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Tearfund Ireland
Annual Report and Financial Statements
for the year ended 31 March 2019

Tearfund Ireland

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Tearfund Ireland **DIRECTORS' REPORT**

for the year ended 31 March 2019

Directors

Richard Barkley (Hon. Treasurer)
Susan Heaney
Dr David Weakliam (Chair)
Paraic O'Toole
Oghenovo Oghuvbu
Richard Phillips (Vice-Chair)
Sharon Morrow
Lucy Hill

Company Secretary

Richard Barkley (Hon. Treasurer)

Chief Executive Officer

Sharan Kelly

Development Committee

Richard Phillips (Chair)
Dr David Weakliam
Helen Lane
Michael O'Toole

Audit and Risk Committee

Richard Barkley (Chair)
Paraic O'Toole
Christian Dijkstra

Governance Committee

Sharon Morrow (Chair)
Richard Barkley

Company Number

323619

Charity Number

20021337

Registered Office

2nd Floor Ulysses House
22/24 Foley Street
Dublin 1

Business Address

2nd Floor Ulysses House
22/24 Foley Street
Dublin 1
Ireland

Auditors

Lewis & Co
Chartered Accountants and Statutory Audit Firm
8 Priory Hall
Stillorgan
Co Dublin

Bankers

Allied Irish Banks
37 Upper O'Connell St
Dublin 1

Bank of Ireland
6 Lower O'Connell Street
Dublin 1

KBC Bank Ireland
Sandwith Street
Dublin 2

Tearfund Ireland

LETTER FROM CHAIRPERSON

for the year ended 31 March 2019

This year Tearfund Ireland celebrated 10 years of operation. It is humbling to look back on the previous decade and see all that we've been able to do through God's grace, guidance and provision. Through our community development work we've supported more than 3,000 families through 43 projects in 14 different countries. More than 9,000 churches have received support and training to help them address the needs of their communities. We've also responded to more than 23 emergencies across 18 countries, serving almost 700,000 people in their time of real need. We are so grateful for the hundreds of generous and committed supporters who have partnered with us over the last 10 years and we look forward to continuing that partnership; pressing on toward achieving the vision God has given Tearfund Ireland.

The year ending March 2019 brings us nearly to the end of our current strategic plan which has guided our activities from 2015-2020.

Our most significant project continues to be the Self Help Groups in Ethiopia. This year we put emphasis on capacity building of the partners who facilitated the Self Help Group members in lifting themselves out of poverty through a number of income-generating activities and alternative farming methods. The benefits of the Self Help Group model reach far beyond the individual group member, the benefits stretch into their family and into their wider community, making this a region-changing project.

Our efforts to help bring children out of orphanages and restore them with their families and communities continued in Cambodia, Nepal and Zimbabwe. We continued our support of providing intervention education to Syrian Refugee children in Lebanon as well as Teacher Training in South Sudan and areas of long-term crises. Another highlight was the agreement with Irish Aid to facilitate the provision of stockpiles of non-food items in the event of an emergency.

Our work overseas is carried out by partners who are committed, faithful and tireless in their efforts to reach their communities who suffer because of poverty and injustice. Every time we speak to them our hearts are knit together more deeply in our shared commitment to demonstrate the gospel of Jesus.

We also had a few firsts for Tearfund Ireland this year. In October we were invited to lead the Sunday Service which was broadcast on RTE. The service was an encouraging overview of our work which featured supporters, Board Members, staff, friends and a local children's choir. In November Tearfund Ireland hosted an Environmental Seminar which brought together speakers from Industry, Academia, INGO sector and Advocates. Feedback from the event was extremely positive and reinforced Tearfund Ireland's prophetic voice on issues of national and environmental importance.

Individuals and churches across the Republic of Ireland continued to support us in prayer, volunteering, fundraising, in funding and in providing their time and expertise. A second round at Strictly got a number of supporters onto the dance floor to raise funds. Several Church Leaders travelled to Lebanon in order to meet our Lebanese partners. The trip was highly encouraging and helped us all experience the amazing joys and extreme challenges facing our brothers and sisters in Lebanon and Syria.

We continue to raise awareness of our work through speaking in churches, running seminars and events, and networking with others. In July we were invited to run a series of Development Education seminars for young people at the World Meeting of Families. This was a wonderful opportunity and afforded us the chance to meet a demographic we don't often have a chance to speak with.

We also had some staff changes. In May a Business Development Manager was hired to assist us in building relationships for strategic partnerships and higher capacity fundraising. In August a key member of our Marketing & Communications teams left the organisation to pursue further academic studies.

Financially, we ended the year with a surplus of €59,570. Our total spent on charitable activities was €786,346 against an income of €979,419. This year we had a 47.5% increase in funding from institutional donors and, in pursuit of our strategic goal to advocate with and on behalf of the poor, we increased spending on advocacy, social justice and development by 11.5%. Costs of generating funds amounted to €133,504 (13.6%).

In terms of Governance, accountability and transparency, the Board is active in its role and responsibilities and is satisfied that it is strong in these areas while recognising there is always room to improve. The Governance committee carried out a revision of the organisation's Governance code as well as facilitating a Board Review.

Tearfund Ireland
LETTER FROM CHAIRPERSON

for the year ended 31 March 2019

Finally, I would like to thank our many supporters, donors, volunteers and committee members for their faithful and valuable support to the mission of Tearfund Ireland in the past year. I'd also like to extend my appreciation of the staff team and my fellow Directors for their valuable contributions throughout the year and their unwavering hard work and efforts. I also thank and acknowledge all of our partners and particularly our local church partners in the countries we work in and here in Ireland.

Thank you.

