemes

Following an in-depth review of the defined benefit scheme, the Trustees approved the closure of the scheme to new entrants and that all future benefits would cease. This came into effect on 1st September 2013. A revised defined contribution scheme was established with employer contributions of 8-14% dependent on age.

The most recent actuarial valuations of scheme assets and the present value of the defined benefit obligation were carried out at 28 February 2019 by Mr Shane Wall, of Joseph G. Byrne Sons Consulting Actuaries Limited, who is a Fellow of the Institute of Actuaries. The present value of the defined benefit obligation, the related current service cost and past service cost were all measured using the projected unit credit method.

In 2018/19, Trócaire proposed to the trustees of this pension scheme that an enhanced transfer value would be offered to members. Independent financial advice was offered to all members of the scheme, and the offer was entirely voluntary for all current and former staff members. 34% of the members availed of the enhanced transfer value offering. This resulted in a settlement gain of €1m in the financial statements of Trócaire as shown on page 78.

	Valuation at	
	2019	2018
Key assumptions used:		
Discount rate	1.80%	2.00%
Future pension increase for service prior to 1 May 2007	5.00%	5.00%
Future pension increase for service after 1 May 2007	3.00%	3.00%
Inflation	1.50%	1.75%

Demographic assumptions:

The key demographic assumptions used to calculate the retirement benefit liabilities under FRS102 at the beginning and end of the period were:

	Valuation at	
	2019	2018
	Years	Years
Retiring today:		
Males	23.4	23.3
Females	24.1	24.0
Retiring in 20 years:		
Males	25.6	25.5
Females	26.1	26.0

18. RETIREMENT BENEFIT SCHEMES (CONTINUED)

Amounts recognised in the Group and Trust's Statement of Financial Activities in respect of the defined benefit scheme is as follows:

	2019 € '000	2018 € '000
Net interest cost	(47)	(58)
	<u>(47)</u>	<u>(58)</u>

Amounts recognised in the Group and Trust's other recognised (losses)/gains within the Statement of Financial Activities in respect of the defined benefit scheme is as follows:

	2019 € '000	2018 € '000
Actuarial loss	(45)	(187)
Return on plan assets (excluding amounts included in net interest costs)	(12)	287
	<u>(57)</u>	<u>100</u>
Total (loss)/gain relating to defined benefit scheme	<u>(104)</u>	<u>42</u>

The amount included in the Group and Trust's Balance Sheet arising from the Group and Trust's obligations in respect of its defined benefit retirement benefit schemes is as follows:

	2019 € '000	2018 € '000
Present value of defined benefit obligations	(9,470)	(14,637)
Fair value of scheme assets	8,123	12,060
Net liability recognised in the balance sheet	<u>(1,347)</u>	<u>(2,577)</u>

Movements in the present value of defined benefit obligations were as follows:

	2019 € '000	2018 € '000
At 1 March	14,637	14,177
Interest cost	255	298
Actuarial loss	45	187
Benefits paid	(4,383)	(25)
Liabilities extinguished on settlements	(1,084)	-
At 28 February	<u>9,470</u>	<u>14,637</u>

18. RETIREMENT BENEFIT SCHEMES (CONTINUED)

Movements in the fair value of scheme assets were as follows:

	2019	2018
	€ '000	€ '000
At 1 March	12,060	11,308
Interest income	208	240
Return on plan assets (excluding amounts included in net interest cost)	(12)	287
Contributions from the employer	250	250
Benefits paid	(4,383)	(25)
	<hr/>	<hr/>
At 28 February	8,123	12,060
	<hr/>	<hr/>

The analysis of the scheme assets at the balance sheet date was as follows:

	2019	2018
	%	%
Fair value of assets		
Equity instruments	37.5	63.3
Debt instruments	55.2	36.7
Other Assets	7.3	-

19. LEASE COMMITMENTS

Total future minimum lease payments under non-cancellable operating leases as follows:

	2019	2018
	€'000	€'000
Leasehold premises:		
Within one year	416	416
Between one and five years	1,586	1,638
After five years	1,960	2,325
	<hr/>	<hr/>
	3,962	4,379
	<hr/>	<hr/>

20. FINANCIAL INSTRUMENTS

The carrying value of the group's financial assets and liabilities are summarised by category below:-

Group:

	2019	2018
	€'000	€'000
Financial Assets		
<i>Measured at undiscounted amount receivable</i>		
Donor income accrued	30,401	28,172
Other debtors	230	341
Deposit income accrued	4	2
	<hr/>	<hr/>

Trust:

	2019	2018
	€'000	€'000
Financial Assets		
<i>Measured at undiscounted amount receivable</i>		
Donor income accrued	29,589	27,572
Amounts due from subsidiary undertaking	2,881	1,616
Other debtors	172	326
Deposit income accrued	-	2
	<hr/>	<hr/>

20. FINANCIAL INSTRUMENTS (CONTINUED)**Group:**

2019	2018
€'000	€'000

Financial Liabilities*Measured at undiscounted amount payable*

Approved partner commitments	11,632	6,395
Trade creditors and accruals	2,548	2,424
Donor income deferred	1,226	500

Trust:

2019	2018
€'000	€'000

Financial Liabilities*Measured at undiscounted amount payable*

Approved partner commitments	11,632	6,395
Trade creditors and accruals	2,215	2,373
Donor income deferred	1,226	500

21. SUBSEQUENT EVENTS

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

SUPPLEMENTARY INFORMATION

(NOT COVERED BY THE INDEPENDENT AUDITOR'S REPORT)

APPENDIX 1 – CHARITABLE EXPENDITURE BY COUNTRY

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2019

The following table shows the breakdown of charitable expenditure to overseas programme. This includes grants to partners, programme activities and support costs.

	Country	2018/19 €'000	2017/18 €'000
1	Somalia	6,857	6,983
2	Myanmar	6,289	7,814
3	Democratic Republic of Congo	5,505	4,324
4	Ethiopia	5,145	3,986
5	Kenya	4,636	6,272
6	Malawi	4,112	2,709
7	Zimbabwe	3,786	3,715
8	Honduras	3,770	3,009
9	Nicaragua	3,640	2,250
10	Rwanda	3,462	2,922
11	Uganda	3,435	2,761
12	Guatemala	3,185	2,752
13	South Sudan	2,814	970
14	Sierra Leone	2,695	2,561
15	Pakistan	2,605	4,976
16	Syria	1,441	1,717
17	Occupied Palestinian Territory	1,273	858
18	Sudan	799	1,571
19	Lebanon	368	-
20	Yemen	250	73
21	Eritrea	50	-
22	Indonesia	48	-
23	India	30	30
24	Greece	30	-
25	Ecuador	30	-
	Other countries and projects	788	532
	Total overseas programme costs	67,043	62,785

APPENDIX 2 – TOP 50 GRANTS TO PARTNERS

			Total Grants
	Partner Name	Country	€'000
1	CAFOD	South Sudan	2,195
2	Caritas St. Polten	Pakistan	1,156
3	Karuna Mission Social Solidarity	Myanmar	930
4	Basmeh & Zeitooneh - A Lebanese Association	Lebanon	796
5	Community Initiative Facilitations Assistance	Ethiopia	658
6	Caritas Mahagi	DRC	624
7	Zimbabwe Lawyers for Human Rights	Zimbabwe	554
8	Asociacion de Desarrollo Pespirese	Honduras	552
9	Bridging Rural Integrated Dev and Grassroot Empowerment	Myanmar	539
10	Action for Development	Ethiopia	530
11	Adigrat Diocesan Catholic Secretariat - Adigrat	Ethiopia	529
12	Caritas Nicaragua	Nicaragua	501
13	Programme Nourriture D'Abord	DRC	388
14	Adigrat Diocesan Catholic Secretariat	Ethiopia	381
15	Club des Volontaires pour l'Appui aux Peuples autochtones	DRC	364
16	NAG	Myanmar	340
17	Bishop Gassis Relief and Rescue Foundation	Sudan	331
18	Catholic Diocese of Lodwar	Kenya	328
19	CADECOM, Chikwawa	Malawi	324
20	Catholic Diocese of Kitui	Kenya	312
21	CADECOM, Mangochi	Malawi	293
22	Zimbabwe Peace Project	Zimbabwe	291
23	Rwanda Development Organisation	Rwanda	291
24	Diocese of Meru	Kenya	281
25	Legal Resources Foundation	Kenya	280
26	Research and Development Foundation	Pakistan	274
27	Caritas, Gikongoro	Rwanda	264
28	Catholic Church of Gamo Gofa and South Omo	Ethiopia	258
29	Phan Tee Eain	Myanmar	254
30	LAAR Humanitarian and Development Program	Pakistan	254
31	Girl Child Network	Kenya	254
32	Forum des Mamans de l'Ituri	DRC	252
33	Islamic Relief Worldwide	Yemen	250
34	CICOD	Malawi	250
35	Movimiento Comunal Nicaraguense Somoto	Nicaragua	246
36	CADECOM, Zomba	Malawi	243
37	Asociación Octupan "Lugar de los grandes caminos"	Nicaragua	242

