



Tearfund Ireland
Annual Report and Financial Statements
for the financial year ended 31 March 2020

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Tearfund Ireland
DIRECTORS AND OTHER INFORMATION

Directors	Richard Barkley (Hon. Treasurer) Susan Heaney Dr David Weakliam (Chair) Paraic O'Toole Oghenovo Oghuvbu Richard Phillips (Vice-Chair) (Resigned 4 December 2019) Sharon Morrow Lucy Hill
Company Secretary	Richard Barkley (Hon. Treasurer)
Company Number	323619
Charity Number	20021337
Chief Executive Officer Acting Chief Executive Officer	Sharan Kelly Sean Copeland (from 26 August 2019)
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
Registered Office	2nd Floor Ulysses House 22/24 Foley Street Dublin 1
Business Address	2nd Floor Ulysses House 22/24 Foley Street Dublin 1
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

CHAIRPERSON'S LETTER

for the financial year ended 31 March 2020

In the midst of a number of challenges Tearfund Ireland has had a positive year. The organisation faced a couple of changes among staff including one part-time member leaving to pursue a full-time role elsewhere. Our CEO, Sharan Kelly, has been on extended leave. We are grateful to Sean Copeland, who has been appointed as Acting CEO.

Coronavirus began impacting the country in early March. Along with most organisations our offices were closed and staff adjusted to working remotely, but the full impact of this new reality would not be felt until April and May of 2020. The staff dealt with the challenges with support of the Board and, particularly, additional support from the Audit and Risk Sub-Committee. From the beginning of the pandemic in March, the staff were proactive in engaging with our Partners in responding to the impact of COVID-19 on their local communities and on the projects we support.

Our work in Ethiopia continues and this year we impacted the lives of 16,235 people through the Self-Help Groups programme. This year we were able to introduce an improved method of evaluation which enable us to integrate more than 1,193 people with disabilities into the programme. In addition to addressing livelihood supports and disaster risk reduction plans, our partners began working on coronavirus prevention measures toward the end of this reporting period.

This Self-Help Group project is made possible through the support of Irish Aid. We would also like to express our gratitude to Tearfund Australia for their growing collaboration demonstrated through co-funding, expertise and programmatic support. We also want to thank Cedar Fund, for their continued commitment to the implementing partners and Bishops' Appeal for their long-standing support to this and other projects through the year.

We continued our support for families displaced by conflict in Syria as well as our work in alternative care projects in Cambodia & Nepal. We were also able to support a consultant who carried out the third of four teacher training sessions in South Sudan. We were also able to support an emergency response effort in Mozambique for those affected by Cyclone Idai.

This year involved visits to and from Partners. In September we were privileged to host Dr. Alia Aboud from LSESD, our Partner in Lebanon. Alia envisioned Irish supporters with examples of how the LSESD and the Lebanese Church is living out a whole-life gospel and bringing transformation to the refugee and the poor in their community. Over the few days Alia was in Ireland, she spent time with our staff and members of Board sub-committees, spoke to students in the Irish Bible Institute, delivered a Development Education Training seminar in Leitrim and shared with supporters in 5 churches in Dublin, Wicklow, Drogheda and Leitrim.

In October three supporters, along with staff, travelled to Ethiopia to see the impact of Self Help Groups on individuals and their local communities. A well-attended Welcome Home event allowed other supporters to listen as these visitors shared the experiences from the trip.

As part of our goal to envision the Irish Church, we continued raising awareness around responsible stewardship of earth's resources through Lenten prayer emails, a prayer evening and a film night. We also promoted a campaign run by Tearfund (UK) focusing on four multinational companies that manufacture single-use plastics which ultimately resulted in all four companies committing to reduce their global production of such plastic.

Our message aimed at helping children out of orphanages and back into their families, enabled us to speak directly with legislators in Leinster House. Alongside sector colleagues we successfully asked the government to issue travel advisories to discourage people from travelling overseas to volunteer in orphanages and for the Irish government to increase their funding toward development education while promoting forms of care which are alternatives to orphanages and institutions.