Dr David Weakliam
Chairperson
17 December 2019

NOTE

David has worked in international and global health since 1988, including 12 years working with Tearfund and other development agencies in Nepal, Liberia, Sudan and Democratic Republic of Congo. Following his return to Ireland he worked as health adviser with Irish Aid, the government overseas aid programme, from 2003 to 2007. David is now a Consultant in Public Health Medicine in the Health Service Executive (HSE) and works as Programme Lead for the HSE Global Health Programme.

Tearfund Ireland

DIRECTORS' REPORT

for the year ended 31 March 2019

The directors present their report and the audited financial statements for the year ended 31 March 2019.

Principal Activity

Tearfund Ireland is a Christian relief and development agency working to eradicate poverty worldwide.

The Company is limited by guarantee not having a share capital. The company is a registered charity and hence the report and results are presented in a form which complies with the requirements of the Companies Act 2014 and, although not obliged to comply with the Statement of Recommended Practice (Charities SORP effective January 2015), the organisation has implemented its recommendations where relevant in these financial statements.

Tearfund Ireland is an independent Irish Christian Relief and Development organisation incorporated in 2000 and operational since 2008 with its offices in Dublin, Ireland. As a faith based organisation we believe Christians and the Church are called to active involvement in ending poverty and seeking justice for people who are marginalised and vulnerable.

Financial Results

The surplus for the year after providing for depreciation amounted to €59,570 (2018 - €22,829).

At the end of the year, the company has assets of €280,027 (2018 - €296,538) and liabilities of €125,583 (2018 - €200,896). The net assets of the company have increased by €59,570.

Tearfund Ireland's income for the financial year ended March 2019 increased compared with the previous year as a result of timing of Irish Aid funding. Tearfund Ireland continues to place priority on building strong and healthy relationships with Trusts, Foundations and Grant Giving Organisations within Ireland including the Church of Ireland Bishops' Appeal. As a registered charity, Tearfund Ireland was able to reclaim €93,498 from the Revenue Commissioners.

Tearfund Ireland uses its finances effectively and maintains low administration costs in order to ensure help reaches those in need. This is made possible through the support of enthusiastic volunteers who raise funds, pray, work in our office and share our vision with others. The Board of Directors is committed to ensuring administration costs remain low while also investing in the continued development of the organisation. Administration and governance costs have been spread across direct charitable expenditure, and costs of generating funds.

Directors and Secretary

The directors who served throughout the year, except as noted, were as follows:

Richard Barkley (Hon. Treasurer)
Susan Heaney
Dr David Weakliam (Chair)
Paraic O'Toole
Oghenovo Oghuvbu
Richard Phillips (Vice-Chair)
Sharon Morrow
Lucy Hill

The secretary who served throughout the year was Richard Barkley (Hon. Treasurer).

Post Balance Sheet Events

There have been no significant events affecting the company since the year-end.

Auditors

The auditors, Lewis & Co, (Chartered Accountants) have indicated their willingness to continue in office in accordance with the provisions of section 383(2) of the Companies Act 2014.

Tearfund Ireland

DIRECTORS' REPORT

for the year ended 31 March 2019

Principal Risks and Uncertainties

The directors have overall responsibility for Tearfund Ireland's system of internal control. Such a system can provide only reasonable and not absolute assurance against errors or frauds. The external auditor presents their report to the board of directors on an annual basis. A comprehensive register of the risks faced by Tearfund Ireland is maintained and covers the period of its Strategic Plan, 2015-2020. Risks identified include at three major levels, global, organisational and partner/beneficiary level.

Risk Management

Tearfund Ireland's register identifies the major strategic, financial, security, reputational and operational risks faced and how they are being managed. The directors are satisfied that systems are in place to monitor, manage and mitigate Tearfund's exposure to major risks. This includes the Audit and Risk Committee carrying out regular reviews of its Risk Register during each financial year and an annual review by the Board. Significant or material items are brought to the Board appropriately where necessary by the Audit and Risk Committee.

The top five risks on the risk register can be summarised as follows:

1. Reputation: Highest standards of professional behaviour, strong ethics and values based on social justice/Christian identity, strong corporate governance and compliance.
2. Finance/Funding, funds misappropriation, fraud: Strong income & fundraising strategy in place and closely monitored, value for money monitored, Partner assessments, audits carried out, codes of conduct.
3. Organisational effectiveness: Adequate resources to ensure staffing levels, retention measures, succession plan, developing technical capacities; Board Development.
4. Partnership relationships weaken: Clear roles/responsibilities captured in mutually beneficial Partner Agreements, MOUs re-negotiated; regular dialogues & relationships maintained.
5. Programme relevance, effectiveness (V4M), impact/results, not achieving intended outcomes: Board & DC monitor progress against strategy & annual plans. Programme/project reporting, monitoring visits; strengthening partnerships, implementing codes of conduct & quality standard. Impact and results captured/evaluated.

Tearfund Ireland

DIRECTORS' REPORT

for the year ended 31 March 2019

Structure, Governance and Management

The Board of Directors, who meet at least five times per year, are responsible for ultimate strategic decisions, setting targets, signing off on annual plans and budgets and reviewing the outcomes of the statutory audit. The Board ensures the highest standards of governance, accountability, transparency, financial oversight and ultimately the achievement of strategic and programmatic goals. Directors are appointed by the members at the Annual General Meeting and are selected based on criteria established in the Board Terms of Reference. The directors may also appoint a director to serve until the next Annual General Meeting, at which time he or she would cease to hold office but would be eligible for election. In accordance with the Articles of Association, the directors retire by rotation and, being eligible, offer themselves for re-election.