38	SAWA for Development and Aid	Lebanon	238
39	Centre for Democracy and Human Rights	Sierra Leone	228
40	EcoDev (ALARM)	Myanmar	223
41	Initiative pour la Promotion de la Femme de Gikongoro	Rwanda	222
42	Caritas Austria	Multi Country	219
43	Commission Diocésaine Justice et Paix Bunia	DRC	219
44	Emthonjeni Women's Forum	Zimbabwe	214
45	Teso Diocese Planning & Devt Office	Uganda	212
46	Cadre D'Appui pour la Recherche des Solutions	DRC	212
47	CADECOM, Dedza	Malawi	200
48	Kambia District Development and Rehabilitation Organisation	Sierra Leone	198
49	Society for Women and AIDS in Malawi	Malawi	196
50	Caritas Rwanda	Rwanda	192
Total Top 50 Grants to Partners			19,582
Other Grants to Field Partners			26,796
Other Grants to Ireland Partners			170
Total Grants to Partners			46,548

TRUSTEES AND OTHER INFORMATION

TRUSTEES OF TRÓCAIRE

Archbishop Eamon Martin (Chair)
 Archbishop Diarmuid Martin
 Archbishop Michael Neary
 Archbishop Kieran O'Reilly
 Bishop John Kirby
 Bishop Noel Treanor
 Bishop William Crean

CHIEF EXECUTIVE OFFICER

Caoimhe de Barra

BOARD

Bishop William Crean (Chair)
 Bishop Ray Field (appointed May 2018)
 Harry Casey
 Éamonn Meehan (resigned October 2018)
 Prof Monica McWilliams (resigned June 2018)
 Fiona Tierney (resigned June 2018)
 Christopher Queenan
 Deirdre Kenny (resigned June 2018)
 Conall O'Caoimh
 Gerry Culligan
 Sandra Lawler
 Rosemary McCreery
 Sr. Carmel Flynn
 Annette Honan (appointed June 2018)
 David Donoghue (appointed June 2018)
 Emma Murray (appointed June 2018)

BOARD SUB COMMITTEES

Audit & Risk Committee

Christopher Queenan (Chair)
 Declan Kenny (resigned May 2018)
 Donal Flynn
 Yvonne Hill
 Fergal Power
 Denis Murphy
 Karen Dillon

Organisation & Human Resource Committee

Fiona Tierney (Chair) (resigned June 2018)
 Rosemary McCreery (Interim Chair) (appointed June 2018)
 Eimear Kenny (resigned September 2018)
 Éamonn Meehan (resigned October 2018)
 Matt Walsh
 Nicola McCracken

International Programmes Advisory Committee

Conall O’Caoimh (Chair)
 Sr. Geraldine Henry (resigned December 2018)
 Mairtin O’ Fainin
 Rosemary McCreery
 Deirdre Kenny (resigned June 2018)
 Nata Duvvury
 Kevin Farrell (appointed September 2018)
 Sr. Denise Boyle (appointed December 2018)
 David Donoghue (appointed December 2018)

Funding & Public Engagement Committee

Gerry Culligan (Chair)
 Ronan Morris
 Bronagh Twomey
 Rachel Power
 Sandra Lawler
 Annette Horan (appointed October 2018)

Nominations Committee

Fiona Tierney (Chair) (resigned June 2018)
 Rosemary McCreery (Interim Chair) (appointed June 2018)
 Christopher Queenan
 Harry Casey
 Eamonn Meehan (resigned October 2018)
 Caoimhe de Barra (appointed October 2018)

EXECUTIVE LEADERSHIP TEAM

Chief Executive Officer	Caoimhe de Barra
Director of International Division	Sean Farrell
Director of Fundraising and Marketing	Gwen Dempsey
Director of Public Engagement	John Smith
Director of Strategy, Programmes and Advocacy	Finola Finnan
Director of Human Resources, L & D	Joseph Shannon
Director of Corporate Services	Michael Wickham Moriarty

PRINCIPAL OFFICE

Maynooth
 County Kildare

PRINCIPAL BANKERS

AIB Bank
 7/12 Dame Street
 Dublin 2

Bank of Ireland
 Lower Baggot Street
 Dublin 2

AUDITORS

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

SOLICITORS

Philip Lee
7/8 Wilton Terrace
Grand Canal Dock
Dublin 2

Mason Hayes & Curran
South Bank House
Barrow Street
Dublin 4

REPUBLIC OF IRELAND

CHY Number:	5883
Charities Regulatory Authority Number:	20009601

NORTHERN IRELAND

Company Number:	NI021482
HMRC Number:	XR10431
Charity Commission Number:	NIC103321