Pedal Against Poverty introduced a virtual approach to our fundraising efforts. In the summer of 2019 it was still uncommon to cycle a distance 'virtually' but by the summer of 2020 we would all understand what is meant by the term virtual fundraiser. Supporters of all abilities got on their bikes for short bursts or long durations to raise money for the work of Tearfund Ireland.

Tearfund Ireland is an independent Irish charity with a relational connection to 10 other Tearfund organisations across the world. This year there were steps toward working more closely with these members of the Tearfund Family in programmatic strategy, agreed compliance standards and shared branding. This work toward closer alignment will be ongoing.

Tearfund Ireland

CHAIRPERSON'S LETTER

for the financial year ended 31 March 2020

In the areas of Governance, the staff and Governance Committee initiated a policy development plan which, beginning with Child Safeguarding, will see the organisation update or create a range of policy areas over the next year. We also began a review of our strategy which entails a review of the Terms of Reference for the Board subcommittees. Our longest serving Director and Board Vice-Chair, Richard Phillips stepped down from the Board in 2019. On behalf of the Board and the staff, I would like to publicly thank Richard for his dedication and excellent service over 10 years.

Financially, we ended the year with a surplus of €41,280. Our total spend on charitable activities was €834,944 against an income of €982,227. Costs of generating funds amounted to €106,003 (11%). Although the spend in advocacy, social justice and development decreased this year, we were able to increase our giving toward international programmes by 7%.

Finally, I would like thank everyone who has continued to support Tearfund Ireland. Your generous gifts of time, prayers, finances and skills over the year has been a blessing to the organisation over the past year. I also want to express my appreciation to the staff for their hard work, and to my fellow Directors for their continued commitment and contribution. 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

3 November 2020

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 joined the Health Service Executive (HSE) in 2007 and is now Director of the HSE Global Health Programme.

Tearfund Ireland

DIRECTORS REPORT

for the financial year ended 31 March 2020

The directors present their report and the audited financial statements for the financial year ended 31 March 2020.

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 financial year after providing for depreciation amounted to €41,280 (2019 - €19,481).

At the end of the financial year, the company has assets of €274,125 (2019 - €282,697) and liabilities of €115,946 (2019 - €165,798). The net assets of the company have increased by €41,280.

Tearfund Ireland's income for the financial year ended March 2020 increased compared with the previous year as a result of a legacy gift. Tearfund Ireland continues to place priority on building strong and healthy relationships with members of the Tearfund Family and Integral Alliance. In particular, Tearfund Australia and Cedar Fund have been generous partners with us through co-funding the Ethiopia project. In addition, within Ireland, the Church of Ireland Bishops' Appeal has been a long-term partner of our Ethiopia project and Development Education projects as well as contributions to disaster relief efforts. Tearfund Ireland is a founder-member of the Irish Emergency Alliance, and a member of Comhlámh and EU-Cord. As a registered charity, Tearfund Ireland was able to reclaim €100,019 from the Revenue Commissioners under the Charitable Donations Scheme.

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 financial 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) (Resigned 4 December 2019)
Sharon Morrow
Lucy Hill

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

Post Balance Sheet Events

Events arising after the balance sheet date include staff working remotely resulting from government imposed restrictions following the coronavirus pandemic and water damage to the office preventing access. These restrictions have not had a material impact on the charity's performance.

The impact of the Covid-19 pandemic has been felt world-wide, and especially in communities already facing food insecurity, conflict, displacement and lack of health supports. The Irish Emergency Alliance, of which Tearfund Ireland is a member, launched its first appeal for funds to address Covid-19 related projects in various countries. This was mirrored by modifications by Tearfund Ireland to its programmes in view of the special and new needs resulting from the pandemic.

