

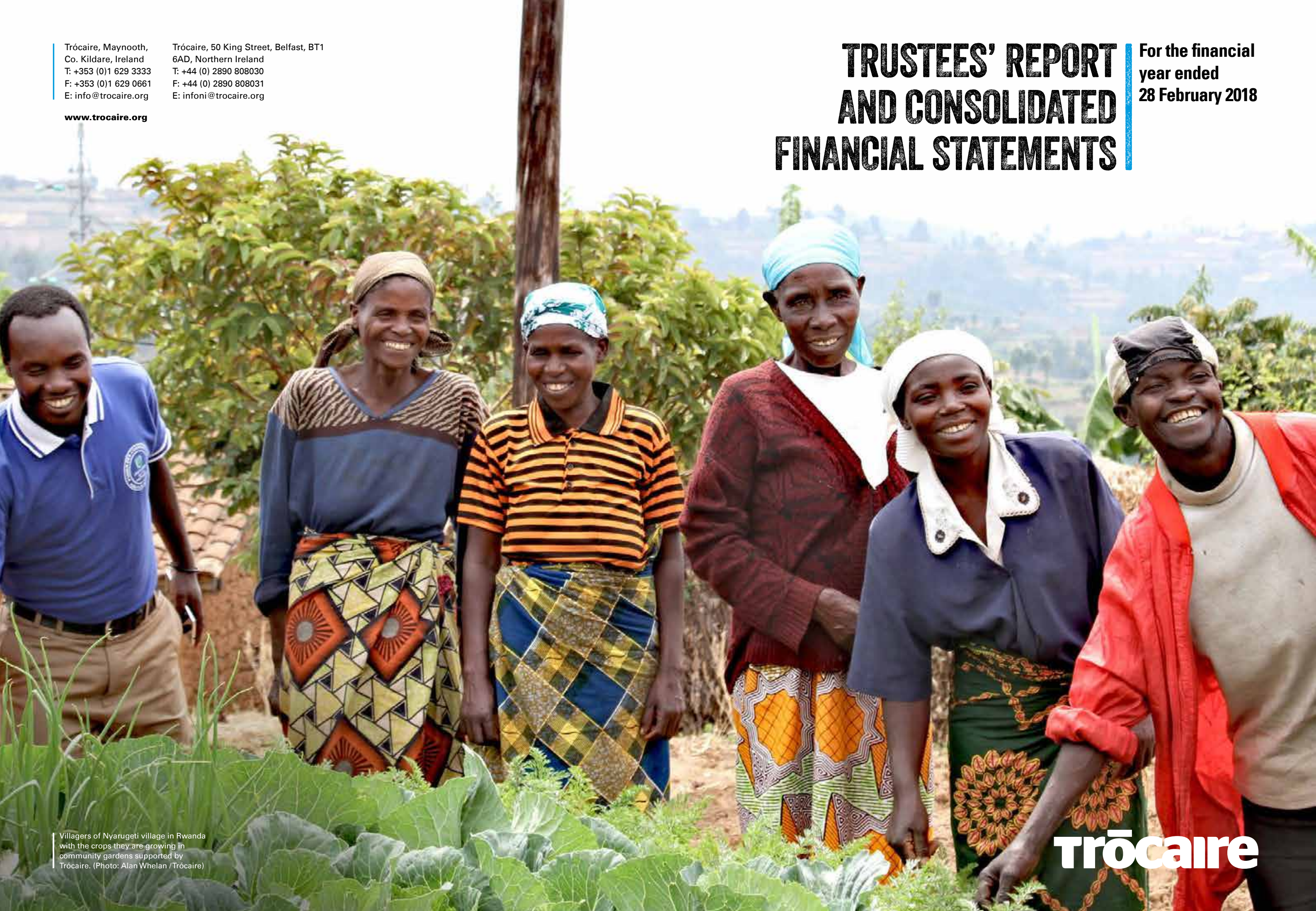
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TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

For the financial
year ended
28 February 2018



Villagers of Nyarugeti village in Rwanda
with the crops they are growing in
community gardens supported by
Trócaire. (Photo: Alan Whelan / Trócaire)

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.

HOW WE WORK

To realise our vision, we work in partnership with local communities to deliver real change. 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.

Our theory of change works 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
- Influencing those in power to create a fairer and more sustainable world.

Annabel Butler (3), left, from Meath and Ruth Finneran (4) from Roscommon launching the Lenten Appeal. (Photo: Mark Stedman)

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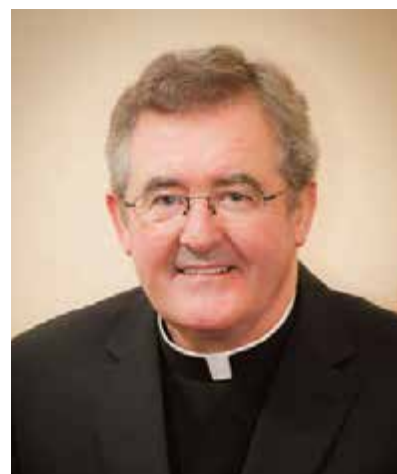
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MERCY IN ACTION

It is 45 years since the Bishops' Conference of Ireland established an agency to tackle injustice overseas.



In Ireland, the work Trócaire carries out, particularly in schools, has helped to shape the views of Irish people over generations.

That agency was Trócaire and its work is as relevant today as it was in 1973.

Performing the duties of Chair of Trócaire is an honour. I am immensely proud of what the agency achieves. Last year alone 2.8 million people living in poverty and exclusion received vital support and assistance from Trócaire.

Trócaire is the Irish for 'compassion' and that simple message continues to guide the work it performs in over twenty countries throughout Africa, Asia, Latin America and the Middle East.

Pope Francis speaks of the need to never lose sight of our compassion, solidarity and mercy. He reminds us, "today we cannot be satisfied with simply being aware of the problems faced by many of our brothers and sisters". We must act on this knowledge to create a world free from injustice and suffering.

The work Trócaire performs around the world is mercy in action. Parishes around the country offer support for this work on an ongoing basis. That support was increased last July when a national church collection raised €5m for Trócaire's east Africa emergency appeal. It was heartening to see such a strong response from parishes to a dreadful situation.

In Ireland, the work Trócaire carries out, particularly in schools, has helped to shape the views of Irish people over generations. Compassion, understanding and support for people in the developing world are integral parts of Irish culture. We should be very proud of this. I have no doubt that Trócaire has played a significant role in fostering this culture of compassion.

I am constantly impressed by the dedication and courage of Trócaire's staff. The work they do would not be possible without the support of the public, but the public should know that their donations are in good hands.

As Chair, I work closely with senior staff and also my colleagues on the Board and the various sub-committees of the Board to ensure the organisation is being run appropriately and effectively. I have every faith that this is the case. Huge effort goes into ensuring transparency, accountability and impact.

The stories told in this report are testament to the important work being done by Trócaire and to its impact.

William Crean
Bishop of Cloyne
Chair of the Board of Trócaire



Javier (12) pictured on the community football pitch that has been destroyed by flooding near San Pedro Sula, Honduras. Trócaire is working with local partners to help residents of this coastal community who are losing their home to rising sea levels. (Photo: Frank McGrath)

A NEW PLAN FOR NEW CHALLENGES

The world is rapidly changing. Technology is changing how we interact, both with each other and also with the wider world.

Amid the positive benefits of these developments comes the dangers of misinformation and the deliberate spreading of fear. This has profoundly impacted the structures which govern the world.

Populism has led to an increase in xenophobia and a retreat from values of justice, compassion and solidarity. Autocratic leaders have become emboldened in their disregard for human rights. The freedom and space for civil society organisations to operate is tightening in many countries. This should be a concern for everybody. Like a free press, a free civil society is fundamental to democracy.

Clear efforts are being made to undermine the human rights mandate of the UN system. The incumbent High Commissioner for Human Rights, Zeid Ra'ad Al Hussein, has stated he will not be seeking a second term, citing concern that his voice would be silenced in an age when the United States and other world powers are retreating from their historical commitment to human rights.

US President Donald Trump has also withdrawn US funding to UNRWA, the UN agency set up to assist Palestinian refugees. This was 'punishment' for Palestinian rejection of the reckless decision by the US to recognise Jerusalem as the capital of Israel.

2017 was marked by a significant growth in the numbers of people affected by the intersection of drought and conflict. This was at its most alarming in South Sudan and Somalia, where millions hovered close to famine. A national church collection greatly bolstered Trócaire's response to this crisis, helping to keep people alive throughout Somalia, South Sudan, Kenya and Ethiopia.

The reality of widespread displacement and conflict has grown significantly over the course of 2017. The year saw an unexpected growth in the number of people forced by conflict or drought to move into other extremely fragile areas. We have seen people flee South Sudan and taking refuge in the Democratic Republic of Congo, a country itself wracked by conflict and brutal violence.

The most worrying development has been the absence of protection for civilians trapped in conflict zones. Syria and Yemen are two pressing examples of conflicts where civilians are being deliberately targeted – either through attack or forced starvation – by powerful states. International Humanitarian Law forbids the targeting of civilians but this is being flouted time and time again with no repercussions. The UN Security Council is hopelessly politicised and not fit for purpose.



On a more positive note, an increased focus on gender inequality, culminating in the #MeToo movement, has created more discussion on structural inequalities facing women around the world. There is a renewed focus on tackling cultural norms that have for so long left women vulnerable to violence and abuse, while also acting as a barrier to full economic, social and political participation.

In 2016, Trócaire launched a new strategic plan to guide our work through the new contexts in which we find ourselves. The plan centred on the three focus areas: Resource Rights, Women's Empowerment and Humanitarian Response. Underpinning all of these areas is a belief that human rights should be central to everything we do.

It set out a clear ambition to move from distinct thematic

areas to more integrated and holistic programming. This recognises that people face multiple and often intersecting challenges. Our work must respond by helping people to overcome these multiple challenges.

Last year was the first full year of implementation of the new plan following significant realignment of staff and programming to the new priority programme areas. The financial year 2017/18 was the first full year operating under the new approach.

I am hugely encouraged by the progress we are making against each goal area. Our programmes overseas are delivering real and tangible impact in the lives of the poorest and most vulnerable. Last year, 2.8 million people's lives were touched and improved by the support given to them by Trócaire. That is the core of our work and, ultimately, it is the measure by which we judge ourselves.

We are also continuing to deepen our engagement with communities in Ireland. Working with schools, parishes and other groups in Ireland is fundamental to Trócaire's work. That engagement builds an understanding of global justice throughout Ireland. It also generates the support that makes our work overseas possible.

Last year was a year of incredible generosity from the Irish public. A total of €29.1m was donated to our work. That was underlined by donations of €8.7m to our Lenten Appeal, an increase of €1.3m from 2016. These donations are the lifeblood of our work. Much of this support is driven by parishes. In particular, I want to pay tribute to clergy around the country who do so much to promote and support Trócaire at parish level.

I also want to acknowledge the strong support for our work from Irish Aid, the Government's programme for overseas

development. Irish Aid has long been regarded as a global leader in development and its support for Trócaire is vital.

This October I will retire from Trócaire, having worked for the organisation in a variety of roles since 1991, including as Executive Director for the last five years. I want to pay tribute to Trócaire's teams around the world whose dedication, commitment and courage helps to transform the lives of the world's most vulnerable people. Leading that team has been a great privilege. The person charged with leading Trócaire over the coming years will inherit a strong and dynamic team that creates real change around the world.

Éamonn Meehan
Executive Director



Recently arrived Rohingya refugees shelter at a reception area in southern Bangladesh.
(Photo: Tommy Trenchard / Caritas)

OUR WORK AT A GLANCE

In 2017/18 Trócaire's work improved the lives of 2.8 million people in some of the poorest countries in the world.

Kumba, age 7, (left) and her sister
Fatu, Freetown, Sierra Leone.
(Photo: Mark Stedman)



HUMAN RIGHTS

€4.8m spent
526,400 people supported directly



RESOURCE RIGHTS

€16.2m spent
633,700 people supported directly



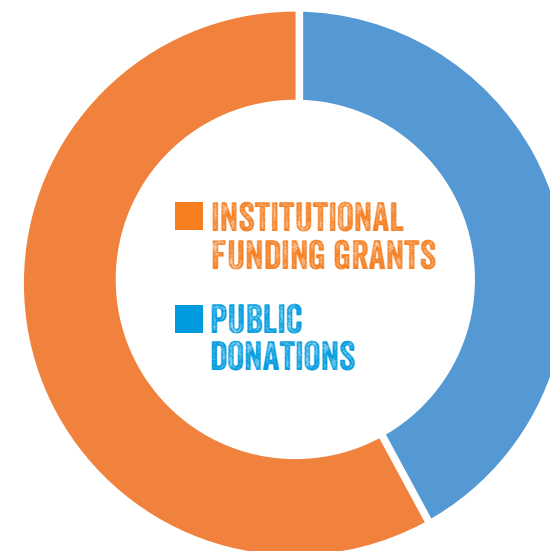
WOMEN'S EMPOWERMENT

€14.3m spent
161,000 people supported directly



HUMANITARIAN

€26.8m spent
1,374,400 people supported directly

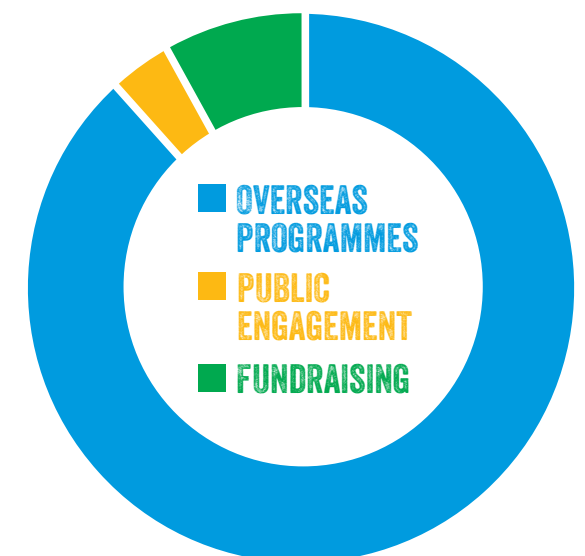


INCOME

TOTAL INCOME: €75m

Institutional funding and grants: €45.8m

Public donations: €29.1m



EXPENDITURE

TOTAL EXPENDITURE: €71.1m

Overseas programmes: €62.8m

Fundraising: €5.7m

Public Engagement: €2.6m

WHERE WE WORK

Approximate number of people supported listed in brackets beside country name

AFRICA

1. Democratic Republic of Congo (69,000)
2. Ethiopia (1,107,400)
3. Kenya (389,200)
4. Malawi (140,800)
5. Rwanda (39,300)
6. Sierra Leone (46,900)
7. Somalia (192,800)
8. South Sudan (90,100)
9. Sudan (131,100)
10. Uganda (14,600)
11. Zimbabwe (123,700)

ASIA AND THE MIDDLE EAST

12. Myanmar (50,400)
13. Israel / Occupied Palestinian Territories (9,000)
14. Pakistan (120,100)
15. Syria / Lebanon (72,500 including 900 refugees in Serbia)

CENTRAL AMERICA

16. Guatemala (56,500)
17. Honduras (10,500)
18. Nicaragua (21,800)

We also provided humanitarian assistance in:

19. Philippines (17,500)
20. India (4,000)
21. Iraq (57,400)
22. Nepal (600)
23. Bangladesh (5,900)
24. Yemen (900)

Impact figures throughout this report relate to direct beneficiaries of our work. They are based on data collected in communities through partners and validated by programme teams with adjustments made for double counting across grants. We are constantly refining and improving our approach to data collection in order to make these impact figures as accurate as possible.