A Code of Corporate Governance (based on Dóchas's code) guides the board in its role, and the functioning of the Board is monitored against this. The operational management of the company is delegated by the Board to the Chief Executive Officer.

The Development Committee, a sub-committee of the Board, ensures that Tearfund Ireland utilises and allocates its financial resources effectively and is following internationally-recognised best practice in relief and development. The Development Committee includes at least two directors. The Board approves funding available for grants and delegates to the Development Committee the assessment of new partners and projects for submission to the Board for approval.

The Development Committee reports its decisions and actions to the Board in writing. Tearfund Ireland operates a comprehensive planning and budgeting system with an annual budget approved by the board of directors. Significant changes are subject to specific approval. A financial reporting system compares results with the budget on a quarterly basis. Forecasts of the expected results for the year are undertaken in September and December. The treasurer ensures financial accountability and oversees effective management of funds. A Financial Policy and Procedures Manual approved by the Board in 2011 is due to undergo a review and revision. The Audit and Risk Management sub-committee established in 2011 continues to meet and oversees financial matters and continues to ensure strengthened internal controls and procedures, by identifying future risks and reporting to the Board.

Resource planning is undertaken to include financial, human and operational resources required to achieve the strategy, and a five-year implementation plan was developed and approved by the Board. Key principles underpinning resource allocation include matching resources to designated and restricted expenditure and maintaining a diversity of income to achieve this. Allocations for expenditure is managed to agreed targeted levels as a proportion of total costs. Those costs include staffing, fixed overheads, cost of generating funds, governance and charitable activities, including direct granting to projects and programmes. The Board tasks the staff to develop annual plans and budgets to achieve the desired outcomes and results of the strategy. Annual plans and budgets are approved by the Board. Progress in achieving objectives is monitored routinely.

Tearfund Ireland is a company limited by guarantee, registered with the Charities Regulatory Authority and is in full compliance with the Charities Acts. An annual report is published every year covering results achieved and detailing the various partner associations and projects worked with during the period and how lives and communities have and are being transformed. Audited Accounts are adopted by members at the AGM, and published on our website, and give details of income from public donations and grants and how this is expensed to fund our vital work and run the organisation.

Strategy

In May 2015, Tearfund Ireland's Board approved the organisation's Strategic Plan for the period 2015-2020 which captures its strategy, vision, mission and goals. Tearfund Ireland trebled its income during a period of deep recession in Ireland between 2008 & 2014 and aims to treble its income in the next five years also. Tearfund Ireland's vision is for flourishing communities, free from poverty and injustice. Tearfund Ireland believe that this can be achieved through working together - with and through the local church and faith based partners, both in the global south and in Ireland, and growing its partnerships with Irish Aid, EuropeAid, Trusts, Foundations, INGOs and the corporate sector. Tearfund Ireland's strategy for the current five year period is to develop and grow its capacity as an organisation in the Republic of Ireland so that Tearfund Ireland can have even greater impact in the lives of people and communities worst affected by poverty and injustice.

Tearfund Ireland's strategic goals are to enable the local church and other partners to transform the lives of the most vulnerable and marginalised people through the increased provision of resources, building meaningful partnerships with partner organisations including strengthening of their capacity and responding effectively to humanitarian emergencies and to protracted crisis in fragile states. It includes being an advocate with and for those most vulnerable to injustice and poverty while also strengthening and resourcing the organisation so that it can achieve its mission.

Tearfund Ireland

DIRECTORS' REPORT

for the year ended 31 March 2019

Tearfund Ireland has strategically examined its geographic and country focus. More emphasis is being put on fragile states, clustering countries in geographic regions within a manageable quota of countries. Tearfund Ireland responds to people and communities who are most marginalised and in greatest need. Tearfund Ireland's approach is to work holistically in poor communities and specifically focuses its work with the most marginalised and vulnerable. This includes children at risk and orphans, vulnerable children, vulnerable women, and people worst affected by conflict and protracted crises. Tearfund Ireland focuses its work on empowering, building capacity and mobilising people, churches and communities.

Tearfund Ireland has built strong relationships with many churches in the Republic of Ireland over the past number of years. Tearfund Ireland's Marketing, Communications and Fundraising strategy identifies the churches and individuals as a major source of support and income for Tearfund Ireland. Its strategy is to specifically reach more churches and individuals and grow regular giving. A number of strategies are employed to achieve this within marketing, communications and fundraising activities. In the next five years, Tearfund Ireland aims to increase its partnerships with the Irish Government and Irish Aid, Trusts, Foundations and other institutions, corporates, other partner INGOs and EuropeAid as a means of providing the resources needed to grow its Development & Humanitarian Programmes overseas. It intends on maintaining a diverse income strategy, with appropriate levels of Irish Government income while growing regular giving by churches, individuals and unrestricted sources as the major source of income in the long term to ensure financial sustainability.

One of Tearfund Ireland's strategic goals is to advocate with and on behalf of the most marginalised and vulnerable. Advocacy is considered an integral part of its work in Development and Humanitarian responses. Tearfund Ireland's advocacy strategy seeks to tackle the root causes of poverty to bring about long term change. Tearfund Ireland seeks to influence policies, structures and systems that can bring about change in order to influence those in power to act in more equitable ways.

Vision, Mission, Goals and Values

Tearfund Ireland's Vision is for flourishing communities in partnership with local churches free from poverty and injustice.

Tearfund Ireland's Mission and passion, is to stand together to transform the lives of the most marginalised through partnerships that mobilise, empower and build capacity.