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 financial year ended 31 March 2020

Principal Risks and Uncertainties

The directors have overall responsibility for Tearfund Ireland's system of internal controls. Such a system can provide only reasonable and not absolute assurance against errors or frauds. The external auditors present 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:

Risk	Mitigation Measures
Reputational risk or loss of credibility	Committed to Christian and professional standards of behaviour; Values-based activity on social justice, development and relief; Proactive engagement with Donors, Partners, Churches and Supporters. Regular development and review of corporate policy implementation. Regular publication of activities and their impact.
Finances: Limited Funding, Misappropriation or Fraud	Fundraising and Income strategy in place and monitored; Institutional Donor relationships managed; Partner assessments & Audits carried out; Finance policies & operational procedures reviewed and updated; Guidelines for Charitable Organisations on Fundraising from the Public adopted. Regular reviews of financial position by Audit and Risk Committee and Board.
Organisational ineffectiveness	Ensure resources for appropriate staff levels; Provisions for continuity of operation by remote working as required; Assistance of Human Resource consultant and Employee Assistance Programme; Policy development and review programme; Staff performance appraisal programme;
Weakened or ineffective partner relationships	Intentional relationship building with institutional donors, co-funding donors and peer networks; Strengthen relationships with programme partners including evaluation and capacity building.
Programmes no longer relevant, effective or achieving intended outcomes	Ongoing discussions with Institutional Donors and Co-Funders; Board & Development Committee monitoring progress against strategy; Programme reviews to adapt to changed circumstances; Monitor performance against Core Humanitarian Standards; Continued co-operation with international peer organisations. Measuring, evaluating and reporting impact and results of projects.

Tearfund Ireland

DIRECTORS REPORT

for the financial year ended 31 March 2020

Structure, Governance and Management

The Board of Directors, who met seven times during the 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' 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.

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.

Resource planning includes financial, human and operational resources required to achieve the strategy. 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 are 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 with developing annual plans and budgets to achieve the desired outcomes in line with the overall strategy. Annual plans and budgets are approved by the Board. Progress in achieving objectives is monitored routinely.

The Development Committee, a sub-committee of the Board, ensures that Tearfund Ireland utilises and allocates its financial resources effectively and follows 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. Its Terms of Reference are approved by the board.

The Audit and Risk Committee, a sub-committee of the Board, met on six occasions during the year. Its membership includes at least two directors. The Committee reviews, monitors and reports on the financial position and results compared with the budget on a continuing basis. Forward looking cash projections and forecasts are considered at each meeting, and are reported to the Board. The Committee is also responsible for strengthening internal controls and procedures, identifying future risks, and ensuring financial accountability and effective management of funds.

The Governance Committee, a sub-committee of the board, met on five occasions during the year. Its membership includes at least two directors. The Committee supports the Board by reviewing legislation and best practice in governance in order to develop policies which support the operational and corporate function of Tearfund Ireland. The committee assists in the continuing development of the Board through regular evaluations, effectiveness reviews, succession planning and Board renewal.

Tearfund Ireland is a company limited by guarantee, registered with the Charities Regulatory Authority and is in full compliance with the Charities Acts. Tear Times is a magazine circulated regularly to supporters and donors. It covers results achieved and details the various partner associations and projects worked with during the period and how lives and communities have and are being transformed. Audited Accounts, which are adopted by members at the AGM and published on our website, provide 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 continues to focus on growing its income to support the development of its work. Tearfund Ireland's vision is for flourishing communities, free from poverty and injustice. Tearfund Ireland believes 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, Trusts, Foundations, INGOs and the corporate sector. Tearfund Ireland's continuing strategy 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 their capacity and responding effectively to humanitarian

Tearfund Ireland

DIRECTORS REPORT

for the financial year ended 31 March 2020

emergencies and protracted crises 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 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 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. Tearfund Ireland aims to increase and develop its partnerships with the Irish Government and Irish Aid, Trusts, Foundations and other institutions, corporates and other partner INGOs 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
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.

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DIRECTORS REPORT

for the financial year ended 31 March 2020

Integrity: We are committed to working with integrity and seek to uphold standards and principles of excellence, accountability, transparency and good practice. We will seek to continually learn, improve and share models of best practice and innovation while also being highly effective in the allocation of our resources.