SOME EXAMPLES OF OUR WORK IN 2017/18

- 22,465 people in southern Ethiopia received agricultural support to overcome drought
- 28,046 people in Pakistan were supported by our work tackling gender-based violence
- 192,782 people in Somalia were provided with healthcare and food support
- 35,793 people in Myanmar were provided with shelter, food and humanitarian aid
- 1,527 people in Gaza received psychosocial counselling
- 60,151 people in Malawi were supported to increase food production

Reference: Marlin map

Belfast boxer Carl Frampton and his wife Christine teamed up with Trócaire to support our Christmas Appeal. Carl and Christine are pictured here with mothers at St. Mary's Primary Health Clinic in the town of Kalokol, northern Kenya. In this area mothers and their children are caught up in a food crisis brought on by prolonged drought. (Photo: Justin Kernaghan/Trócaire)



GOAL 1: HUMAN RIGHTS AND DEMOCRATIC SPACE

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.

2017 saw an increase in the worrying trend of civil society organisations – NGOs, human rights activists – being denied the freedom to operate and speak freely.

2017 saw an increase in the worrying trend of civil society organisations – NGOs, human rights activists – being denied the freedom to operate and speak freely. This trend spread significantly and deepened across Trócaire's countries of operation.

Our programmes under Goal One are focused on nine countries: Guatemala, Honduras, Kenya, Malawi, Nicaragua, Israel/Palestine, Pakistan, South Sudan and Zimbabwe.

Each of these countries are challenging environments for human rights organisations. For example, a severely restrictive NGO bill is currently being debated in Guatemala; Israel has restricted foreign funding for Israeli NGOs and denied entry for some international organisations; while in Honduras there have been efforts to criminalise social protest.

Individuals and organisations who challenge government policy are subjected to violence, defamation and imprisonment. At least 18 human rights defenders were killed in Honduras and Guatemala last year. In addition, over 30 demonstrators were killed by state forces in Honduras following the disputed Presidential election last November.

Our programmes respond to human rights violations in a number of ways:

- Providing human rights training to people experiencing abuses
- Protecting human rights defenders with legal aid, psychosocial support, physical accompaniment and access to emergency protection services
- Advocating for stronger legal protection for human rights activists.

There are strong examples across countries of progress being made against this goal area. For example, in Honduras 2,600 people benefited from our support under this goal area last year. Legal defence was provided for 34 cases involving human rights defenders. These cases resulted in improvements, including release from prison. We supported 66 monitoring and documentation initiatives related to human rights violations against women and indigenous groups.

Our bonded labour programme in Pakistan supported 8,284 people working in ten brick kiln clusters. This programme provides literacy classes for adults, supports children's enrolment in schools, and creates workers groups to advocate for minimum wages and implementation of forced labour and child labour legislation.



The plaintiffs in the Sepur Zarco case in Guatemala – which resulted in the successful prosecution of Guatemalan military leaders for crimes against humanity during the civil war - received the International Human Rights Award from the Human Rights Association of Spain. Trócaire has supported the plaintiffs for many years.

Further positive developments were seen with the roll-out of a national compensation policy for survivors of the Chixoy Massacre in Guatemala, in which over 400 people were killed in 1982. Trócaire has long advocated for compensation for survivors.

The focus of the programme in Israel/Palestine is to support families at risk of being forcibly displaced in the West Bank through legal protection. We also support services and human rights support for people in Gaza enduring the ongoing siege that has crippled the economy and effectively imprisoned two million people. Over 1,500 people in Gaza received psychosocial counselling through our programmes last year.

Litigation supported by Trócaire resulted in an Israeli High Court ruling that the Civil Administration must now give families two weeks notice before their home is to be demolished. This is a pivotal development, allowing families time to mount legal challenge. This meant that 1,979 Palestinians were able to continue living in their homes.

All of Trócaire's programmes are implemented through local partner organisations. Partners operating human rights programmes display enormous courage to defend communities from abuses, often putting themselves at great risk to do so.

Progress

These programmes seek to defend human rights by challenging impunity and addressing power imbalances between citizens and state. While fighting for individual victories in the short-term, these are long-term goals that will require perseverance and commitment over many years. A focus for this year was

establishing the programmes in line with the new strategic plan. Good progress has been made and this will be built on further over the coming years.

Looking ahead

The human rights landscape remains fragile and susceptible to deterioration in many countries where we work. Elections or political transitions in many countries have led to spikes in insecurity and an increased potential for conflict. Local politics will continue to determine shifts in the human rights situation. At an international level, threats to multilateralism have emboldened repressive regimes. This is a worrying trend, one which may continue to have negative repercussions both for local human rights activists and also for international agencies such as Trócaire.

Above: Trócaire and local organisations held peace rallies in Nairobi's Kibera slum in the run-up to the 2017 general election to help reduce ethnic tensions. (Photo: Thom Pierce)

JAILED FOR SPEAKING OUT

Abelino Chub Caal has been imprisoned since February 2017 under false criminal charges because of his role defending the rights of indigenous communities in Guatemala.



He is a member of the Guillermo Toriello Foundation and CUC (The Committee for Peasant Unity), which advocate for access to land and housing. Trócaire supports both of these organisations.

Abelino acted as a mediator for indigenous communities fighting for their land rights against landlords and mining companies.

Human rights defenders in Guatemala are often subjected to death threats, harassment, stigmatisation, arbitrary detention, and even murder.

The exceptionally high level of impunity enjoyed by the perpetrators increases the risk for defenders.

The campaign against Abelino follows a well-established pattern of criminalisation of human rights defenders in Guatemala.

Defenders are charged with serious criminal offences that require mandatory pre-trial detention, enabling long periods in detention without evidence having been produced.

Abelino was held in pre-trial detention until May of this year when a judge forwarded his case for full trial. Abelino is charged with land grabbing and arson. There is no evidence against him.

This strategy of criminalisation aims to intimidate and silence.

Far away from his home and people for over a year, Abelino is in good spirits. "I am imprisoned for pleading for justice and defending my people," he said. "My deprivation of liberty is a sign of the inability of the State authorities to resolve the social conflict. I deeply thank everyone who has supported me."

Below: People march in support of Abelino Chub Caal (pictured inset).

"I am imprisoned for pleading for justice and defending my people"



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.

People need to have access to and control over natural resources to be able to provide food and income. However, states are failing in their duty to protect these rights for many of the world's poorest people.

We work with communities to ensure they have the right to access and manage water and land resources. We also offer training, support and equipment to ensure they can grow food and earn an income.

Much of this work is done in the context of worsening climate change, which is changing rainfall patterns and leading to erratic weather.

This goal is core to our work in 14 countries: DRC, Ethiopia, Guatemala, Honduras, Kenya, Malawi, Myanmar, Nicaragua, Pakistan, Rwanda, Sierra Leone, South Sudan, Uganda and Zimbabwe.

We work with communities to ensure they have the right to access and manage water and land resources.

We had notable success in some countries on long-term objectives around securing communities access to land. For example, seven communities in Guatemala achieved official registration as indigenous communities. This grants them legal status and the ability to access supports.

Advocacy on the National Land Law in Myanmar resulted in the Kachin State Parliament committing to reclaim land seized by companies and redistribute it to the original owners and landless farmers.

The Supreme Court in Honduras declared six articles of the General Mining Law to be unconstitutional, while a community in Tolupan village succeeded in blocking attempts to cut down their forests.

Interventions to improve soil moisture and water access through capture, storage and distribution management were successfully initiated in seven countries: DRC, Guatemala, Kenya, Malawi, Nicaragua, Rwanda and Zimbabwe. In Kenya 450 people, of whom 251 are women, learned soil water conservation skills and dug 27 rainwater harvesting ponds.

In Kenya and Rwanda, Trócaire supported 51 communities to map their natural resources. These maps have increased community awareness of their resources and will inform their management plans. In Uganda, over 4,000 people formed Natural Resource Management groups, producing 63 resource maps.

In drought-prone regions of southern Ethiopia, 22,465 people received support to increase resilience to climate change, including through the distribution of seeds and farming equipment.

We train communities on agroecological techniques. Agroecology is an approach to food production that prioritises the health of the land and soil over short-term production needs. Intensive farming focused on single crops can do long-term damage to land. Agroecology promotes sustainable farming and crop diversification.

In Nicaragua, 8,943 farmers, mostly female, were trained on crop diversification and agroecology. The proportion of families with crop diversification rose from 22 per cent to 32 per cent in this group.

Our work with rural communities to improve food production benefited 60,151 people in Malawi, 30,712 people in Sierra Leone and 16,537 people in Rwanda.

Advocacy in Rwanda by our partner organisations contributed to a weakening of the central government's 'one region, one crop' rule, allowing for more drought-resistant crops to be grown in drought-prone areas.

Progress

We have seen excellent progress against this goal area, despite it being relatively new to some communities. Our traditional livelihoods work – seeds, tools, irrigation – has taken on more of a rights-based approach.

The work remains vulnerable to outside factors, such as armed conflict, droughts and floods. Where these factors exist, they have impacted on the success of programmes.

Similarly, an unsupportive and sometimes destructive political and economic atmosphere exists for smallholder farming, pastoralists and indigenous people in some countries. This often manifests itself in land grabs by government or private sector. This political environment heightens the need for programming in this area.

In Nicaragua, 8,943 farmers, mostly female, were trained on crop diversification and agroecology.

Looking ahead

We will continue to train communities and partner organisations on issues linked to agroecology and crop diversification. Training has already been provided for some partners not familiar with this approach and this work will continue.

Through our partners we will also continue to fight for land rights, particularly in Latin America, as well as advocating in Ireland for tougher international action on climate change.

FLOURISHING GARDENS IN RWANDA

Rwanda is one of the most densely populated countries in Africa.



The immense sense of community pride in this project is palpable.

With over 11 million people living in a country smaller than Munster, access to land and water is a big problem.

Many communities struggle to grow sufficient food from their small plots of land. But the community in Nyarugeti village has implemented a strikingly effective solution.

Nyarugeti has been transformed by improved access to water, flourishing kitchen gardens and, above all, a renewed sense of community.

The village is teeming with 65 'kitchen gardens', each with a corresponding water tank. The kitchen gardens, so-called because they are built directly outside houses and near the cooking area, are usually built with a mix of compost, rocks, bamboo and wires or sticks.

With the help of Trócaire the community has built 23 water tanks. These tanks harvest rainwater from the roofs of houses. Each tank has capacity for 10 cubic metres of water. These water tanks make it possible for people to water the gardens.

Francine Mukandamage planted onions and cabbages. So successful has it been that she now sells surplus produce at the local market. She now has extra income for school fees, supplies and clothes. She also has money for a wider variety of foods.

"It used to be a lot more difficult to get water," she says. "There was a 30 minute walk to get to the water point and often when I got there, there were long queues and arguments."

The immense sense of community pride in this project is palpable.

People are very happy about the health benefits of the new foods they are growing. Cyprien Rwamdanga, Chairman of Nyarugeti's village water committee, says: "We have seen an improvement in nutrition. Eating vegetables has made a big difference. I didn't know myself before how important it was to eat things like carrots! We have got good education on that."



People in Nyarugeti proudly display the produce at one of the village gardens (Photo: Alan Whelan/Trócaire)

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.

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 work with communities in 13 countries: DRC, Ethiopia, Guatemala, Honduras, Kenya, Malawi, Myanmar, Nicaragua, Pakistan, Rwanda, Sierra Leone, Uganda and Zimbabwe.

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.

Communities where we work have seen positive shifts in attitudes towards women's participation in decision-making. An example of this is Ethiopia, where the number of men in communities where we work showing positive attitudes towards female participation trebled from 277 to 863.

In Sierra Leone, 60 per cent of men we work with reported positive attitudes towards women's participation in local structures, an increase from 39 per cent. More than 60 women ran as candidates in the Sierra Leone elections last year, 80 per cent of whom had been trained in women's groups formed by Trócaire.

In Myanmar, 7,008 men and women received training on women's empowerment.

In some countries we have encouraged partner organisations to implement quota systems within the community structures. For example, in DRC a 70 per cent women's quota was introduced for community level structures. This led to a number of cases where men shared household duties and cared for children while women were engaged in other activities.

The other area of our women's empowerment work focuses on reducing violence against women. This work focuses on Uganda, Kenya, Malawi, Zimbabwe, Sierra Leone, Honduras, Guatemala, Pakistan and Nicaragua.

Our gender-based violence programme in Pakistan, which includes refuges for affected women, supported 28,046 people.

Almost 1,400 people (814 women, 581 men) in Malawi accessed medical or psychosocial outreach services. Sixty-seven per cent of women and 76 per cent of men we work with in Malawi now believe it is wrong to commit violence against women, an increase from 61 per cent and 75 per cent respectively.

Communities where we work have seen positive shifts in attitudes towards women's participation in decision-making.

Members of a women's savings and loans group in southern Malawi conduct their weekly meeting under a tree to record their savings.
(Photo: Bazar Productions)



In Guatemala, 2,005 survivors of violence are receiving legal and psychosocial support, an increase from 223. Attitudes towards gender-based violence also improved in the communities where we work, with 47 per cent of men and 27 per cent of women now opposed to violence, an increase from eight per cent and 23 per cent respectively.

In Zimbabwe, 66 community leaders are playing an active role in addressing gender-based violence. This is an increase from 40 who had previously engaged. A total of 303 survivors of violence in Sierra Leone were provided with medical fees, legal advice, psychosocial support or other support. A further 1,360 people received these services in Nicaragua.

Progress

Women's empowerment involves deep, long-term change. Some contexts have extremely entrenched views relating to gender norms, to the extent that even asking basic questions of communities is met with severe resistance. This highlights the importance of finding the right entry points to address gender inequality.

We have established new partnerships and set up structures within communities to support women's empowerment. We have also trained partner organisations on Trócaire's Women's Empowerment Framework, a methodology to help women address and overcome power imbalances that affect their lives.

Looking ahead

The coming year will focus on strengthening the foundations that have been built. Our focus will remain on the two core objectives: building participation and reducing violence. To do this we will further build in-roads into communities and train both men and women at local level.

We will also further build advocacy at a national level. This can be challenging for women's empowerment programming as some cultures remain resistant to women's participation. Like other rights-based programming, changing these cultural norms will not happen within one programme cycle. However, by operating at both local and national level we can continue pushing for progress.

'NOW I CAN HELP WOMEN DEFEND THEIR RIGHTS'

Some people are born to be leaders, and Victorina Gómez (25) is one of them.



Victorina (pictured left) was born in a poor rural area in northern Nicaragua where women do not have many chances to act as leaders.

Since 2013 she has been participating in training with Trócaire's partner CESESMA to sharpen her skills as a leader.

Thanks to this, Victorina now helps to prevent violence in her community. She also knows better how the law protects the rights of children, teenagers and women living with violence.

For her, violence in Nicaragua is a problem not addressed at a deep enough level.

"Violence is not just hitting," she says. "If the husband takes the family money, he doesn't care about the wife's health. If he yells at her, that is violence too. I want to make other people aware that violence is a priority issue.

"Now I can help women and children to defend their rights. Thanks to my training I was appointed a legal counsellor. Now I can guide women and children on accessing justice."

But Victorina faces many challenges. As a young female leader, she usually deals with male leaders who do not believe in women's abilities.

Victorina also has difficulties with the police.

"If a woman comes to make a complaint on Friday, police tell her to come on Monday because the car is used for other more important cases," she says. "That way the aggressor has time to escape."