Tearfund Ireland's Strategic Goals are to:

1. Enable the local church and other partners to transform the lives of the most vulnerable and marginalised people through meaningful partnerships, capacity building and increased provision of resources
2. Become more widely known and understood across churches in Ireland and envision, equip and mobilise churches and the Christian community in Ireland to engage in social justice and development
3. Advocate with and on behalf of the most marginalised and vulnerable
4. Grow and strengthen organisational resources, technical expertise, skills and capacity

Tearfund Ireland is driven by its belief that God through His word, character and the person of Jesus Christ calls the Church and Christians to active involvement in ending poverty and seeking justice for people who are marginalised and vulnerable.

Christ-centred As followers of Jesus Christ we are committed to following Christ's example - His words, actions and life in all that we do, say and are. Our roots go down deep in Him: His Spirit energises us, His word steers us and His presence steadies us.

Justice We are committed to justice for all people and communities. We believe that all people should be treated justly and equitably. We are committed to seeking the restoration of relationships that are unjust and inequitable, and seek to ensure the dignity and flourishing of every human being and society as a whole.

Empowerment We are committed to people and communities being empowered to live with dignity and to flourish. We will advocate with and on behalf of those most vulnerable and will support their capacity building for self-help, growing resilience and flourishing.

Relational We are committed to meaningful, effective and mutually beneficial relationships. We seek to put those we are serving first while working collectively with humility through mutual respect, learning, service and support.

Passionate We are passionate in our convictions and commitment to seek the transformation of people and communities and are driven to eradicate poverty and injustice with and on behalf of those most vulnerable.

Tearfund Ireland

DIRECTORS' REPORT

for the year ended 31 March 2019

Quality Standards, Codes of Conduct and Policy Development

Tearfund Ireland believes in maintaining the highest standards of professionalism throughout our work. Tearfund Ireland adheres to best practice quality assurance and codes of conduct across its development and humanitarian programmes. The Quality Standard framework underpins all interventions and includes targeting, gender, HIV, conflict, children, environment and sustainability. To ensure that these standards are followed, and that all programmes are managed effectively, with suitable processes for review, reporting and financial control, an appropriate Project Management Information System framework has been adopted.

Tearfund Ireland is a signatory of the Code of Conduct for the International Red Cross and Red Crescent Movement and NGOs in Disaster Relief. This means that our aid is given regardless of the race, creed or nationality of the recipients and without adverse distinction of any kind. Aid priorities are calculated on the basis of need alone. Tearfund Ireland are committed to the high technical quality of our projects, as laid out in the Sphere Humanitarian Charter and Minimum Standards in Disaster Response and the Humanitarian Accountability Partnership and we intend on adopting the new Core Humanitarian Standard. Tearfund Ireland is a member of Dóchas, the Irish Association of Non-Governmental Development Organisations and signatory to the Code of Conduct on Images and Messages; Tearfund Ireland is a signatory to the ICTR Statement of Guiding Principles.

Tearfund Ireland's policies include Finance Policy (incl. Reserves, fraud policies etc.), Human Resources Policy, Partnership Process Policy, Child Protection and Vulnerable Adults Policy, Health, Safety & Welfare Policy, Irish Aid Guidelines for NGO Professional Safety & Security Risk Management, Data Protection Guidelines, Geographic Portfolio Guidelines, Disaster Response Guidelines etc. The Board dynamically adopted relevant Tearfund (UK) policies unless superseded by Tearfund Ireland's policies where appropriate. These include: Health Policy, Environment Policy, Impact & Learning, (Finance Policy & Human Resources Policy as they apply to country offices and partners), Quality Standard (QS) framework, Security & Safety in Travel informed and updated as needed by our experience in the field and by best practice.

Reserves Policy

The Directors consider that maintaining Tearfund's cash reserves between 3 to 6 months' expenditure and an annual review of internal controls and risks will provide Tearfund with adequate risk assurance and sufficient resources in the event of adverse conditions. In addition, the Board constituted an emergency reserve to enable Tearfund Ireland to respond to humanitarian emergencies as they arise. They also recognise that the nature of some of Tearfund's work requires active acceptance and management of some risks when undertaking activities to achieve the objectives of the charity. Fraud is a major issue in many countries where Tearfund and its partners operate. As a result, Tearfund recognises fraud as one of the major risks that has to be managed. All potential frauds or other irregularities are required to be reported to the Board, who maintains a register of the irregularities, actions taken and results.

The Board allocated reserves previously for once-off expenditure items and put in place a strategy to increase the level of reserves to a minimum of 3 months' expenditure including staff costs, running costs and liabilities in the short term to grow to 6 months over the period of the current strategic plan. Led by the Audit and Risk Committee, Treasurer and the Board, this strategy and reserve levels are monitored quarterly. The Board rigorously monitor income versus expenditure and the Board have actively been working towards reaching a surplus to replenish reserves. A key objective is to improve regular donations by standing order and direct debit to provide a solid financial base for our activities. The Church and Supporter Relations Co-ordinator and Marketing and Fundraising Manager implement this. The Board continues to monitor its strategy to raise its income levels to ensure its reserves policy is met.

Employees and Volunteers

The work of Tearfund in Ireland relies on the commitment and hard work of its valued staff and volunteers. Tearfund Ireland also appreciates the support of the staff at Tearfund in the UK and the other member organisations of the Tearfund family..

Considerable and vital support has been given to Tearfund Ireland by more than 50 volunteers throughout the Republic of Ireland. Their help is at the heart of Tearfund Ireland's work: they bring life to the organisation and help it to operate effectively. The many roles they undertake include encouraging prayer, campaigning, acting within their local churches and communities, enthusing others, engaging with local media and championing fair trade. This volunteer network is a distinctive aspect of Tearfund Ireland's approach and the board is very grateful for their commitment and contribution.