Victorina expects other leaders to commit themselves to prevent violence and acknowledge it as a public problem not as a domestic issue.

She has achieved some victories. For example, she managed to introduce the issue of violence against women into debates organised by the local authority about social assistance schemes.

Her challenge now is keeping adults, teenage women and youth informed.

Thanks to the training she received, Victorina has also made other important decisions in her own life and she is studying business administration.

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.

Humanitarian crises were felt in every one of the regions where Trócaire works in 2017/18, mostly driven by conflict and insecurity.

We are providing humanitarian assistance in 17 of our core programme countries: DRC, Ethiopia, Guatemala, Honduras, Kenya, Lebanon/Syria, Malawi, Myanmar, Nicaragua, Pakistan, Rwanda, Sierra Leone, Somalia, South Sudan, Sudan, Uganda and Zimbabwe.

In addition, we provided humanitarian support to people in seven countries where we do not have ongoing programmes: Philippines, Serbia (Syrian refugees), Iraq, Nepal, India, Bangladesh and Yemen. This support is in response to specific humanitarian needs.

Over the course of 2017/18 Trócaire responded to severe drought in Ethiopia, Kenya, Somalia and South Sudan. This response was supported by over €5m in donations from the Irish public through a national church collection held in July. These donations have enabled us to so far bring support to 73,400 people across the region. Examples of our emergency response include the supply of clean water to 4,800 people in one region of Ethiopia, food aid for 4,500 people in northern Kenya, and seeds and tools for approximately 20,000 people in South Sudan. This emergency

response is ongoing and we will continue to support affected communities.

Our humanitarian programmes in Somalia reached 192,782 people with healthcare and food support. This was greatly helped by Irish Aid, who in November shipped 75 tonnes of aid – including tents, mosquito nets and water tanks – to Somalia for distribution through Trócaire's programmes.

The war in Syria continues to have devastating impacts. We supported the distribution of food and other vital aid to 65,000 people in Syria, the vast majority of whom - 48,022 people - were in Aleppo. A further 6,000 Syrians living in Lebanon were supported.

We provided food aid in nine countries: Pakistan, Somalia, DRC, Myanmar, Rwanda, Lebanon, Ethiopia, Sudan and South Sudan. In addition, seeds and tools were distributed to 23,039 individuals in South Sudan, DRC, Pakistan, Somalia and Ethiopia.

In DRC, cash for work helped communities boost livelihoods activities by building fish ponds and irrigation channels for agricultural production.

In Myanmar 35,793 people were reached with humanitarian aid, including shelter, food, water and sanitation.

Over the course of 2017/18 Trócaire responded to severe drought in Ethiopia, Kenya, Somalia and South Sudan.

Programmes in DRC, Lebanon, Myanmar, Pakistan and Rwanda reached 15,775 (8,280 female, 7,495 male) individuals with psychosocial support.

We also responded to sudden needs following incidents such as mud slides in Sierra Leone and an earthquake in Guatemala. In these cases Trócaire provided emergency relief, including food and housing, to affected people.

Where displaced people are arriving into areas where the existing population is already vulnerable (for example, Somalia and Rwanda), programmes were broadened to include host communities to lessen the possibility of tension between communities.

Trócaire's ability to access some areas of need was restricted through restrictions on travel, due both to violence and government restrictions. Access to certain areas of Somalia and South Sudan is restricted, while only local staff have access to certain regions of Pakistan.

Progress

We are developing emergency preparedness plans and capacity at country level to ensure quick response to sudden crises and effective responses to protracted crises.

In particular, our work has focused on the protection of women and girls in emergencies. Displacement puts women at increased risk of violence and abuse. As well as providing expertise in emergency situations to reduce the risks faced by women, we have also trained partners and sister agencies to improve their capacity.

Looking ahead

Responding to drought and conflict in east Africa will continue to be a major part of the programme for the next twelve months. We will also be increasing our response to the crisis in Yemen. Grants to local agencies in Yemen supported 900 people in 2017/18 but this will be increased as needs continue to worsen.

A renewed outbreak of violence in eastern DRC has led to widespread displacement. We are responding and will continue to support people in the area through food and other aid.

The war in Syria continues to have devastating impacts. We supported the distribution of food and other vital aid to 65,000 people in Syria.

'NOW WE FEEL SAFE'

When conflict resumed in Kachin State, northern Myanmar, after a 17-year ceasefire, many people sought refuge in makeshift camps. Almost seven years later, they are still there.



Lahpai Hkawn Nan (32) lived with her three children and grandfather before the conflict resumed.

They had to flee their village with only a few belongings. Her youngest was only two months old.

They arrived at a camp in July 2011. Families were living in overcrowded communal halls and makeshift shelters.

"There are many problems with living in makeshift shelters," Lahpai says. "There was no private place. In the summer it was too hot and in the rainy season the floor and walls got wet. I feared that it would damage the health of my children and my grandfather. The rooms were not safe. I had

been worrying for my daughters' safety at all times."

With support from Irish Aid, Trócaire provided a new shelter for Lahpai and her family, along with others in the camp.

"This was the only happy moment for me since I became displaced," she says. "The new shelter has two rooms with an attached kitchen and it has space to store our belongings. We have a feeling of safety by having windows and a door in our shelter. Now we are staying in a shelter which is well covered and much better than before. Preparing food for my children and grandfather is easier than before. Children also have space to play near our shelter."

"Preparing food for my children and grandfather is easier than before. Children also have space to play near our shelter."



Lahpai Hkawn Nan at her shelter.

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.

Outcome 3: The Irish Government, Northern Ireland Assembly, UK Government, the EU, and other international duty bearers adopt policies and take action – both domestically and within international forums – that contribute significantly towards global social justice.

Lent saw Josiane Umumarashavu travel to Ireland. Josiane was the face of our 2004 Lenten campaign and now, having graduated from university, works for Trócaire in Rwanda.

Trócaire has a dual mandate: to provide assistance to vulnerable people overseas and to engage the Irish public on the root causes of poverty and injustice.

Working with communities in Ireland to encourage solidarity with the world's poor is central to our work. Much of this work is focused on engaging the Catholic church and schools on justice issues.

We work with schools throughout the year, producing educational resources, supporting teachers and running workshops for students to educate the next generation about how they can help to build a just world. Last year our Development Education resources were downloaded from the Trócaire website over 23,000 times. In addition, 10,840 teachers received our climate change resources during Lent.

Our Schools for a Just World programme brings students and teachers from multiple schools to a 'Trócaire day' in one central location. This cluster model increases our reach and also deepens engagement.

We introduced *Learning for a Just World*, a global justice education module co-designed with the Loreto Schools Network, for 1st and 2nd year students as part of the new Junior Cycle framework.

We also developed our Global Voices podcast on environmental sustainability for a new Leaving

Cert subject, Politics and Society.

We continued to build links with universities. For example, the Trócaire Society won Best New Society at the Queen's University Students' Union awards.

We also engage in an ongoing basis with church groups, providing resources and support to encourage deep engagement on issues such as climate change.

During Lent Trócaire speakers addressed masses in 131 parishes, while a further 55 parishes were reached during the east Africa emergency appeal in July. In total, these activities saw us speak directly with an estimated 165,000 parishioners.

Lent saw Josiane Umumarashavu travel to Ireland. Josiane was the face of our 2004 Lenten campaign and now, having graduated from university, works for Trócaire in Rwanda. Josiane spoke of the transformational change Trócaire's support had on her life.

Limerick became the fourth diocese to join our Volunteer programme, following on from Kerry, Cloyne and Armagh. We now have 120 volunteers across these four dioceses.

At a policy level, our two major advocacy campaigns related to climate change and the occupation of Palestine.

Trócaire was instrumental in two pieces of climate change legislation progressing through Dáil Éireann. The Fossil Fuel Divestment Bill and the Climate Emergencies Bill were both developed as a result of our campaigning.

Trócaire made a submission to the Citizens' Assembly deliberation on climate change and encouraged our supporters to do likewise. The Assembly adopted many of our recommendations.

We released a documentary, 'This Is Palestine' hosted by Riverdance director John McColgan, to mark the fiftieth anniversary of the occupation of the West Bank. The documentary was watched over 500,000 times online and was featured in several festivals.

Our 'Home Truths' installation, which replicated a demolished Palestinian home, was brought around the country, while we also supported the Occupied Territories Bill, introduced into the Seanad by Senator Frances Black.

Traditional and digital media channels continue to play a vital role for engaging the public on global justice issues. Our creative use of digital media saw over three million engagements with Trócaire on social channels last year, while our engagement with traditional media drove our campaigns and ensured prominent media coverage for issues such as climate change, displacement and conflict.

One particularly successful initiative saw Belfast boxer Carl Frampton travel to Kenya in support of our Christmas Appeal. Videos of Carl at Trócaire projects in Nairobi and Turkana were viewed 496,000 times

online, while media interviews generated coverage across a range of titles, including UTV, TV3, Newstalk and the Irish Independent.

Looking ahead

Lent 2018 saw the launch of a three-year Development Education learning cycle around the Sustainable Development Goals. This will continue next year, supported by the launch of a new animation series aimed at primary school children.

The World Meeting of Families, to be held in Dublin in August 2018, will be a unique opportunity to bring messages of global justice to the Catholic community in Ireland. We launched the Romero Award in conjunction with the event. These awards will celebrate Irish schools and families who have undertaken a learning journey on global justice.

We will continue to expand our volunteer programme, with a particular focus on the west of Ireland. Dublin, Galway and Down & Connowr will also join

the volunteer programme, bringing to seven the number of dioceses involved by the end of 2018/19.

Our advocacy on climate change and Palestine will continue, as we push for meaningful action from Irish politicians, including pushing for legislation on fossil fuels and settlement goods to be enacted.

Progress

Our outreach work in Ireland continues to be an integral part of Trócaire's mandate. Initiatives aimed at bringing global justice issues to church, schools, political and general public audiences have yielded excellent results. This can be seen across a range of measures, from the number of teachers engaging with our resources through to engagement levels with our work on digital channels. In particular, our policy and advocacy work contributed significantly to several pieces of legislation being introduced into the Oireachtas.



Josiane Umumarashavu, who featured on the 2004 Lenten box, visited Ireland in February. She is pictured here with St Colmcille's student Lucia Conroy Garcia (8). (Photo: Mark Stedman/Trócaire)

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 in Ireland do what they can to support our call for a just world. This support is what makes Trócaire possible.



RTÉ's Joe Duffy and Fr. Brian D'Arcy at the Gala Christmas concert in aid of Trócaire held in Mount Argus church. (Photo: Barry Cronin)



Kathy Seaver (12) from Milverton School, Skerries, Co. Dublin pictured in Trócaire's show garden at the Bloom festival in Phoenix Park. The garden highlighted the struggle for land rights in central America. (Photo: Mark Stedman)



Participants at Trócaire's Climate Change Challenge, which teaches young people about the threats caused by climate change. (Photo: David O'Hare / Trócaire)



2FM's Bernard O'Shea and Keith Walsh with Dapud Eid Bsesat Jahalin, a farmer on the outskirts of Jerusalem whose community is under threat of house demolition to facilitate further illegal settlement expansion. (Photo: Eoghan Rice / Trócaire)



Left: Pupils from 1st Class in Scoil Bhride, Edenderry, proudly present money raised for Trócaire to Fr. McEvoy. (Photo: Ms Cooney)

Bottom left: Trócaire brought the 'Home Truths' installation around Ireland to illustrate the aftermath of a home demolition in the West Bank. Between 2006 and February 2017, at least 1,785 Palestinian homes were demolished in the West bank, causing 7,909 people – including at least 4,113 children – to lose their homes. (Photo: Mark Stedman)

Below: Ross Malone (7) and his younger brother James (2) from Kildare supporting the Trócaire Lenten campaign in Maynooth. (Photo: Mark Stedman)



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.

We use results-based management across our work to ensure constant learning and improvement.

Creating maximum positive change in the lives of women and men requires a commitment to continuous improvement across all our work, in Ireland and internationally. We use results-based management across our work to ensure constant learning and improvement.

Integration of our programmes is central to how we are improving and innovating. Integrating our programmes increases our impact in the communities we support.

We undertake research at local level to constantly improve our programmes. For example, we are innovating in the area of food production by pioneering agroecological approaches, often marrying this new approach with traditional approaches.

Trócaire's work around self-stigma is an example of innovation in our programming. Working with survivors of gender-based violence and women living with HIV in Zimbabwe, our programme uses Inquiry-Based Stress Reduction (IBSR) to tackle self-stigma. This leads to improved mental health, well-being and quality of life for the women. This is the first time this approach has been applied to HIV and gender-based violence in a developing country.

Innovation has also been evident in our work in Ireland. For example, in autumn 2018 we will launch a role-play video game for

12-14 years olds for use in post-primary schools. This game will be the first time we have used video game technology to bring global justice issues to young people.

We will follow this with further research into 'digital development education' to understand how teachers are using digital tools in classrooms and extend the reach of development education through digital learning.

Progress

We are embedding a culture of continuous learning, innovation and improvement into our work, both internationally and also in Ireland. We have established an Innovation group to drive this culture of innovation throughout the organisation.

Looking ahead

In 2018 we will launch the Trócaire Innovation Awards to recognise and celebrate innovation in all its forms – whether large or small. Importantly, we also celebrate 'failures' as an opportunity for learning and improving. The inaugural Trócaire Innovation Awards will seek submissions from our programmes around the world.



Esther Chegem from northern Kenya. Esther received food aid from Trócaire in response to a drought and hunger crisis that gripped the region. (Photo: Aidan O'Neill)

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.

We strongly believe in partnership and in allowing local communities to design and guide the change they want to see in their lives.

Partnership is core to the DNA of Trócaire. Our way of working is built around establishing strong partnerships with local organisations and working with them to make a positive impact in the lives of their community. As well as funding local programmes, we offer technical support to build the capacity of partners and strengthen their knowledge, expertise and impact.

We strongly believe in partnership and in allowing local communities to design and guide the change they want to see in their lives. We advocate strongly for increased funding and recognition for local organisations.

Working alongside civil society, church and institutional partners and networks strengthens our work, increases our knowledge and extends our reach into communities in need of support.

In 2017 we diversified the type of partnership we engage in, including building links with academic partners in Myanmar, DRC and Lebanon. The portfolio of national partners expanded to include partners with a wider range of technical ability, most notably in protection of women and girls in both Lebanon and Myanmar.

Consortium Guidelines were produced in 2017 to direct the establishment and management of consortia.

Our localisation research with partners in Myanmar and DRC - 'More than the Money: Localisation in Practice' - has energised partners to engage in discussions on how localisation can work, increasing engagement between national and international actors on humanitarian financing.

On a funding basis we are working with new institutions to support programmes overseas (see Goal 8).

We work with a diverse range of partners across our public engagement and advocacy work in Ireland. Examples include Stop Climate Chaos, the National Youth Council of Ireland, Eco Schools, Dóchas, AFRI and Social Justice Ireland.

At a global level Trócaire is a member of both Caritas Internationalis and CIDSE, contributing proactively to the work of both federations.

Progress

We are working with an ever-increasing number of partners to deliver excellent programmes and greater impact.

One challenge has been the ability of some partners to scale up programmes while also complying with institutional donor requirements. We work with partners in these instances to help them overcome challenges.

Looking ahead

We will further diversify our partnerships by building further links with academic institutions and also extending private sector partnerships.



Kumba and sister Fatu from Freetown, Sierra Leone. Kumba featured on the 2018 Trócaire box. Her family home and many others were destroyed when a devastating landslide hit in August 2017. (Photo: Kipp Wettstein)

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.

A major focus for the year was developing and launching a new fundraising strategy based on strong storytelling to emphasise the importance of Trócaire’s work.

The financial year 2017/18 was one of Trócaire’s most successful in terms of income. This was in part due to an investment in a new fundraising strategy and an increased focus on securing institutional grants.

Our public fundraising amounted to €29.1m. The Lenten campaign continues to be the largest campaign with €8.7m raised. This was an increase of €1.3m from 2017, driven in part by media focus on famine in South Sudan throughout the duration of the campaign.

Our Committed Giving programme raised €4.6m, while Tax and Gift Aid generated €1.8m. Legacies contributed €3.7m for this period which was a significant increase on previous amounts owing to some gifts of exceptional value. Trócaire Gifts and the Trócaire Christmas appeal raised €2.1m.

Donations to humanitarian crises contributed €5.5m. The vast majority of this - €5m - was raised by a national church collection held in response to hunger in east Africa. We are extremely grateful for the support of the Bishops’ Conference in organising this emergency fundraising appeal.

Public fundraising rose by €7m. While approximately €4.5m of this was in response to humanitarian need, general donations rose by 11 per cent, from €21.3m to €23.6m.

A major focus for the year was developing and launching a new fundraising strategy based on strong storytelling to emphasise the importance of Trócaire’s work. The resulting ‘Until Love Conquers Fear’ campaign was launched as part of our Christmas appeal and subsequently the 2018 Lenten appeal.

This new approach aims to build a stronger connection from the public to our work. Launching this new strategy required an initial investment. However, our expenditure on fundraising continues to generate strong results.

For every €1 spent on fundraising and marketing activities an average of €5.12 was raised from the Irish public.

Our institutional fundraising also continues to perform strongly. Income from institutional funders continued to grow significantly in 2017/18, resulting in €45.8m worth of grants being awarded to Trócaire.

Irish Aid remains our largest institutional funder, with €20.2m provided to Trócaire.

The UK Government, through the Department for International Development (DFID), provided €6.2m to support Trócaire’s work.

Institutional funding is an area we have invested in over recent years and this investment is reaping rewards in terms of our ability to secure and manage large grants. We have an Institutional Funding team spread throughout our country teams, supported by an Institutional Funding unit in Ireland.

Progress

We experienced one of our most successful years for income. The launch of ‘Until Love Conquers Fear’ is helping to build a stronger connection between the public and our work. This is in the context of reduced

public awareness of overseas development issues as domestic concerns continue to dominate media discussions. Trócaire won Best Use of Data Insight and Research at the National Fundraising Awards for the ‘Until Love Conquers Fear’ campaign.

Institutional funding was also remarkably strong in 2017/18. We attracted the support of several new institutional donors over the course of the year, including Porticus, the International Land Commission, the Kenneally Family Foundation, Vastenactie and the Start Network. In total during 2017/18, Trócaire made 81 donor applications, of which 43 were

approved, nine are pending, 28 declined and one withdrawn.

Looking ahead

We will further embed ‘Until Love Conquers Fear’ into our engagement with the Irish public to build connection and resonance with our work. Trócaire’s projected unrestricted income for 2018/19 is €22m.

We will also further build our capacity at an institutional funding level, ensuring we are properly sized to secure, manage and report against new grants.

	2017/18	2016/17	2015/16	2014/15
Public donations	€29.1m	€22.2m	€24.9 m	€23m
Lent	€8.7m	€7.4m	€8.3 m	€8m
Christmas	€2.1m	€2.1m	€1.9m	€1.9m
Committed Giving	€4.6m	€4.8m	€5.3m	€5.1m
Humanitarian	€5.5m	€0.9 m	€2.8 m	€1.2m
Institutional funding	€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.

We are committed to developing staff to their full potential and are proactive in terms of supporting this through learning and development initiatives.

Trócaire has a responsibility to be accountable to the people who fund, support, participate and work in our programmes. As part of our commitment to accountability, we began the process of obtaining certification under the Core Humanitarian Standards (CHS) on Quality and Accountability in 2017. A self-assessment was carried out in Ireland, Zimbabwe and Guatemala. The findings helped shape a Quality and Accountability Improvement Plan.

Significant progress on CHS and safeguarding was made with the roll-out of complaints handling mechanisms in nine countries. We apply numerous other accountability processes at community level, including participant feedback, community meetings and community project committees throughout our programmes.

Meaningful engagement with communities can lead to a changing of programme focus. For example, we altered the design of shelters in Myanmar

based on feedback from the communities. In Pakistan, community members fed into the budgeting process and their recommendations were built into the project plan.

Our high standard of accountability was recognised by being granted 'triple lock' status by the Charities Institute of Ireland, reflecting our adherence to best practice in transparent reporting, good governance and ethical fundraising.

We seek to recruit the highest calibre of staff who reflect our values and ensure maximum impact in our work. We are committed to developing staff to their full potential and are proactive in terms of supporting this through learning and development initiatives.

We operate a performance management system to help generate a culture of high performance. We also joined the Great Place to Work initiative to engage staff on how to further improve organisational culture and efficiency.

Ensuring staff, partners and beneficiaries are safe from exploitation or abuse is a priority. We have continued to strengthen our safeguarding processes, including providing training for staff and partner organisations on implementing and monitoring our safeguarding policies.

We are committed to climate justice and to reducing our impact on the environment. We have been quantifying our carbon footprint since 2016. Focusing on flights, paper usage, road travel and energy use, we are attempting to reduce our carbon footprint. This policy is now embedded into our annual planning and budgeting processes.

Janvier Ngabo, who works with Trócaire partner IPFG, working in communities in Rwanda to develop ways to improve food production. (Photo: Alan Whelan/Trócaire)

Progress

Success against this goal requires embedding certain behaviours and processes in our culture. We are making good progress to bring accountability to the fore of our work.

Looking ahead

The Quality and Accountability Improvement Plan will be implemented in 2018 with oversight from the Accountability Steering Group. We will also roll out a People Strategy to further develop and motivate staff, as well as implementing an action plan based on the Great Place to Work results. We have set a target of a five per cent reduction on our total carbon emissions figures for 2018/19.





A man sweeps the rubble on a street in Aleppo, Syria. The war in Syria is now in its eighth year. Working with local partners, Trócaire brought aid and supplies to 65,000 people in Syria, as well as a further 7,000 Syrian refugees who have fled the country.
(Photo: Patrick Nicholson/Caritas)

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 and 19 October 2010.

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 2017/2018 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 21st June 2017. A further joint meeting of the Trustees and the Board took place on 20th October 2017. This meeting was held to review and enhance the governance arrangements of Trócaire.

The Board meets formally six times a 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, and ongoing training is arranged whenever a need is identified. They also

travel overseas to view our work first hand.

The Board are selected based on their skills and experience to assist and advice the Trustees in their governance of Trócaire. The Trust Deed stipulates that there should be two ex-officio members of the Board; the Executive Director of Trócaire and the Secretary to the Irish Episcopal Conference.

In line with good governance practice, the Board agreed on 9th April 2018 that the governing documents should be altered so that the Executive Director would not be a member of the Board.

The following are the profiles for the Board during the financial year 2017/2018:

Bishop William Crean has served as Chairman of Trócaire since March 2013. He was ordained Bishop of Cloyne in January 2013. Well rooted in the spiritual heritage of his native Kerry, he is committed to dialogue between faith and modern culture. He was a founder director of Radio Kerry. He served for two years as Chairperson of ARENA (Adult Religious Education National Association). Prior to his appointment to Cloyne he served as curate of Glenbeigh and Killorglin and he has served as Parish Priest in Castlegregory/Cloghane and in Cahersiveen. He is a graduate of Maynooth and Pontifical Gregorian University, Rome.

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 approx. \$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.

Gerry Culligan is Commercial Director, Iarnród Éireann/Irish Rail since January 2012 with responsibility for delivering profitable revenue growth and enhancing customer experiences. Gerry has over 25 years commercial and financial experience across a number of industries, holding senior Executive Director roles

in Financial Services with Aviva, in Communications with Eircom and in Grocery with Mars Ireland. Gerry has previously held positions as non-executive Chairman of Eircom Phonewatch, Ireland's leading residential home security company and is a former Director of the Eircom Employee Share Ownership Trust. Gerry is an accountant (FCMA), a member of the Institute of Taxation in Ireland (AITI) and a member of the Marketing Institute of Ireland (MMII). Also, he holds Non-Executive Directorships at Trócaire and the Carmichael Centre for Voluntary Groups. Gerry chairs the Funding and Public Engagement Committee of Trócaire's Board.

Sandra Lawler is a Founder Director of the Alternatives Group, a successful 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 speaks fluent French.

Deirdre Kenny is a non-practising solicitor. She has extensive experience in acting for charities. During a sabbatical from her law career she has volunteered with SPIRASI at their Centre for the care of survivors of torture. She also spent three months in Italy supporting the Community Cenacolo, an addiction service. She was a director of the Community Cenacolo 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'.

Bishop Donal McKeown is the Bishop of Derry. He is chairman of the Episcopal Commission for Worship, Pastoral Renewal and Faith Development, Chairman of the Council for Pastoral Renewal and Adult Faith Development, Member of the Council for Education. Before his appointment as Bishop he had a 23-year career as a teacher. This included teaching at St. Patrick's College, Knock, teaching at his alma mater St MacNissi's College, Garron Tower as well as involvement with youth programmes. He has served as Dean of the Seminary which was situated in St Malachy's College, Belfast and later as President of St. Malachy's College. He has a Master's degree in Business Administration specialising in educational management. Bishop McKeown stepped down from the Board in November 2017.

Fiona Tierney is currently the Chief Executive Officer of the Public Appointments Service, where she has successfully repositioned the organisation and overseen the introduction of a new process of appointments to State Boards. Fiona has a career history of successful leadership in senior executive positions in both the private and public sector. She is a member of the Civil Service Management Board, and a Chartered Director of the Institute of Directors. She is a member of the Board of the IMI and of Trocaire, is on the committee of the International Women's Forum and is a strong

supporter of the 30% Club. Fiona is Chair of the Organisation and Human Resources Committee of Trócaire's Board.

Harry Casey is an ex-offio 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.

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.

Monica McWilliams is Emeritus Professor of Women's Studies based at the Transitional Justice Institute, University of Ulster and is currently a Commissioner on the Independent Reporting Commission for the disbandment of paramilitary groups in Northern Ireland. She was formerly the Chief Commissioner for Human Rights and 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. She has undertaken a range of international projects in conflict situations including working with women on the Afghan High Peace Council and the Syrian Opposition Negotiating Committee. She has published widely on domestic violence, human security and the role of women in conflict situations and her work has been recognised by the John F. Kennedy 'Profiles in Courage' award and the Frank Cousins Peace Award. Monica is the recipient of an honorary doctorate for her work on domestic violence from Lesley College, Massachusetts.

Carmel Flynn is a member of the Society of the Sacred Heart. She began her international work in Uganda teaching in a school run by the order, where she later served as Headmistress. She completed a Masters in

the US and returned to Uganda to teach at the university and was then asked to become Head of a secondary school in Karamoja, the poorest part of the country and a place experiencing considerable violence and civil conflict. There and elsewhere she has continuous involvement in the congregation's work for Justice, Peace and Integrity of creation. In 1998 she returned to Ireland but in 2006 spent time in Indonesia, again in formal education, including teaching in an Islamic university. Sr. Carmel co-ordinates a committee in the Sacred Heart Congregation which provides funding to development projects of the congregation around the world and is also promoting their policies on Safeguarding Children world-wide. She is also the congregation's liaison with Misean Cara for programmes in Kenya and Uganda. The order has 4,000 sisters working in 42 countries worldwide. Carmel is also involved in an internal governance project which is restructuring their leadership.

Conall O'Caoimh is a founder of Value Added in Africa (VAA). VAA's mission is to build a channel into European markets for African-made value-added goods. He is a consultant on development, particularly on livelihoods development, trade and strategy to achieve scale in development outcomes. Conall has worked extensively in Development Education, volunteer engagement and training and in the media. He received ministerial appointments to the National Trade Advisory Forum and on the National Consultative Committee on Racism and Interculturalism. Conall 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 Committee of the Board of Trócaire.

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.

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

Board Meetings	
Bishop William Crean (Chairperson), 6 out of 6	Rosemary McCreery (joined the board in June 2017), 4 out of 4
Christopher Queenan, 6 out of 6	
Harry Casey, 6 out of 6	Margot Lyons (retired from the board in June 2017), 1 out of 2
Sandra Lawler, 6 out of 6	Sr Geraldine Henry (retired from the board in June 2017), 2 out of 2
Gerry Culligan, 5 out of 6	Fionnuala Waldron (retired from the board in June 2017), 2 out of 2
Conall O'Caoimh, 5 out of 6	Bishop Donal McKeown (retired from the board in November 2017), 0 out of 4
Deirdre Kenny, 5 out of 6	
Fiona Tierney, 3 out of 6	
Monica McWilliams, 2* out of 6	Eamonn Meehan (Executive Director), 6 out of 6
Sr Carmel Flynn (joined the board in June 2017), 4 out of 4	
*absent from one meeting due to being overseas on Trócaire business	



Mahama Refugee camp in Kirke district, Eastern Rwanda. (Photo: Alan Whelan/Trócaire.)

There are four committees of the Board each of which meets three or four 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 focused on oversight of safeguarding as the safeguarding strategy rolls out into partner organisations. The Committee continued its oversight of headcount and salary budgets. The Committee supported the development of a people strategy and implementation plan aligned to the outcomes of the strategic plan. This included the development of a global HR model, structure and systems. The committee supported the development of a succession planning strategy linked to talent management

and programmes of development. It also supported the development of an employee handbook resource.

- (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 also reviewed our approach to General Data Protection Regulation (GDPR), internal controls specifically related to the receipt of cash, information security and systems development.

- (3) The **International Programmes Advisory Committee** fulfils an advisory, governance and supporting role on Trócaire's international facing work. This committee is responsible for giving advice on the development of Trócaire's international programme work and monitoring the impact of this work.

During the year the main areas of focus have been Institutional Funding, an engagement with Irish Aid as a key partner, risk

management, the review of a number of Trócaire country programmes and oversight of budgets.

- (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. In particular the Funding & Public Engagement Committee shall satisfy itself that "the fundraising and public engagement strategies undertaken by the organisation support the achievement of planned fundraising and public engagement objectives."

In the 2017/18 financial year this committee oversaw the development of a business case and associated strategy for additional investment in Public Income Fundraising which was recommended by the committee and approved by the Board. This committee continues to oversee the deployment of this strategy and the return on investment.

The Board has two additional committees, comprised solely of Board members, which meet on an ad hoc basis as the need arises.

They are the **Nominations Committee** which is charged with identifying suitably qualified candidates for appointment to vacancies on the Board, and the **Remuneration Committee** which sets the compensation structure for the Executive Director.



Milka Irungu, Trócaire's Emergency Programme Coordinator, helps to register people for assistance at our centre in Somalia. (Photo: Allan Gichigi)

EXTERNAL INDEPENDENT BOARD REVIEW

Trócaire commissioned an external Independent Review of its Board which was completed in April 2017. This review recommended a range of changes to improve the effectiveness of Trócaire's governance structures. A number of recommendations for changes were made in this report. Some of these recommendations were implemented immediately. For example the structure and content of board meetings was changed to give the board more of a focus on strategic oversight rather than management. Reporting to Trustees has been enhanced.