Statement on Relevant Audit Information

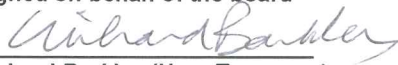
So far as the directors are aware, there is no relevant audit information of which the statutory auditors are unaware. The directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and they have established that the statutory auditors are aware of that information.

Tearfund Ireland
DIRECTORS' REPORT
for the year ended 31 March 2019


Accounting Records

To ensure that adequate accounting records are kept in accordance with sections 281 to 285 of the Companies Act 2014, the directors have employed appropriately qualified accounting personnel and have maintained appropriate computerised accounting systems. The accounting records are located at the company's office at 2nd Floor Ulysses House, 22/24 Foley Street, Dublin 1.

Signed on behalf of the board


Richard Barkley (Hon. Treasurer)
Director

Date: 17th December 2019


Dr David Weakliam (Chair)
Director

Date: 17th December 2019

Tearfund Ireland

DIRECTORS' RESPONSIBILITIES STATEMENT

for the year ended 31 March 2019

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable Irish law and regulations.

Irish company law requires the directors to prepare financial statements for each financial year. Under the law the directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the surplus or deficit of the company for the financial year and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

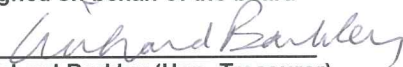
The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and surplus or deficit of the company to be determined with reasonable accuracy and enable them to ensure that the financial statements and Directors' Report comply with the Companies Act 2014 and enable the financial statements to be readily and properly audited. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the directors are aware:

- there is no relevant audit information (information needed by the company's auditor in connection with preparing the auditor's report) of which the company's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Signed on behalf of the board


Richard Barkley (Hon. Treasurer)
Director

Date: 17th December 2019



Dr David Weakliam (Chair)
Director

Date: 17th December 2019

INDEPENDENT AUDITOR'S REPORT to the Members of Tearfund Ireland

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Tearfund Ireland ('the company') for the year ended 31 March 2019 which comprise the Income and Expenditure Account, the Balance Sheet, the Reconciliation of Members' Funds, the Cash Flow Statement and the related notes to the financial statements, including a summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish Law and Charities SORP FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 March 2019 and of its surplus for the year then ended;
- have been properly prepared in accordance with the Charities SORP FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

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 further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and the Provisions Available for Audits of Small Entities, in the circumstances set out in note 3 to the financial statements, 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company'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 financial statements are authorised for issue.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our Auditor's Report thereon. Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 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.

Opinions on other matters prescribed by the Companies Act 2014

Based solely on the work undertaken in the course of the audit, we report that:

- in our opinion, the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- in our opinion, the Directors' Report has been prepared in accordance with the Companies Act 2014.

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited. The financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report. The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT to the Members of Tearfund Ireland

Respective responsibilities

Responsibilities of directors for the financial statements

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

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to the going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operation, or has no realistic alternative but to do so.

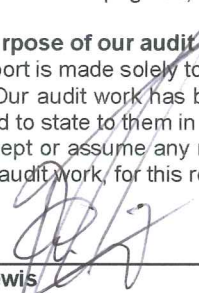
Auditor's responsibilities for the audit of the financial statements

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is contained in the appendix to this report, located at page 15, which is to be read as an integral part of our report.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume any responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Ben Lewis
for and on behalf of
LEWIS & CO

Chartered Accountants and Statutory Audit Firm
8 Priory Hall
Stillorgan
Co Dublin

Date: 17th December 2019

Tearfund Ireland

APPENDIX TO THE INDEPENDENT AUDITOR'S REPORT

Further information regarding the scope of our responsibilities as auditor

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

- Identify and assess the risks of material misstatement of the 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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 company'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 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 our Auditor's Report. However, future events or conditions may cause the company 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 financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 we identify during our audit.

Tearfund Ireland

(A company limited by guarantee, not having a share capital)

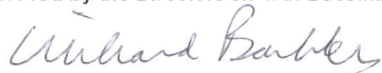
STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating an Income and Expenditure Account)

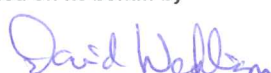
for the year ended 31 March 2019

	Notes	Restricted Funds 2019 €	Unrestricted Funds 2019 €	Total 2019 €	Restricted Funds 2018 €	Unrestricted Funds 2018 €	Total 2018 €
Incoming resources							
Grants	5	427,346	-	427,346	289,565		289,565
Donations		-	552,031	552,031		542,082	542,082
Investment income		-	43	43		77	77
Total incoming resources		<u>427,346</u>	<u>552,073</u>	<u>979,419</u>	<u>289,565</u>	<u>542,159</u>	<u>831,724</u>
Resources expended							
Cost of generating funds	6	58,251	75,252	133,504	42,811	80,144	122,955
Net incoming resources available for charitable application		369,095	476,821	845,916	246,754	462,015	708,769
Resources Expended on Charitable Activities							
International programmes		345,588	206,672	552,260	248,853	227,266	476,119
Social Justice and Development		83,370	94,636	178,006	65,047	84,798	149,845
Advocacy and Policy		26,581	29,499	56,080	25,651	34,326	59,977
Transfer from unrestricted to restricted		- 96,646	96,646	-	- 109,401	109,401	-
	6	<u>358,894</u>	<u>427,452</u>	<u>786,346</u>	<u>230,150</u>	<u>455,791</u>	<u>685,941</u>
Surplus for the year		<u>10,201</u>	<u>49,369</u>	<u>59,570</u>	<u>16,604</u>	<u>6,224</u>	<u>22,828</u>

Approved by the Directors on 17th December 2019 and signed on its behalf by



Richard Barkley (Hon. Treasurer)
Director



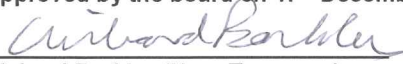
David Weakliam (Chair)
Director

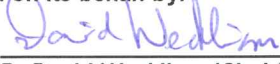
Tearfund Ireland
BALANCE SHEET

as at 31 March 2019

	Notes	2019 €	2018 €
Fixed Assets			
Tangible assets	9	2,545	1,776
Current Assets			
Debtors	10	99,024	7,470
Cash and cash equivalents		181,003	289,068
		280,027	296,538
Creditors: Amounts falling due within one year	11	(125,583)	(200,896)
Net Current Assets		154,444	95,642
Total Assets less Current Liabilities		156,989	97,418
Reserves			
Restricted funds		10,202	16,604
Designated funds		70,397	10,500
General funds		76,390	70,314
Members' Funds		156,989	97,418

Approved by the board on 17th December 2019 and signed on its behalf by:


 Richard Barkley (Hon. Treasurer)
 Director


 Dr David Weakliam (Chair)
 Director

Tearfund Ireland
RECONCILIATION OF MEMBERS' FUNDS
as at 31 March 2019

	Retained surplus	Total
	€	€
At 1 April 2017	74,589	74,589
Surplus for the year	<u>22,829</u>	<u>22,829</u>
At 31 March 2018	97,418	97,418
Surplus for the year	<u>59,571</u>	<u>59,571</u>
At 31 March 2019	<u><u>156,989</u></u>	<u><u>156,989</u></u>

Tearfund Ireland
CASH FLOW STATEMENT

for the year ended 31 March 2019

	Notes	2019 €	2018 €
Cash flows from operating activities			
Surplus for the year		59,571	22,829
Adjustments for:			
Interest receivable and similar income		(43)	(77)
Depreciation		2,240	927
		<u>61,768</u>	<u>23,679</u>
Movements in working capital:			
Movement in debtors		(91,554)	3,392
Movement in creditors		(75,313)	(101,952)
		<u>(105,099)</u>	<u>(74,881)</u>
Cash used in operations			
Cash flows from investing activities			
Interest received		43	77
Payments to acquire tangible fixed assets		(3,009)	(231)
		<u>(2,966)</u>	<u>(154)</u>
Net cash used in investment activities			
Net decrease in cash and cash equivalents		(108,065)	(75,035)
Cash and cash equivalents at beginning of financial year		289,068	364,104
Cash and cash equivalents at end of financial year	14	<u>181,003</u>	<u>289,069</u>

Tearfund Ireland

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2019

1. GENERAL INFORMATION

Tearfund Ireland is a company limited by guarantee incorporated in the Republic of Ireland. The registered office of the company is 2nd Floor Ulysses House, 22/24 Foley Street, Dublin 1 which is also the principal place of business of the company. The nature of the company's operations and its principal activities are set out in the Directors' Report. The financial statements have been presented in Euro (€) which is also the functional currency of the company.

2. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Statement of compliance

The financial statements have been prepared in accordance with the Statement of Recommended Practice (Charities SORP in accordance with FRS 102, effective January 2015) and with generally accepted accounting principles in Ireland and Irish statute comprising the Companies Act 2014. They comply with the financial reporting standards of the Financial Reporting Council. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the charitable company's financial statements.

Basis of preparation

The financial statements have been prepared on the going concern basis and in accordance with the historical cost convention except for certain properties and financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council.

Income

Voluntary income or capital is included in the Statement of Financial Activities when the company is legally entitled to it, its financial value can be quantified with reasonable certainty and there is reasonable certainty of its ultimate receipt. Entitlement to legacies is considered established when the company has been notified of a distribution to be made by the executors and the distribution has been received in the bank account. Income received in advance of due performance under a contract is accounted for as deferred income until received. Grants contracted with the donor for a specific purpose are accordingly shown as restricted income. All other income is accounted for on an accruals basis.

Resources Expended

Expenditure is analysed between charitable expenditure and cost of generating funds, and is further analysed according to the proportion of restricted and unrestricted income. Costs which directly relate to each activity are allocated to that activity. Costs that are not directly attributable to one particular activity are allocated on an estimated basis. Such allocations are made by reference to an estimate of staff time used in each activity, head count, floor area or other appropriate basis. Time given free of charge by volunteers is not quantified in the financial statements. Expenditure includes VAT when charged.

- Costs of generating funds comprise the costs associated with attracting voluntary income, governance costs and the costs of trading for fundraising purposes.

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

- All costs are allocated between the expenditure categories of the Statement of Financial Affairs on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis e.g. floor areas, per capita or estimated usage as set out in Note 4.

2. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements requires management to make judgements, estimates and assumptions in the process of applying the company's accounting policies. The following are areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements:

Depreciation of Assets:

Depreciation on property, plant and equipment is allocated according to estimates of the expected useful life of the asset and any residual value.

Tearfund Ireland
NOTES TO THE FINANCIAL STATEMENTS

continued

for the year ended 31 March 2019

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or at valuation, less accumulated depreciation. The charge to depreciation is calculated to write off the original cost or valuation of tangible fixed assets, less their estimated residual value, over their expected useful lives as follows:

Fixtures, fittings and equipment	-	25% Straight Line
----------------------------------	---	-------------------

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

Trade and other debtors

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases the receivables are stated at cost less impairment losses for bad and doubtful debts.

Trade and other creditors

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest rate method, unless the effect of discounting would be immaterial, in which case they are stated at cost.

Employee benefits

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund.