Further changes were made during the financial year 2017/2018. For example the Finance and Investment Committee has been merged with the Audit Committee

to form an Audit and Risk Committee. This change was made as part of efforts to ensure there was no overlap between the responsibilities of Board committees and to ensure all committees were adequately resourced.

It is planned that the outstanding recommendations will be implemented during the financial year 2018/2019.

BOARD RECRUITMENT

The Nominations Committee of the Board meets on an ad hoc basis when current or upcoming Board vacancies are identified. The Nominations Committee is charged with identifying suitably qualified candidates for Board vacancies. Appointments are made to ensure that the Board has sufficient skill sets to support the governance of Trócaire. During the financial year 2017/2018 the Nominations Committee identified

and nominated two new appointments to the Board (Sr Carmel Flynn and Rosemary McCreery) to fill the positions of three members retiring at the June 2017 AGM (Margot Lyons, Sr Geraldine Henry and Fionnula Waldron).

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 two new board members who were recruited in 2017/2018 Sr Carmel Flynn and Rosemary McCreery went through this induction programme on 19th October 2017. This induction programme was also offered to new external members of Trócaire committees on 6th October 2017. The attendees were: Denis Murphy (Audit & Risk Committee), Karen Dillon (Audit & Risk Committee) Nicola McCracken (Organisation & Human Resources Committee) and Karen Gallagher (Trócaire Northern Ireland Board).

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. The last such trip for Board members took place to Ethiopia in June 2016 and the next one is scheduled for the latter part of 2018.

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. The most recent such international bishops’ trip took place in November 2017 to Kenya. This visit was led by Bishop William Crean (Chairman of Trócaire) and it included Bishop Denis Brennan (Diocese of Ferns), Bishop Fintan Monahan (Diocese of Killaloe) and Canon Michael McLoughlin (Diocesan Administrator of the Diocese of Galway, Kilmacduagh and Kilfenora). They were accompanied by Éamonn

Meehan (Executive Director) and Seán Farrell (International Director).

DECISION MAKING

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

Risk management at Trócaire is systematic, structured and timely. 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 Trocaire (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.

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

The organisation has a dedicated Internal Audit Unit comprised of qualified and experienced staff who report to the Chair of the Audit & Risk Committee at least four times per annum.

Internal Audit reports to the Audit & Risk Committee on the adequacy and effectiveness of risk management and internal controls and provides an annual assurance statement to the Audit Committee. The Audit & Risk Committee approves the

annual risk-based internal audit plan and receive regular updates on progress throughout the year with a summary of priority findings.

Internal Audit is governed by the approved Audit Charter and is resourced with two full-time qualified professional accountants and three to four appropriately qualified and experienced Guest Internal Auditors who volunteer their time to Trócaire. Internal Audit has full scope across all Trócaire’s geographic locations, all functions of HQ and Trócaire Northern Ireland.

The annual risk-based internal audit plan is approved by the Audit & Risk Committee in January and prioritises audits based on risk to the organisation. Internal audits have either a country or thematic focus. During 17/2018 internal audits focusing on country programmes and internal controls were completed for Kenya, Malawi, Guatemala, Somalia, Zimbabwe and Syria. In addition the following thematic audits were completed: Humanitarian Programme Oversight, Procurement, Data Protection, Safeguarding and Security.

The Internal Audit function is also responsible for assessing and testing the adequacy and effectiveness of the risk management policies, processes and the controls in place to mitigate risk, the third line of defence.

CONFLICTS OF INTEREST

Trócaire implements an organisation-wide Conflict of Interest policy. This 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.

PRINCIPAL RISKS AND UNCERTAINTIES

The top six 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. During 2017/2018 Trócaire staff visited several high risk areas including Gaza (Occupied Palestinian Territories), Iraq, Somalia and South Sudan.

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

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.

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 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 Executive Director. Trócaire has a crisis management plan and crisis management team. These were tested in a full day crisis simulation workshop in December 2016.

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. The trend

in 2017/18 saw humanitarian crises become both more numerous and protracted. This is predominantly due to political and military unrest and the negative effects of climate change. It is assessed that this trend is likely to continue and possibly worsen in the short to mid-term.

In recognition of this increasing humanitarian workload and in an effort to better mitigate the risks encountered, 2017/18 saw the introduction of a process for travel authorisation to Special Country Programmes or visits to high risk locations where Trócaire does not have a country office. This process was principally introduced to meet the needs of the Humanitarian Team, but can be utilised by other staff members as well. The process now results in a much more methodical and structured approach to assessing the risks of and preparing for travel to high risk countries. The planning process has become more streamlined and standardised. Senior management are now presented with a clearer picture of the risks associated with a visit and this helps to inform their decision-making process on whether to approve travel or not. In addition, the staff member(s) travelling are now in a much better position to provide fully informed consent.

In an effort to continually improve its processes and procedures Trócaire seeks to capture and learn from security

and safety incidents in which Trócaire staff are involved. 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 eight such incidents during the past year. This number represents a drop when compared to recent years as detailed in table below. One incident resulted in serious physical injury to a third party employee. The other incidents were all relatively minor in nature. All incidents are briefly outlined in the table below.

The vast majority of Trócaire's security risk continues to emanate from its overseas operations. The security contexts that staff live and operate in overseas continue to be extremely challenging and dynamic. None of the countries Trócaire routinely works in could be said to have enjoyed a marked improvement in their security climate during 2017/18. Indeed, the security situations in Democratic Republic of Congo and South Sudan worsened slightly during the year and appear unlikely to improve in the near future. The operating context in Somalia continues to be extremely challenging. This is principally due to the continued weakness of the central government and an

ongoing insurgency. The security situation in Somalia is also assessed as unlikely to see significant improvements in the short to mid-term. Ethiopia, Honduras, Kenya, Sierra Leone and Zimbabwe all saw unrest, for limited periods of time, during 2017/18 due to political upheavals.

The coming year 2018/19 will see the roll-out of a number of initiatives designed to continue improving Trócaire's security systems and procedures. Some of the initiatives include:

- The introduction of an enterprise management system to help standardise security operations in the field, capture incidents more efficiently and contribute to training and situational awareness regarding the security situation in any given country
- Crisis management training at both HQ level for senior management, and at country level
- Implementation of recommendations resulting from an internal audit of Trócaire's security processes and procedures
- Formulation of a robust sexual violence policy.

The security contexts that staff live and operate in overseas continue to be extremely challenging and dynamic.

2017/18	2016/17	2015/16
Number of Incidents	Number of Incidents	Number of Incidents
8	12	10

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.

Ransomware continues to be a very serious threat. In May 2017 one of the most widespread malware attacks for years affected tens of thousands of computers in at least 100 countries. A month later in June 2017 another large scale ransomware "Petya" hit various users, particularly in Europe. 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.

This risk is monitored by the Audit and Risk Committee. Trócaire has employed an additional IT Engineer dedicated

to cyber security in response to this risk. The IT Operations Team is leading a programme of work to mitigate IT security focusing on systems, protocols, policies and staff training. During 2017/2018 Trócaire ICT implemented a complete backup strategy across all Trócaire offices which enables data recovery in the event of cyber-attacks. Trócaire has enabled additional security measures and is currently deploying a cyber-security awareness training and education program to improve awareness of threats, change behaviours and reduce risks.

Trócaire actively reviews and upgrades its IT software, systems and processes to mitigate risk relating to IT management, cyber security and data protection. It also collaborates with other INGOs ensuring Trócaire is at the forefront of best practice in the sector and achieves value for money.

Below: Trócaire's work in Somalia reached over 192,000 people last year. (Photo: Allan Gichigi)



SAFEGUARDING PEOPLE IN OUR PROGRAMMES & ACTIVITIES: the risk that persons (particularly children and vulnerable adults) 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. This risk is monitored by Trócaire's Organisation and Human Resources Committee which is a committee of Trócaire's Board.

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 across all of Trócaire's work both overseas and in Ireland. The safeguarding documents were reviewed to form the basis of an enhanced Safeguarding Architecture for all programme participants (both adults and children). The Complaints Policy and other policies and practices (such as recruitment, code of conduct, training) were also reviewed and updated to reflect specific safeguarding considerations. A suite of tools to support implementation and monitoring were also developed.

Throughout 2017/2018 the Global Safeguarding Advisor worked with teams overseas and in Ireland to further strengthen Trócaire's safeguarding practices with a particular focus on

partner organisations. The Country Director and in-country Safeguarding Focal Persons received training and guidance from the Global Safeguarding Advisor on on-going implementation and monitoring. In 2017/2018 the Global Safeguarding Advisor visited six countries providing training to Trócaire staff and partner organisations. Trócaire expects that all partner organisations share its safeguarding commitments. In addition to ensuring that Trócaire's own practice meets required standards, Trócaire will continue to support partner organisations, through workshops and monitoring, as they build capacity in this area.

Overall accountability for ensuring implementation of appropriate safeguarding measures (for children and adults) 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. In 2017/2018 Trócaire became a member of Keeping Children Safe, an organisation of international and national organisations working for Child Safeguarding best practice worldwide.

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

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 36 under Goal 8 - Increased Scale and Income - 2017/2018 saw a high level of donations from the Irish public. There were specific factors that drove public income growth during 2017/2018, including high levels of donations by the public during Lent 2017 at a time when Trócaire and the Irish Catholic Church were highlighting the food crisis in East Africa. Trócaire also received a number of long outstanding legacy bequests during the financial year.

There is a risk that 2017/2018 public income levels may be the result of a once-off spike rather than sustained growth. Trócaire's data indicates that its existing supporters are donating more generously as the economic recovery continues. However there isn't clear evidence that Trócaire has been successful in attracting a substantial number of new supporters. Sustainable public income growth should ideally be driven by a mix of increased generosity of existing supporters while securing new supporters.

This risk is monitored by the Fundraising & Public Engagement Committee. Measures put in place to mitigate this risk include the development of a new fundraising strategy - Until Love Conquers Fear - and increased investment in fundraising and marketing. This work during 2017/2018 was recognised at the 2018 National Fundraising Awards where Trócaire received

a silver award for Best Direct Mail campaign and a gold award for Best Use of Data Insight and Research.

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

Trócaire received more income from Institutional Funding sources in 2017/2018 than in any previous financial year. While Irish Aid remains Trócaire's largest institutional donor, Trócaire has been successful in building relationships with new donors in recent years and currently has funding from over 35 institutional donors, in addition to significant funding from Caritas and CIDSE member organisations. This year has seen increased work in consortia with other international agencies and increased funding from new sources, including multi-laterals, pooled funds, USAID, and philanthropic organisations. In the year there were 80 funding applications prepared, with a win-rate of 60% and 89 active grants managed in the year.

DfID (the UK Department for International Development) remains a significant donor. The 2019 UK exit from the EU causes some uncertainty for this funding stream, although in the short to medium term it is not expected to decline. The changing nature of institutional funding, particularly the shift of some donors, from aid grants to commercial contracts and funding consortia rather than single entities, makes institutional funding significantly more complex and requires new skills and competencies to manage effectively and mitigate greater levels of risk.

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 institutional funding income can be quite volatile.

Increased scale and complexity of funding arrangements in the past three years has put increasing pressure on country and HQ personnel, both in building relationships, application processes and subsequently managing funding. Some additional staff have been recruited. For example, Monitoring and Evaluation Officers to ensure impact measurement, Partnership Accountants to support partners in financial management and efforts are being made to build additional staff costs into grant applications to ensure programme quality and effective grant management. New approval processes have been implemented to ensure more oversight and management of risks. New guidance and toolkits have been developed for new ways of working in consortia and work is ongoing to ensure the organisation is prepared for undertaking commercial contracts. The International Programmes Advisory Committee now monitors the institutional funding portfolio and institutional funding is now a standing item on the agenda of every meeting.

FRAUD, CORRUPTION AND BRIBERY: The risk that fraud, corruption or bribery perpetrated by employees, partners or others may adversely affect Trócaire's relationship with donors, other external stakeholders, or lead to financial loss.

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 number of mitigations in place to reduce the risk of fraud which are set out below:

- Fraud, Corruption and Bribery Policy, Conflict of Interest Policy and a Whistleblowing Policy
- Culture of fraud awareness across the organisation
- Strong Country Model with robust Internal Controls and Governance arrangements
- External, Internal and Donor audits
- Training provided to staff periodically on fraud prevention and awareness
- Staff are required to sign up to our Code of Conduct which includes fraud
- Partners are required to have policies and procedures in place to prevent and detect fraud
- Partners are subject to Minimum Requirements for funding, capacity assessments and a minimum of two financial monitoring visits annually to inspect financial records
- Risk based Internal Audit programme which includes visits to partner

organisations during country audits.

Notwithstanding our control environment the risk cannot be eliminated as, according to Transparency International, Trócaire operates in 16 of the 60 most corrupt countries in the world, including three of the worst five countries. Poor financial management is common in capacity constrained environments and where poor financial management is prevalent an opportunity to commit fraud arises.

All frauds are included on the Fraud Register and are reported to the Audit and Risk Committee periodically. Frauds are also reported to donors in line with all specific donor requirements

During 2017, we investigated eight (2016: 12) suspected cases of fraud. Approximately 90% of reported frauds occur within partner organisations and arise as a result of theft, misappropriation and conflict of interest. Of the eight cases investigated in 2017, 75% (2016: 60%) were identified as a result of our monitoring visits with the remaining through our whistleblowing mechanism. The investigations uncovered a total loss of funds to fraud of €17,000 (2016: €56,000). This loss of funds represents 0.02% of expenditure in the year (2016: 0.09%). However, €9,000 of this was subsequently recovered from partners. A case summary for each reported fraud is prepared which sets out the key findings and any lessons learned for Trócaire.

This supports the board and executive leadership team to continuously monitor and actively monitor fraud risk.

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

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

The Audit Committee meets at least three times a year and reviews the performance of the above responsibilities for the Trustees.

SUBSIDIARY UNDERTAKING

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

Subsidiary undertakings are those over which Trócaire exercises a 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.

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".

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.

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

Right: Olive Nyirambagijimana, 24 with one year old son Kevin in southern Rwanda. (Photo: Alan Whelan/Trócaire)



I want to
be a teacher

FINANCIAL REVIEW

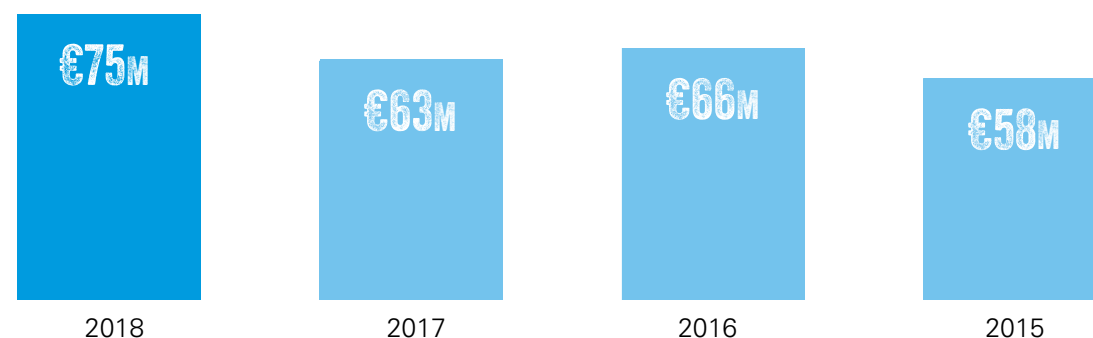
The results for the year are presented on page 66 in the form of a Consolidated Statement of Financial Activities in order to comply with the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

A detailed commentary on the financial results reflected in the 2018 Annual Report is set out on the following pages. The key risks facing the organisation are set out in the section on structure, governance and management on page 49.



Rugiatu (9) at her school in northern Sierra Leone. (Photo: Mark Stedman)

TOTAL INCOME



In 2018 we raised €75m, a €12m (19%) increase on the previous financial year. This is our second highest level ever achieved. This was mainly due to the emergency response to the crisis in East Africa but we also saw an increase in our unrestricted public funding.

The Irish public very generously donated €29m. This was a €7m (32%) increase on the previous year.

- Unrestricted public funding increased by €2m. The Lenten campaign remains Trócaire's largest ongoing fundraising campaign, generating just under €9m. This was an increase of €1.3m.

Trócaire's other public campaigns also performed well.

- Restricted donations and legacies were €5m higher due to the public response to the crisis in East Africa.

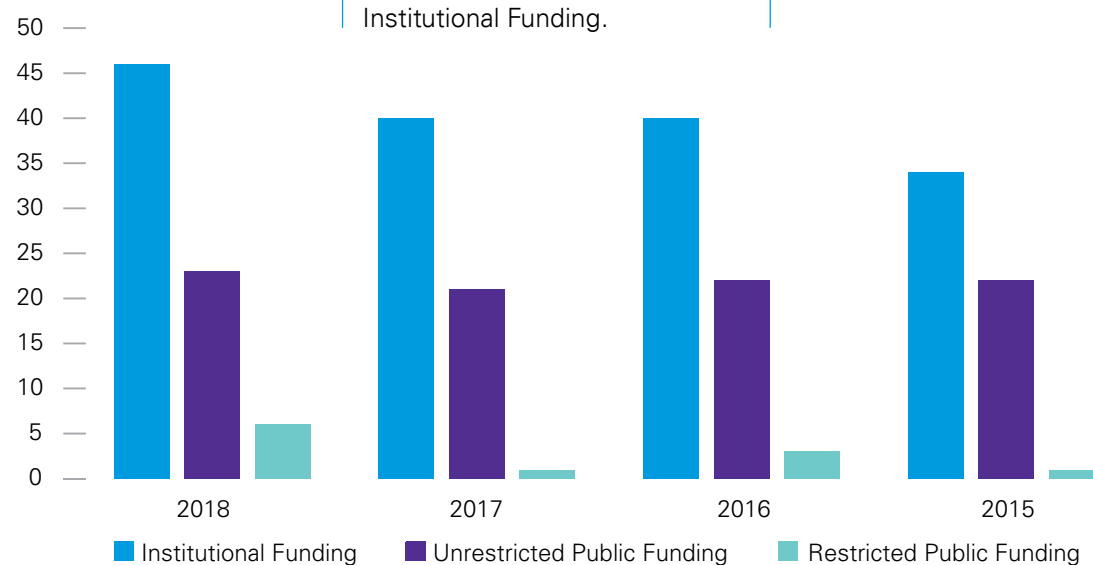
The charity and our beneficiaries give special thanks to all of our donors who have continued to support our work during challenging economic times.

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

Of the total received from charitable activities of €46m

- €33m has come from Governmental organisations, similar to the previous year
- €7m came from agencies and other groups (an increase of €2m).
- This was further supplemented by €6m from the Caritas network (an increase of €4m).

INCOME



Of the €33m secured from Governmental organisations, €20m of this was from Irish Aid. In addition to the Irish Aid Programme Funding scheme, which accounted for €16m, Trócaire was allocated €4m from Irish Aid towards emergency response. Due to the change in timing of Irish Aid's Humanitarian Programme Plan funding, two contracts were included in Trócaire's previous financial year to 28 February 2017 resulting in a decrease of €4m. The Irish Government continues to be Trócaire's single largest donor contributing 27% of the total organisational income (38% in 2017). The UK Government (DFID) contributed €6m directly and an additional €1.7m through PSI as part of a consortium.

Income received through the Caritas Network increased by €4m, primarily as a response to the East Africa crisis.

Contributions from agencies and groups have increased by €2m. Goal 8 of the strategic plan aims to ensure a diversified funding base as new donors and contracts were secured during the financial year.

Commodities donated and distributed to Trócaire were €133k. These donations in kind were medical supplies for our humanitarian work in Somalia and Sudan.

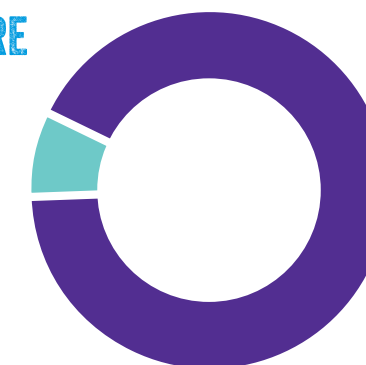
Public income growth and the ability to attract and manage institutional funding are among the principal risks and uncertainties facing Trócaire and further analysis is provided on page 52.

EXPENDITURE

The statement of financial activities shows the analysis of

EXPENDITURE

RAISING FUNDS
8%



CHARITABLE ACTIVITIES
92%

charitable expenditure between charitable activities, Goals 1-5 and the cost of raising funds, Goal 8. Our total expenditure for the year was €71m which represents a €7m (11%) increase over 2017 levels.

This is the highest level of expenditure achieved in our history.

Charitable activities spend was €65m (€60m in 2017) which represents 92% (94% in 2017) of total expenditure.

- Overseas programme: Grants to partner organisations have increased to €43m. This represents 61% of our total spend, (59% in 2017). 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. As in the previous year Trócaire's largest programme is in Myanmar. 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 €27m (€25m in 2017).

- Expenditure in support of our programmes and partners was €17m, again at the same level as in 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.

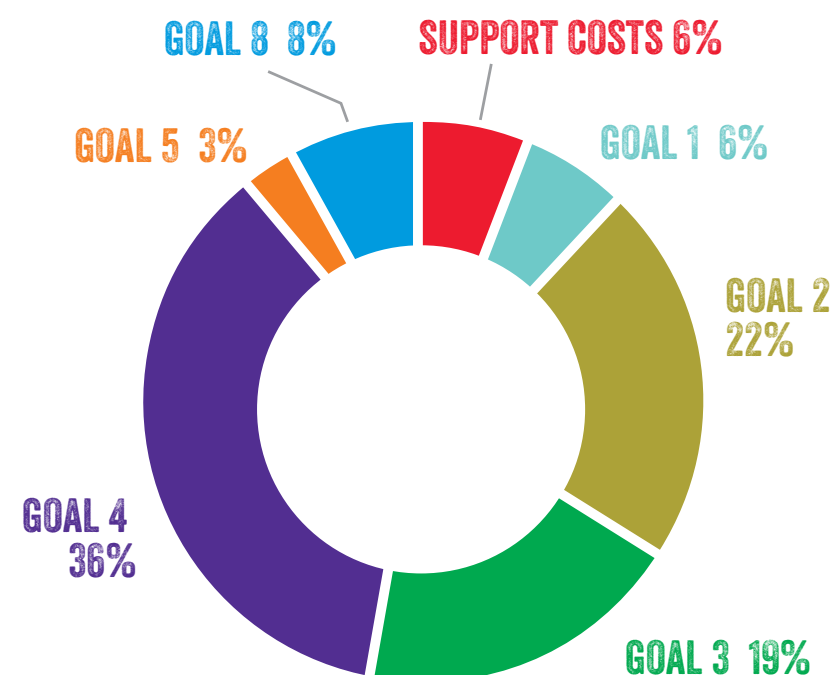
- Ireland programme: Charitable activities also includes expenditure on Goal 5, which is aimed at creating a greater awareness of the causes of world poverty and injustice and how change can be achieved. The focus of this goal is that people and leaders in Ireland are acting for a just world. Spend under this Goal was €3m (€3m in 2017).

Raising Funds

Spend on raising funds of less than €6m represented 8% (6% in 2017) of total expenditure. For every €1 invested in fundraising from the general public, Trócaire received €5.10 in return (€5.00 in 2017). The response to the East Africa appeal contributed to the increased rate of return achieved in 2018. A major focus for the year was developing and launching a new fundraising strategy based on strong storytelling to

DETAILED EXPENDITURE

- **Goal 1:** Human rights and democratic space
- **Goal 2:** Access and use of resources
- **Goal 3:** Women's empowerment
- **Goal 4:** Humanitarian:
- **Goal 5:** People and leaders in Ireland acting for a just world
- **Goal 8:** Increased scale and income



emphasise the importance of Trócaire's work. The resulting 'Until Love Conquers Fear' campaign was launched as part of our Christmas appeal and subsequently the 2018 Lenten appeal. This new approach aims to build a stronger connection from the public to our work. Launching this new strategy required an initial investment. However, our expenditure on fundraising continues to generate strong results.

The total costs set out above in relation to charitable activities and raising funds include support 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. 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 €4.2m (€4m in 2017). This represents 6% of our total expenditure, a similar level to the previous financial year.

The chart above shows a more detailed breakdown of our expenditure.

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.

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 €49m (2017 - €45m). Of the available

resources, €30m (2017 - €29m) is held in **restricted funds**, as the funds were donated for specific areas and activities. **Unrestricted funds** of €19m (2017: €16m) are held in general and designated funds.

- In managing its unrestricted reserves of €19m, 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 2018 is €0.5m.
- The reserve in the Development Programme Fund stood at €17m. 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 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 2018 are €20.4m. This is equivalent to 6.5 months of planned expenditure for 2018/19. This meets the Trustees policy of holding free reserves in a range of 5 to 7 months of planned expenditure.

Two items of note, which are included in the unrestricted reserves at the 28 February 2018 are funds allocated to programmes in South Sudan and Yemen of €1.1m. These programmes which were due to commence in February 2018 were delayed in order to ensure maximum programme impact was achieved. Both programmes have now commenced.

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.

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.

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 2018, for the purposes of FRS102, showed a funding deficit of €2.6m (2017: €2.9m).

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 €2.6m 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 2018 and Trócaire has committed to an annual contribution of €250k.

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.

KEY PERFORMANCE INDICATORS

Below 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 works with a diverse, relevant portfolio of partners that can deliver innovative and impactful programmes in an accountable manner.

2018	2017
61%	59%

- **Support costs** as a % of total expenditure shows how much of total expenditure is absorbed by essential but noncore activities and functions.

2018	2017
6%	6%

- **Return on fundraising spend** is how much we get back for every €1 invested.

2018	2017
€5.10	€5.00

- **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.

2018	2017
6.5 months	5.5 months

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 year, Trocaire Northern Ireland generated an income of GBP£10.3m, and had expenditure of GBP£7.6m with total funds of GBP£7.4m. 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 financial statements.

GOING CONCERN

Set out above is a review of Trócaire’s financial performance and the general reserves position as at February 28, 2018. Based on the 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. 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 Ireland LLP is eligible and has expressed a willingness to continue in office.

Signed on behalf of the trustees:
Eamon Martin
William Crean

Date: 27/06/18

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 2018 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 20, 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 2018, 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.
- 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.

For and on behalf of Deloitte Ireland LLP

Deloitte & Touche House,
Earlsfort Terrace, Dublin 2

Kevin Sheehan

Date: 27/06/18

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2018

		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
		Funds	Funds	2018	Funds	Funds	2017
	Notes	€'000	€'000	€'000	€'000	€'000	€'000
Income from:							
Donations and legacies	3.1	23,030	6,112	29,142	21,182	1,064	22,246
Charitable activities	3.2	-	45,803	45,803	-	40,114	40,114
Investment Income	3.3	60	-	60	141	-	141
TOTAL INCOME		23,090	51,915	75,005	21,323	41,178	62,501
Expenditure on:							
Raising funds	4	(5,602)	(88)	(5,690)	(4,459)	(69)	(4,528)
Charitable activities	5	(14,723)	(50,686)	(65,409)	(18,717)	(41,081)	(59,798)
TOTAL EXPENDITURE		(20,325)	(50,774)	(71,099)	(23,176)	(41,150)	(64,326)
Net income/ (expenditure)		2,765	1,141	3,906	(1,853)	28	(1,825)
Other recognised gains/ (losses):							
Exchange (loss)/gain on consolidation of subsidiary		(189)	9	(180)	(549)	(16)	(565)
Actuarial gain on valuation of retirement benefit scheme	18	100	-	100	305	-	305
NET MOVEMENT IN FUNDS		2,676	1,150	3,826	(2,097)	12	(2,085)
Reconciliation of funds							
Fund Balances at beginning of the financial year	15/16	16,095	29,162	45,257	18,192	29,150	47,342
FUND BALANCES AT END OF THE FINANCIAL YEAR	14	18,771	30,312	49,083	16,095	29,162	45,257

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 2018

	Notes	2018 €'000	2017 €'000
FIXED ASSETS			
Tangible fixed assets	8	867	938
CURRENT ASSETS			
Stock	9	324	-
Debtors	10	31,338	31,301
Cash at bank and on short term deposit	11	28,690	24,838
Short term investments	12	1	1
		60,353	56,140
CREDITORS (Amounts falling due within one year)	13	(9,560)	(8,952)
NET CURRENT ASSETS		50,793	47,188
Retirement benefit scheme liability	18	(2,577)	(2,869)
TOTAL NET ASSETS		49,083	45,257
FUNDS OF THE CHARITY			
Restricted funds	15	30,312	29,162
Unrestricted funds	16	18,771	16,095
TOTAL FUNDS		49,083	45,257

The financial statements were approved by the Board of Trustees on 27/06/18 and signed on its behalf by: Eamon Martin, William Crean

CONSOLIDATED CASH FLOW STATEMENT FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2018

		2018	2017
	Note	€'000	€'000
Cash flows from operating activities			
Net cash from/(used in) operating activities	17	4,098	(7,635)
Cash flows from investing activities			
Purchase of fixed assets		(306)	(157)
Interest received		60	141
Net cash used in investing activities		(246)	(16)
Change in cash and cash equivalents in the financial year		3,852	(7,651)
Cash and cash equivalents at the beginning of the financial year		24,839	32,490
Cash and cash equivalents at the end of the financial year		28,691	24,839
Analysis of cash and cash equivalents:			
Cash at bank and on short term deposit		28,690	24,838
Short term investments		1	1
Total cash and cash equivalents		28,691	24,839

TRUST STATEMENT OF FINANCIAL ACTIVITIES FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2018

		Unrestricted Funds	Restricted Funds	Total 2018	Unrestricted Funds	Restricted Funds	Total 2017
	Notes	€'000	€'000	€'000	€'000	€'000	€'000
Income from:							
Donations and legacies	3.4	15,739	4,601	20,340	14,642	834	15,476
Charitable activities	3.5	-	42,870	42,870	-	36,922	36,922
Investment Income	3.6	45	-	45	91	-	91
TOTAL INCOME		15,784	47,471	63,255	14,733	37,756	52,489
Expenditure on:							
Raising funds	4	(4,321)	(88)	(4,409)	(3,739)	(69)	(3,808)
Charitable activities	5	(12,248)	(45,728)	(57,976)	(10,561)	(36,525)	(47,086)
TOTAL EXPENDITURE		(16,569)	(45,816)	(62,385)	(14,300)	(36,594)	(50,894)
Net (expenditure)/ income		(785)	1,655	870	433	1,162	1,595
Other recognised gains							
Actuarial gain on valuation of retirement benefit scheme	18	100	-	100	305	-	305
NET MOVEMENT IN FUNDS		(685)	1,655	970	738	1,162	1,900
Reconciliation of funds							
Fund Balances at beginning of the financial year	15/16	12,193	27,511	39,704	11,455	26,349	37,804
FUND BALANCES AT END OF THE FINANCIAL YEAR		11,508	29,166	40,674	12,193	27,511	39,704

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 2018

	Notes	2018 €'000	2017 €'000
FIXED ASSETS			
Tangible fixed assets	8	615	489
		615	489
CURRENT ASSETS			
Stock	9	324	-
Debtors	10	32,189	30,020
Cash at bank and on short term deposit	11	19,622	20,471
Short term investments	12	1	1
		52,136	50,492
CREDITORS (Amounts falling due within one year)	13	(9,500)	(8,408)
NET CURRENT ASSETS		42,636	42,084
Retirement benefit scheme liability	18	(2,577)	(2,869)
TOTAL NET ASSETS		40,674	39,704
FUNDS OF THE CHARITY			
Restricted funds	15	29,166	27,511
Unrestricted funds	16	11,508	12,193
TOTAL FUNDS		40,674	39,704

The financial statements were approved by the Board of Trustees on 27/06/18 and signed on its behalf by: Eamon Martin, William Crean

TRUST CASH FLOW STATEMENT FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2018

	Note	2018 €'000	2017 €'000
Cash flows from operating activities			
Net cash used in operating activities	17	(588)	(3,816)
Cash flows from investing activities			
Purchase of fixed assets		(306)	(157)
Interest received		45	91
Net cash used in investing activities		(261)	(66)
Change in cash and cash equivalents in the financial year		(849)	(3,882)
Cash and cash equivalents at the beginning of the financial year		20,472	24,354
Cash and cash equivalents at the end of the financial year		19,623	20,472
Analysis of cash and cash equivalents:			
Cash at bank and on short term deposit		19,622	20,471
Short term investments		1	1
Total cash and cash equivalents		19,623	20,472

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2018

I 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.
- Deposit income 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2018

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 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 estimated selling price less costs to sell, equivalent to its 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.