Taxation

The company has been granted charitable status by the Revenue Commissioners under Sections 207 and 208 of the Taxes Consolidation Act 1997, CHY number 8600, and as such is exempt from any charge to corporation tax. The charity is eligible under the "Scheme of Tax Relief for Donations to Eligible Charities and Approved Bodies under Section 848A Taxes Consolidation Act, 1997" therefore income tax refunds arising from personal donations exceeding €250 per annum are included in unrestricted funds. Irrecoverable value added tax is expended as incurred.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the Balance Sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated at the rates of exchange ruling at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The resulting exchange differences are dealt with in the Statement of Financial Activities.

3. PROVISIONS AVAILABLE FOR AUDITS OF SMALL ENTITIES

In common with many other businesses of our size and nature, we use our auditors to calculate payroll and prepare and submit payroll tax returns to the Revenue and to assist with the preparation of the financial statements.

4. OPERATING SURPLUS

	2019	2018
	€	€
Operating surplus is stated after charging:		
Depreciation of tangible fixed assets	2,240	927
(Surplus)/deficit on foreign currencies	-	2,603
	<u>2,240</u>	<u>3,530</u>

Tearfund Ireland
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2019

continued

5. INCOME SUMMARY

	2019	2018
	€	€
Donations - unrestricted	450,600	401,351
Grants - restricted	132,203	148,268
Irish Aid development grant	295,143	188,810
Gifts in kind	7,660	1,772
Taxation recoverable	93,498	90,845
Sale of products	273	522
Investment income	43	77
	<u>979,420</u>	<u>831,645</u>

A grant was received from the Government of Ireland (Irish Aid) for a contracted project in Ethiopia, amounting to €280,000. At the year end, €8,492 of the balance remained to be expended, in accordance with the project timeline. This has been accrued at the year end.

The partners in Ethiopia to whom the funds are paid are:

1. Wolaita Kaleheywet Church Terepeza Development Association (TDA)
2. Ethiopian Guenet Church Development & Welfare Organisation (EGC)
3. Consortium of Self help group Approach Promoters (CoSAP)

Additionally €15,143 was given by Irish Aid towards development education expenditure, this was fully utilised during the year.

Grants were received from the Church of Ireland Bishop's Appeal during the year, as well as from other church groups and trusts.

Income tax recovered on donations amounted to €93,498 in the year.

Income from donations (other than grants) was given either as one-off gifts or by standing order. Some of this income has been given towards specific geographical area/country needs and projects, and this income has been treated as designated but unrestricted income. Other donations are not directly specified or are given towards general funds, and these are treated as unrestricted. The tax reclaim from the Revenue Commissioners is treated as unrestricted because it is not possible to identify the amount relating to specific donors. Contracted income from a donor to be used for a specific project is treated as restricted.

Tearfund Ireland
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2019

continued

6. TOTAL RESOURCES EXPENDED

	Grants	Direct costs	Support costs	Total	2018 Total
	€	€	€	€	€
Unrestricted					
Community Transformation and Emergency Responses	54,748	151,924	40,448	247,120	270,343
Equipping and Mobilising Churches	-	94,636	25,398	120,033	111,847
Influencing Policies and Societal Change	-	29,499	9,407	38,906	44,344
Total unrestricted	54,748	276,058	75,252	406,059	426,534
Restricted					
Community Transformation and Emergency Responses	211,879	133,709	31,310	376,898	271,864
Equipping and Mobilising Churches	-	83,370	19,660	103,030	79,496
Influencing Policies and Societal Change	-	26,581	7,281	33,862	31,002
Total restricted	211,879	243,661	58,251	513,791	382,362
Total expenditure	266,627	519,719	133,504	919,849	808,895

Many programmes achieve benefits in a number of different areas and their costs are allocated on the basis of their principal aims. Cost allocation includes an element of judgment and Tearfund Ireland has had to consider the cost benefit of detailed calculations and record-keeping in calculating a best estimate of the attributable costs.

Tearfund Ireland
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2019

continued

6.1 GRANTS

	2019	2018
	€	€
Grants were given to the following countries/projects:		
Syria	-	2,394
Yemen	49,572	41,228
South Sudan	-	5,639
Rohingya	-	2,703
Nepal	32,942	-
Philippines	-	1,000
Refugee	4,150	-
Zimbabwe	15,500	-
Haiti	1,200	3,430
Uganda	-	2,582
Cambodia	17,035	6,000
Ethiopia	209,179	158,600
Indonesia	8,600	-
Lebanon	1,708	-
	<u>339,886</u>	<u>223,575</u>

It is the policy of Tearfund Ireland to distribute funds to specified projects as quickly as possible. Delays may occasionally arise which necessitate the holding back of remittances. At the year end €75,893 was committed in full to selected projects, the remaining amounts form part of the designated and restricted reserves. Any unrestricted amounts will be allocated to projects after careful review of proposals by the Development Committee.

6.2 ANALYSIS OF SUPPORT COSTS

	Basis of allocation	Community Transformation and Emergency Responses	Equipping and Mobilising Churches	Influencing Policies and Societal Change	Total	2018 Total
		€	€	€	€	€
Support costs						
People costs	Headcount	42,123	26,449	9,796	78,368	61,267
Travel and subsistence	Headcount	2,470	1,551	574	4,595	4,510
Fundraising	Headcount	9,998	6,278	2,325	18,601	21,996
Communications	Headcount	10,635	6,678	2,473	19,787	20,114
Bank charges	Headcount	1,167	733	271	2,171	2,672
Office expenses	Headcount	5,366	3,369	1,248	9,982	12,396
		<u>71,758</u>	<u>45,057</u>	<u>16,688</u>	<u>133,504</u>	<u>122,955</u>
Auditor's remuneration					6,596	6,491
Professional indemnity insurance					3,960	3,780
					<u>10,556</u>	<u>10,271</u>

Tearfund Ireland
NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2019

continued

7. EMPLOYEES

The average monthly number of employees during the year was 9, (2018 - 9).