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).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2018

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 €	Restricted Funds €	Total 2018 €	Unrestricted Funds €	Restricted Funds €	Total 2017 €
3.1 DONATIONS AND LEGACIES						
General Donations & Legacies	9,725	570	10,295	8,911	117	9,028
Lenten Campaign	8,719	-	8,719	7,431	-	7,431
Special Appeals	-	5,542	5,542	-	947	947
Committed Giving	4,586	-	4,586	4,840	-	4,840
Total Donations and Legacies	23,030	6,112	29,142	21,182	1,064	22,246

3.2 CHARITABLE ACTIVITIES

Contributions from Governments and similar bodies:

Irish Aid	-	20,200	20,200	-	23,916	23,916
UK Government, DFID	-	6,236	6,236	-	4,617	4,617
EU & ECHO	-	2,932	2,932	-	1,469	1,469
Australian Aid	-	2,028	2,028	-	1,336	1,336
UN Agencies	-	380	380	-	512	512
US Aid	-	295	295	-	-	-
UN Agencies - goods in kind	-	133	133	-	215	215
Development Grant Facility (World Bank)	-	262	262	-	364	364
	-	32,466	32,466	-	32,429	32,429

Contributions from Caritas agencies:

SCIAF (Scotland)	-	1,449	1,449	-	646	646
Cordaid (the Netherlands)	-	1,301	1,301	-	-	-
Misereor (Germany)	-	761	761	-	351	351
Caritas Switzerland	-	498	498	-	-	-
Secour Catholique (France)	-	380	380	-	578	578
Cafod (England and Wales)	-	366	366	-	165	165
Caritas New Zealand	-	313	313	-	61	61
Caritas Spain	-	280	280	-	300	300
Development & Peace (Canada)	-	223	223	-	140	140
Caritas Belgium	-	200	200	-	-	-
Caritas Korea	-	197	197	-	-	-
Caritas Australia	-	135	135	-	81	81
Caritas Italy	-	65	65	-	20	20
Caritas Austria	-	50	50	-	-	-
Caritas Taiwan	-	33	33	-	-	-
Caritas Germany	-	30	30	-	57	57
Caritas France	-	20	20	-	-	-
Caritas Japan	-	19	19	-	18	18
Caritas Hong Kong	-	5	5	-	-	-
Cáritas de Guadalajara (Mexico)	-	5	5	-	-	-
Caritas Relief Services (USA)	-	(11)	(11)	-	4	4
	-	6,319	6,319	-	2,466	2,466

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2018

3.2 CHARITABLE ACTIVITIES (CONTINUED)

	Unrestricted Funds €	Restricted Funds €	Total 2018 €	Unrestricted Funds €	Restricted Funds €	Total 2017 €
Contributions from agencies and groups:						
PSI (DFID)	-	1,695	1,695	-	1,506	1,506
TRACE	-	986	986	-	709	709
Dreams	-	539	539	-	894	894
IRF	-	477	477	-	-	-
Canadian Food & Grain Bank	-	472	472	-	79	79
Comic Relief	-	352	352	-	377	377
ACF International	-	320	320	-	157	157
Palladium	-	277	277	-	-	-
Human Dignity Foundation	-	274	274	-	330	330
ASB Deutschland	-	257	257	-	-	-
Big Lottery Fund	-	191	191	-	297	297
Oxfam	-	177	177	-	337	337
Danish Refugee Council	-	147	147	-	-	-
Community Foundation for Ireland	-	106	106	-	-	-
Drivers of Food Choice	-	101	101	-	149	149
State of Guernsey OAC	-	91	91	-	49	49
Kenneally Intl Foundation	-	85	85	-	-	-
MSF	-	82	82	-	-	-
Bisschoppelijke Vastenactie (BVA)	-	60	60	-	-	-
Bank of Ireland	-	54	54	-	51	51
Porticus Foundation	-	51	51	-	-	-
Start Fund	-	51	51	-	-	-
Ashden Trust	-	45	45	-	-	-
Electric Aid	-	40	40	-	26	26
MCA - Honduras	-	38	38	-	186	186
Action Aid International	-	33	33	-	-	-
Ford Foundation	-	23	23	-	-	-
International Land Coalition	-	21	21	-	-	-
Fisher Foundation	-	2	2	-	2	2
Fondo ACI	-	-	-	-	75	75
Danida	-	-	-	-	55	55
World Health Organisation	-	-	-	-	55	55
Direct Aid Programme	-	-	-	-	36	36
ICRC	-	-	-	-	20	20
IFRAH	-	-	-	-	14	14
HIRDA	-	(1)	(1)	-	-	-
Goal	-	(4)	(4)	-	(98)	(98)
THET (DFID)	-	(24)	(24)	-	(87)	(87)
	-	7,018	7,018	-	5,219	5,219
Total Charitable Activities	-	45,803	45,803	-	40,114	40,114

3.3 INVESTMENT INCOME

	Unrestricted Funds €	Restricted Funds €	Total 2018 €	Unrestricted Funds €	Restricted Funds €	Total 2017 €
Interest Receivable	60	-	60	141	-	141
TOTAL INCOME	23,090	51,915	75,005	21,323	41,178	62,501

Trust:

3.4 DONATIONS AND LEGACIES

	Unrestricted Funds €	Restricted Funds €	Total 2018 €	Unrestricted Funds €	Restricted Funds €	Total 2017 €
General Donations & Legacies	6,880	508	7,388	6,474	109	6,583
Lenten Campaign	5,379	-	5,379	4,502	-	4,502
Committed Giving	3,480	-	3,480	3,666	-	3,666
Special Appeals	-	4,093	4,093	-	725	725
Total Donations and Legacies	15,739	4,601	20,340	14,642	834	15,476

3.5 CHARITABLE ACTIVITIES

Governments and similar bodies	-	30,129	30,129	-	30,605	30,605
Caritas agencies	-	6,096	6,096	-	1,823	1,823
Agencies and groups	-	6,645	6,645	-	4,494	4,494
Total Charitable Activities	-	42,870	42,870	-	36,922	36,922

3.6 INVESTMENT INCOME

Total Investment Income	45	-	45	91	-	91
TOTAL INCOME	15,784	47,471	63,255	14,733	37,756	52,489

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2018

4. RAISING FUNDS EXPENDITURE

Goal 8: Increased scale and income

Group:	Unrestricted Funds €'000	Restricted Funds €'000	Total 2018 €'000	Total 2017 €'000
Cost of generating donations and legacies	3,850	-	3,850	2,544
Cost of generating Lenten Campaign	1,048	-	1,048	1,160
Cost of generating Special Appeals	3	87	90	66
Cost of generating Committed Giving	281	-	281	354
Support Costs (Note 6.1)	420	1	421	404
	5,602	88	5,690	4,528

Trust:	Unrestricted Funds €'000	Restricted Funds €'000	Total 2018 €'000	Total 2017 €'000
Cost of generating donations and legacies	2,611	-	2,611	1,850
Cost of generating Lenten Campaign	1,048	-	1,048	1,160
Cost of generating Special Appeals	3	87	90	66
Cost of generating Committed Giving	281	-	281	354
Support Costs (Note 6.1)	378	1	379	378
	4,321	88	4,409	3,808

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

Group:	Grants €'000	Programme Costs €'000	Support Costs €'000	Total 2018 €'000	Total 2017 €'000
Overseas Programme					
Strategic Plan 2016-2020					
Goal 1: Human rights and democratic space	2,881	1,283	231	4,395	-
Goal 2: Equitable access to & use of resources	10,123	5,280	833	16,236	-
Goal 3: Women's empowerment	8,872	4,645	745	14,262	-
Goal 4: Protection of dignity in humanitarian crises	19,732	5,534	1,516	26,782	-
International projects	530	134	40	704	-
	42,544	16,876	3,365	62,785	57,067
Strategic Plan 2006-2016					
Building sustainable livelihoods	-	-	-	-	13,045
Promoting gender equality	-	-	-	-	6,234
Addressing HIV and AIDS	336	-	-	336	3,093
Governance and human rights	70	-	-	70	10,113
Preparing for and responding to emergencies	-	-	-	-	24,582
	42,544	16,876	3,365	62,785	57,067
Ireland Programme					
Goal 5: People and leaders in Ireland are acting for a just world	203	1,999	422	2,624	2,731
	42,747	18,875	3,787	65,409	59,798

Group:	Unrestricted Funds €'000	Restricted Funds €'000	Total 2018 €'000	Total 2017 €'000
Overseas programme (Goals 1-4)	12,105	50,682	62,787	57,067
Ireland programme (Goal 5)	2,618	4	2,622	2,731
	14,723	50,686	65,409	59,798

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).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2018

5. CHARITABLE ACTIVITIES EXPENDITURE (CONTINUED)

Trust:	Grants €'000	Programme Costs €'000	Support Costs €'000	Total 2018 €'000	Total 2017 €'000
Goals 1-4:					
Overseas programme	39,427	13,290	3,034	55,751	44,838
Goal 5:					
Ireland programme	187	1,659	379	2,225	2,248
	<u>39,614</u>	<u>14,949</u>	<u>3,413</u>	<u>57,976</u>	<u>47,086</u>

Trust:	Unrestricted Funds €'000	Restricted Funds €'000	Total 2018 €'000	Total 2017 €'000
Overseas programme (Goals 1-4)	10,027	45,724	55,751	44,838
Ireland programme (Goal 5)	2,221	4	2,225	2,248
	<u>12,248</u>	<u>45,728</u>	<u>57,976</u>	<u>47,086</u>

6. SUPPORT COSTS

6.1 SUPPORT COSTS

	Group 2018 €'000	2017 €'000	Trust 2018 €'000	2017 €'000
Premises and facilities	1,283	1,022	890	774
Human resources, learning and development	812	989	811	989
Communications and Information technology	866	897	866	897
Finance, procurement and logistics	705	709	705	709
Governance (see note 6.2)	542	428	520	411
	<u>4,208</u>	<u>4,045</u>	<u>3,792</u>	<u>3,780</u>

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 2018 €'000	2017 €'000	Trust 2018 €'000	2017 €'000
Analysed as follows:				
Overseas programme (Goals 1-4)	3,366	3,237	3,034	3,024
Raising funds (Goal 8)	421	404	379	378
Ireland programme (Goal 5)	421	404	379	378
	<u>4,208</u>	<u>4,045</u>	<u>3,792</u>	<u>3,780</u>

	Group 2018 €'000	2017 €'000	Trust 2018 €'000	2017 €'000
6.2 GOVERNANCE COSTS				
Strategic management and directorate	348	282	342	277
Internal audit	137	93	137	93
Statutory audit fee*	57	53	41	41
	<u>542</u>	<u>428</u>	<u>520</u>	<u>411</u>

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2018

7. STAFF COSTS

The average number of employees in Ireland and overseas during the financial year was 465 (2017: 427).

The full staff profile is as follows:

	Group		Trust	
	2018 Numbers	2017 Numbers	2018 Numbers	2017 Numbers
Staff engaged in:				
Overseas programme	370	332	367	327
Management and support staff in Ireland	34	36	32	34
Ireland programme	33	32	28	29
Raising funds	28	27	24	23
	465	427	451	413

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

	Group		Trust	
	2018 €'000	2017 €'000	2018 €'000	2017 €'000
Salaries	11,778	11,199	11,247	10,417
Employer's social security contributions	857	857	819	767
Employer's pension contributions – Defined Contribution Scheme	706	703	669	662
Severance Costs	82	166	82	120
Employer's pension contributions — Defined Benefit Scheme	58	71	58	71
	13,481	12,996	12,875	12,037

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 (2017: € nil).

7. STAFF COSTS (CONTINUED)

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

	Group		Trust	
Salary Range	2018 Numbers	2017 Numbers	2018 Numbers	2017 Numbers
€60,000 to €70,000	12	9	11	9
€70,001 to €80,000	6	6	6	6
€80,001 to €90,000	4	3	4	3
€90,001 to €100,000	1	1	1	1
€120,001 to €130,000	1	1	1	1
	24	20	23	20

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

The Organisation and Human Resource Committee has the responsibility for 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 Executive Director. 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 Executive Director are approved by the Remuneration Committee

Executive Director, Éamonn Meehan is paid a salary of €118,750 per annum (2017: €118,750), is a member of the company pension scheme and has the use of a company car valued at €7,689 (benefit in kind).

The Executive Leadership Team (which is considered key management) remuneration, including employers' social security and pension contributions, is €785,685 (2017: €776,713).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2018

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 2017	318	1,852	26	709	6	2,911
Additions	-	306	-	-	-	306
Exchange difference	(6)	-	-	(16)	-	(22)
Disposals	-	(128)	-	-	-	(128)
Balance at 28 February 2018	312	2,030	26	693	6	3,067
DEPRECIATION:						
Balance at 1 March 2017	269	1,681	18	-	5	1,973
Charge for year	8	167	2	10	-	187
Impairment	-	-	-	176	-	176
Exchange difference	(7)	-	-	(1)	-	(8)
Disposals	-	(128)	-	-	-	(128)
Balance at 28 February 2018	270	1,720	20	185	5	2,200
Net Book Value						
Balance at 1 March 2017	49	171	8	709	1	938
Balance at 28 February 2018	42	310	6	508	1	867

- Leasehold property: The property in Cork is held under a 35 year lease dated 1 December 1987.
- Freehold properties: Located at 12 Cathedral Street, Dublin 1 and 50 King Street, Belfast.
- The impairment during the year relates to the freehold property at 50 King Street, Belfast.

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 2017	117	1,841	26	263	6	2,253
Additions	-	306	-	-	-	306
Disposals	-	(128)	-	-	-	(128)
Balance at 28 February 2018	117	2,019	26	263	6	2,431
DEPRECIATION:						
Balance at 1 March 2017	71	1,671	18	-	4	1,764
Charge for year	5	167	2	5	1	180
Disposals	-	(128)	-	-	-	(128)
Balance at 28 February 2018	76	1,710	20	5	5	1,816
Net Book Value						
Balance at 1 March 2017	46	170	8	263	2	489
Balance at 28 February 2018	41	309	6	258	1	615

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2018

9. STOCK

	Group		Trust	
	2018 €'000	2017 €'000	2018 €'000	2017 €'000
Value at 28 February 2018	324	-	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	
	2018 €'000	2017 €'000	2018 €'000	2017 €'000
Amounts falling due within one year:				
Amounts due from subsidiary undertaking:				
Trocaire (Northern Ireland)	-	-	1,616	1,040
Donor income accrued	28,172	28,004	27,572	25,868
Taxation refundable	1,632	1,522	1,507	1,379
Other debtors/prepayments	1,073	1,316	1,033	1,299
Advertising prepaid	459	421	459	414
Deposit income accrued	2	38	2	20
	31,338	31,301	32,189	30,020

Included in **donor income accrued** is an amount of €0.06m (2017: €0.8m) relating to legacies and €28.1m (2017: €27.2m) due from institutional funders. Included in the institutional funders income accrued is Irish Aid Programme Funding and Irish Aid Humanitarian Programme Funding of €19.6m (2017: €19.5m).

Advertising prepaid of €0.5m (2017: €0.4m) relates to the Lenten fundraising campaign.

11. CASH AT BANK
AND IN HAND

	Group		Trust	
	2018 €'000	2017 €'000	2018 €'000	2017 €'000
Funds held in:				
Parent Company	14,887	14,383	14,887	14,383
Trocaire Northern Ireland	9,068	4,367	-	-
Countries of operation	4,735	6,088	4,735	6,088
	28,690	24,838	19,622	20,471

12. SHORT TERM
INVESTMENTS

	Group		Trust	
	2018 €'000	2017 €'000	2018 €'000	2017 €'000
Amounts falling due within one year:				
Market value at 1 March 2017 and at 28 February 2018	1	1	1	1
Historical Cost	1	1	1	1

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2018

13. CREDITORS

	Group		Trust	
	2018 €'000	2017 €'000	2018 €'000	2017 €'000
Amounts falling due within one year:				
Approved partner commitments	6,395	5,632	6,395	5,632
Accruals	1,941	1,902	1,890	1,651
Donor income deferred	500	492	500	215
Trade creditors	483	701	483	695
Payroll taxes	241	225	232	215
	9,560	8,952	9,500	8,408

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.

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 Funds €'000	Restricted Funds €'000	Total 2018 €'000	Total 2017 €'000
Net assets, after retirement benefit scheme deficit	17,904	30,312	48,216	44,319
Tangible fixed assets	867	-	867	938
Fund balances at end of financial year	18,771	30,312	49,083	45,257

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.

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	26,927	46,374	(48,538)	24,763
Specific Funds:				
East Africa Appeal	-	5,149	(1,404)	3,745
Syria and refugee crisis	2,169	155	(520)	1,804
South Sudan	-	116	(116)	-
Yemen	7	38	(45)	-
Nepal	31	2	(33)	-
Philippines	21	-	(21)	-
Food Crisis Appeal	7	-	(7)	-
Iraq	-	2	(2)	-
Occupied Palestinian Territory	-	6	(6)	-
Rohingya refugee crisis	-	39	(39)	-
Sierra Leone	-	11	(11)	-
Somalia	-	19	(19)	-
South Asia Floods	-	4	(4)	-
	29,162	51,915	(50,765)	30,312

Trust:

Institutional funding and donor advised funds	25,282	43,379	(43,939)	24,722
Specific funds	2,229	4,093	(1,878)	4,444
	27,511	47,472	(45,817)	29,166

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2018

16. UNRESTRICTED FUNDS

Group:

	Balance at beginning of year €	Incoming Resources €	Resources Expended €	Balance at end of year €
Designated Funds:				
Development Programme	14,178	23,090	(20,414)	16,854
Emergency	467	-	-	467
	<u>14,645</u>	<u>23,090</u>	<u>(20,414)</u>	<u>17,321</u>
General Fund	1,450	-	-	1,450
	<u>16,095</u>	<u>23,090</u>	<u>(20,414)</u>	<u>18,771</u>
Trust:				
Designated Funds	10,743	15,784	(16,469)	10,058
General Fund	1,450	-	-	1,450
	<u>12,193</u>	<u>15,784</u>	<u>(16,469)</u>	<u>11,508</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:	2018 €'000	2017 €'000
Adjusted for:		
Net income/(expenditure) for the financial year (as per SOFA)	3,906	(1,825)
Depreciation	187	74
Impairment of property	176	-
Loss on disposal of fixed assets	-	83
Changes in stock	(324)	-
Defined Benefit Pension Scheme costs	58	71
Defined Benefit Pension Scheme contribution	(250)	(250)
Interest and investment income receivable	(60)	(141)
Increase in debtors	(37)	(4,667)
Decrease in creditors	608	(449)
Exchange Gain	(166)	(531)
	<u>4,098</u>	<u>(7,635)</u>
Net cash from/(used in) charitable activities		
Trust:	2018 €'000	2017 €'000
Adjusted for:		
Net income for the financial year (as per SOFA)	870	1,595
Depreciation	180	62
Loss on disposal of fixed assets	-	83
Change in stock	(324)	-
Defined Benefit Pension Scheme costs	58	71
Defined Benefit Pension Scheme contribution	(250)	(250)
Net movement with group undertakings	(576)	(840)
Interest and investment income receivable	(45)	(91)
Increase in debtors	(1,593)	(3,670)
Decrease in creditors	1,092	(776)
	<u>(588)</u>	<u>(3,816)</u>
Net cash used in charitable activities		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2018

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 2018 was €0.7m (2017: €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 2018 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.

	Valuation at	
	2018	2017
Key assumptions used:		
Discount rate	2.00%	2.10%
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	1.75%	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	
	2018	2017
	Years	Years
Retiring today:		
Males	23.3	23.1
Females	24.0	23.9
Retiring in 20 years:		
Males	25.5	25.4
Females	26.0	25.9

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:

	2018 € '000	2017 € '000
Net interest cost	(58)	(71)
	(58)	(71)

Amounts recognised in the Group and Trust's Other Recognised Gains/Losses with the statement of financial activities in respect of the defined benefit scheme is as follows:

	2018 € '000	2017 € '000
Actuarial loss	(187)	(582)
Return on plan assets (excluding amounts included in net interest costs)	287	887
	100	305
Total gain relating to defined benefit scheme	42	234

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:

	2018 € '000	2017 € '000
Present value of defined benefit obligations	(14,637)	(14,177)
Fair value of scheme assets	12,060	11,308
Net liability recognised in the balance sheet	(2,577)	(2,869)

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

	2018 € '000	2017 € '000
At 1 March	14,177	13,619
Interest cost	298	299
Actuarial loss	187	582
Benefits paid	(25)	(323)
	14,637	14,177
At 28 February		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2018

18. RETIREMENT BENEFIT SCHEMES (CONTINUED)

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

	2018 € '000	2017 € '000
At 1 March	11,308	10,266
Interest income	240	228
Return on plan assets (excluding amounts included in net interest cost)	287	887
Contributions from the employer	250	250
Benefits paid	(25)	(323)
	<hr/>	<hr/>
At 28 February	12,060	11,308

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

	2018 %	2017 %
Fair value of assets		
Equity instruments	63.3	61.50
Debt instruments	36.7	38.50

19. LEASE COMMITMENTS

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

	2018 €'000	2017 €'000
Leasehold premises:		
Within one year	416	416
Between one and five years	1,664	1,664
After five years	2,450	403
	<hr/>	<hr/>
	4,530	2,483

20. FINANCIAL INSTRUMENTS

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

Group:

	2018 €'000	2017 €'000
Financial Assets		
<i>Measured at undiscounted amount receivable</i>		
Donor income accrued	28,172	28,004
Other debtors	1,073	1,316
Deposit income accrued	2	38
	<hr/>	<hr/>

Trust:

	2018 €'000	2017 €'000
Financial Assets		
<i>Measured at undiscounted amount receivable</i>		
Donor income accrued	27,572	25,868
Other debtors	522	531
Amounts due from subsidiary undertaking	1,616	1,040
Deposit income accrued	2	20
	<hr/>	<hr/>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2018

20. FINANCIAL INSTRUMENTS
(CONTINUED)

Group:

	2018 €'000	2017 €'000
Financial Liabilities		
<i>Measured at undiscounted amount payable</i>		
Approved partner commitments	6,395	5,632
Trade creditors and accruals	2,424	2,604
Donor income deferred	500	418

Trust:

	2018 €'000	2017 €'000
Financial Liabilities		
<i>Measured at undiscounted amount payable</i>		
Approved partner commitments	6,395	5,632
Trade creditors and accruals	2,373	2,346
Donor income deferred	500	215

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 2018

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

	2018 €'000	2017 €'000
Country		
1 Myanmar	7,814	8,347
2 Somalia	6,983	4,447
3 Kenya	6,272	3,413
4 Pakistan	4,976	2,943
5 DRC	4,324	2,980
6 Ethiopia	3,986	4,448
7 Zimbabwe	3,715	4,399
8 Honduras	3,009	3,053
9 Uganda	2,761	2,650
10 Malawi	2,709	3,416
11 Rwanda	2,922	2,376
12 Guatemala	2,752	2,219
14 Sierra Leone	2,561	2,039
15 Nicaragua	2,250	2,507
16 Syria	1,717	1,477
13 Sudan	1,571	2,481
25 South Sudan	970	1,057
17 Occupied Palestinian Territory	858	556
18 Iraq	79	278
19 Yemen	73	-
20 Nepal	49	273
21 India	30	13
22 Bangladesh	22	-
23 Philippines	13	810
24 Ukraine	1	-
26 Eritrea	-	129
27 Greece	-	129
28 Haiti	-	95
29 Serbia	-	56
30 El Salvador	-	6
Other countries and projects	368	470
Total overseas programme costs	62,785	57,067

APPENDIX 2 – TOP 50 GRANTS TO PARTNERS

	Partner Name	Country	Total Grants €'000				
1	Karuna Mission Social Solidarity- KMSS- National Office	Myanmar	2,711	31	Caritas Rwanda	Rwanda	215
2	Bishop Gassis Relief and Rescue Foundation	Sudan	1,026	32	Blue Veins	Pakistan	209
3	CAFOD	Various	908	33	Metta Development Foundation	Myanmar	205
4	Basmeb & Zeitooneh - A Lebanese Association	Syria	853	34	NAG	Myanmar	202
5	Pak Rural Development Program	Pakistan	707	35	LAAR Humanitarian and Development Program	Pakistan	199
6	Zimbabwe Lawyers for Human Rights	Zimbabwe	633	36	Commission Episopale Justice et Paix	Rwanda	195
7	Catholic Diocese of Lodwar	Kenya	609	37	Programme Nourriture D’Abord	DRC	191
8	Caritas Mahagi	DRC	604	38	Pastoral Social San Marcos	Guatemala	190
9	Catholic Diocese of Kitui	Kenya	423	39	Strengthening Participatory Organization	Pakistan	189
10	CRS	Somalia	410	40	Solidarite feminine pour la paix et le developpement integral	DRC	188
11	The Trust for Democratic Education and Accountability	Pakistan	383	41	Friends of Lake Turkana	Kenya	183
12	CCDA - Comité Campesino del Altiplano	Guatemala	345	42	Club des Volontaires pour l’Appui aux Peuples autochtones	DRC	182
13	Agency For Cooperation & Research In Development	Ethiopia	341	43	Rwanda Development Organisation	Rwanda	182
14	ECS-Apostolic Vicariate of Hosanna	Ethiopia	340	44	CADECOM Mangochi	Malawi	177
15	Adigrat Diocesan Catholic Secretariat - Mekelle	Ethiopia	325	45	Legal Resources Foundation	Kenya	170
16	Girl Child Network	Kenya	325	46	Asociacion de Organismos No Gubernamentales de Honduras	Honduras	169
17	Community Initiative Facilitations Assistance - Ethiopia	Ethiopia	321	47	Cooperativa de Ahorro y Crédito Orfilia Vázquez	Nicaragua	168
18	Caritas Wamba	DRC	304	48	Commission Diocésaine Justice et Paix Bunia	DRC	166
19	Aiming Change for Tomorrow (ACT) International	Pakistan	292	49	Action for Development	Ethiopia	161
20	Sodo Catholic Secretariat	Ethiopia	287	50	Bridging Rural Integrated Dev and Grassroot Empowerment	Myanmar	161
21	Association for Betterment and Development of Human Beings	Pakistan	275				
22	SAWA for Development and Aid	Syria	274		Total Top 50 Grants to Partners		18,382
23	Relief Society of Tigray	Ethiopia	271				
24	ADEPES Asociacion de Desarrollo Pespirense	Honduras	268		Other Grants to Field Partners		24,162
25	CASM Comision de Accion Social Menonita	Honduras	261		Other Grants to Ireland Partners		203
26	Zimbabwe Peace Project	Zimbabwe	245				
27	Pakistan Village Development Program	Pakistan	241		Total Grants to Partners		42,747
28	Diocese of Embu - Ishiara Parish	Kenya	237				
29	Research and Development Foundation	Pakistan	236				
30	Metta Development Foundation	Myanmar	225				

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
EXECUTIVE DIRECTOR:	Éamonn Meehan
BOARD	Bishop William Crean (Chair) Harry Casey Éamonn Meehan Prof Monica McWilliams Fiona Tierney Chris Queenan Deirdre Kenny Conall O'Caoimh Gerry Culligan Sandra Lawler Margot Lyons (Retired Jun 2017) Bishop Donal McKeown (Retired Nov 2017) Fionnuala Waldron (Retired Nov 2017) Sr. Geraldine Henry (Retired Jun 2017) Rosemary McCreery (App June 2017) Sr. Carmel Flynn (App Jun 2017)
BOARD SUB COMMITTEES	
Audit & Risk Committee	Chris Queenan (Chair) Declan Kenny Donal Flynn Yvonne Hill Fergal Power Denis Murphy Karen Dillon
Organisation & Human Resource Committee	Fiona Tierney (Chair) Eimear Kenny Éamonn Meehan Matt Walsh Nicola McCracken
International Programmes Advisory Committee	Conall O'Caoimh (Chair) Su-Ming Khoo Sr. Geraldine Henry Mairtin O' Fainin Rosemary McCreery Deirdre Kenny Nata Duvvury Kevin Farrell

Funding & Public Engagement Committee	Gerry Culligan (Chair) Ronan Morris Bronagh Twomey Rachel Power Sandra Lawler
EXECUTIVE LEADERSHIP TEAM:	
Executive Director Director of International Division Director of Fundraising and Marketing Director of Public Engagement Director of Strategy, Programmes and Advocacy Director of Human Resources, L & D Director of Corporate Services	Éamonn Meehan Sean Farrell Gwen Dempsey John Smith Finola Finnan Joseph Shannon 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 Deloitte & Touche House Earlsfort Terrace
SOLICITOR:	Philip Lee 7/8 Wilton Terrace Grand Canal Dock Dublin 2
REPUBLIC OF IRELAND CHY Number: Charities Regulatory Authority Number:	5883 20009601
NORTHERN IRELAND Company Number: HMRC Number: Charity Commission Number:	NI021482 XR10431 NIC103321