	2019	2018
	Number	Number
Programmes/Projects	2	2
Executive	1	1
Administration and finance	3	3
Communications, church engagement and advocacy	3	3
	<u>9</u>	<u>9</u>

Tearfund Ireland benefits from the services of unpaid volunteers during the year who contribute significantly to the organisation's work.

8. KEY MANAGEMENT PERSONNEL

The key management of the charity is the chief executive. The gross pay to key management personnel for the period was €73,500 plus 7% employer pension contribution.

9. TANGIBLE FIXED ASSETS

	Fixtures, fittings and equipment	Total
	€	€
Cost		
At 1 April 2018	40,322	40,322
Additions	3,009	3,009
At 31 March 2019	<u>43,331</u>	<u>43,331</u>
Depreciation		
At 1 April 2018	38,546	38,546
Charge for the year	2,240	2,240
At 31 March 2019	<u>40,786</u>	<u>40,786</u>
Net book value		
At 31 March 2019	<u>2,545</u>	<u>2,545</u>
At 31 March 2018	<u>1,776</u>	<u>1,776</u>

10. DEBTORS

	2019	2018
	€	€
Prepayments	8,400	7,470
Accrued income	90,624	-
	<u>99,024</u>	<u>7,470</u>

Tearfund Ireland
NOTES TO THE FINANCIAL STATEMENTS

continued

for the year ended 31 March 2019

11. CREDITORS	2019	2018
Amounts falling due within one year	€	€
Trade creditors	8,066	11,568
Taxation	18,713	22,312
Other creditors	(125)	-
Pension accrual	10,791	2,594
Accruals	88,138	164,422
	<u>125,583</u>	<u>200,896</u>

12. STATUS

The liability of the members is limited.

Every member of the company undertakes to contribute to the assets of the company in the event of its being wound up while they are members or within one year thereafter for the payment of the debts and liabilities of the company contracted before they ceased to be members and the costs, charges and expenses of winding up and for the adjustment of the rights of the contributors among themselves such amount as may be required, not exceeding € 10.

13. RELATED PARTY TRANSACTIONS

Tearfund Ireland sends funds to overseas work via Tearfund UK, while supporting other international projects. Funds transferred through Tearfund UK incur an administration charge of 7% to cover monitoring, auditing and supervision of these projects on behalf of Tearfund Ireland. During the year ended 31 March 2019, Tearfund Ireland remitted €6,081 to Tearfund UK.

14. CASH AND CASH EQUIVALENTS	2019	2018
	€	€
Cash and bank balances	95,521	143,623
Cash equivalents	85,482	145,445
	<u>181,003</u>	<u>289,068</u>

15. CONTINGENT LIABILITY

The company has been invoiced for rates going back to 2012 in the amount of €34,863 up to 31 March 2019. Tearfund Ireland have vigorously contested this rates bill on the basis that it is entitled to exemption as a charitable organisation using the premises exclusively for charitable purposes. The company has appealed this to the Valuation Tribunal and has been successful in its appeal. However, the decision has been further appealed to the High Court. Should the case be decided against Tearfund Ireland, it will result in the rates bill becoming due for payment. The directors, having consulted with their legal counsel, are confident that the appeal will succeed, and that the rates will not be payable. Therefore no provision has been made in the financial statements to reflect this liability.

16. TRUSTEES' EXPENSES

No expenses or benefits were paid during the year to any Trustee.

17. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 17th December 2019.

TEARFUND IRELAND

SUPPLEMENTARY INFORMATION

RELATING TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

NOT COVERED BY THE REPORT OF THE AUDITORS

THE FOLLOWING PAGES DO NOT FORM PART OF THE AUDITED FINANCIAL STATEMENTS

Tearfund Ireland

SUPPLEMENTARY INFORMATION RELATING TO THE FINANCIAL STATEMENTS

DETAILED INCOME AND EXPENDITURE ACCOUNT

for the year ended 31 March 2019

	2019 €	2018 €
Income		
Donations	436,450	401,351
Grants from trusts/foundations	132,204	148,268
Irish Aid development grant	295,143	188,810
Sale of products	273	522
Gifts in kind	7,660	1,772
Other income	14,150	-
Tax reclaims	93,498	90,845
	<u>979,378</u>	<u>831,568</u>
Expenditure		
Grants to partners	97,127	100,898
Grants - Irish Aid projects	207,570	183,256
Wages and salaries	363,062	304,141
Social welfare costs	36,947	21,180
Staff defined contribution pension costs	29,932	14,966
Staff training	1,408	330
Rent payable	29,307	30,333
Insurance	3,960	3,780
Light and heat	3,595	3,406
Cleaning	1,023	831
Repairs and maintenance	303	1,391
Printing, postage and stationery	17,189	17,608
Advertising	67,559	63,420
Telephone	2,654	3,837
Travelling and entertainment	38,155	35,127
Legal and professional	1,013	774
Consultancy fees	910	2,673
Bank charges	2,915	2,672
Profit/loss on exchange	-	2,603
General expenses	185	260
Subscriptions	6,200	7,912
Auditor's remuneration	6,596	6,491
Depreciation	2,240	927
	<u>919,850</u>	<u>808,816</u>
Miscellaneous income		
Bank interest	43	77
	<u>59,571</u>	<u>22,829</u>