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 aim to self-assess as compliant to the Core Humanitarian Standards. 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 compliant with the Guidelines for Charitable Organisations on Fundraising from the Public and has adopted the Charities Regulator Code of Governance.

Tearfund Ireland's policies include Finance Policy (incl. Reserves, anti-fraud policies etc.), Human Resources Policy (Employee Handbook), Safeguarding Policy, Health, Safety & Welfare Policy, Security and Travel Policy, Data Protection Policy based on the GDPR, Code of Ethics and Professional Conduct Policy and Volunteering Policy as well as relevant programmatic guidelines and operational procedures. The Board dynamically adopted relevant Tearfund (UK) policies unless superseded by Tearfund Ireland's policies where appropriate. These include: Partnership Process Policy and Quality Standard (QS) framework.

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 maintain 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, and then to grow to a target of 6 months. 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 have actively been working towards building surpluses 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 staff across the Tearfund Family, particularly that of Tearfund (UK) and Tearfund Australia.

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

In accordance with section 330 of the Companies Act 2014, so far as each of the persons who are directors at the time this report is approved 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 financial year ended 31 March 2020

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

3 November 2020

Dr David Weakliam (Chair)
Director

3 November 2020

Tearfund Ireland

DIRECTORS' RESPONSIBILITIES STATEMENT

for the financial year ended 31 March 2020

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, 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

3 November 2020

Dr David Weakliam (Chair)
Director

3 November 2020

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 financial year ended 31 March 2020 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 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 2020 and of its surplus for the financial year then ended;
- have been properly prepared in accordance with 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 4 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 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 located on the IAASA's website at: <www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf> The description forms part of our Auditor's 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

3 November 2020

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 2020

	Notes	Restricted Funds 2020 €	Unrestricted Funds 2020 €	Total 2020 €	Restricted Funds 2019 € <i>as adjusted</i>	Unrestricted Funds 2019 € <i>as adjusted</i>	Total 2019 € <i>as adjusted</i>
Incoming resources							
Grants	5	436,273	-	436,273	427,346		427,346
Donations		-	545,924	545,924		552,031	552,031
Investment income		-	30	30		43	43
Total incoming resources		<u>436,273</u>	<u>545,954</u>	<u>982,227</u>	<u>427,346</u>	<u>552,074</u>	<u>979,420</u>
Resources expended							
Cost of generating funds	6	47,083	58,920	106,003	61,203	79,066	140,269
Net incoming resources available for charitable application		389,190	487,034	876,224	366,143	473,008	839,151
Resources Expended on Charitable Activities							
International programmes		414,803	197,563	612,366	353,460	216,840	570,300
Social Justice and Development		89,466	90,896	180,362	88,181	100,850	189,031
Advocacy and Policy		22,216	20,000	42,216	28,439	31,900	60,339
Transfer from unrestricted to restricted		(212,280)	212,280	-	(114,138)	114,138	-
	6	<u>314,204</u>	<u>520,739</u>	<u>834,944</u>	<u>355,942</u>	<u>463,728</u>	<u>819,670</u>
Movement in funds for the year		<u>74,987</u>	<u>(33,705)</u>	<u>41,280</u>	<u>10,201</u>	<u>9,280</u>	<u>19,481</u>

Approved by the Directors on 3 November 2020 and signed on its behalf by

Richard Barkley (Hon. Treasurer)
Director

David Weakliam (Chair)
Director

Tearfund Ireland
BALANCE SHEET

as at 31 March 2020

	Notes	2020 €	2019 €
Fixed Assets			
Tangible assets	10	<u>1,334</u>	<u>2,545</u>
Current Assets			
Debtors	11	52,812	99,149
Cash and cash equivalents		<u>219,979</u>	<u>181,003</u>
		<u>272,791</u>	<u>280,152</u>
Creditors: Amounts falling due within one year	12	<u>(115,946)</u>	<u>(165,798)</u>
Net Current Assets		<u>156,845</u>	<u>114,354</u>
Total Assets less Current Liabilities		<u>158,179</u>	<u>116,899</u>
Reserves			
Restricted funds		85,189	10,202
Designated funds		12,971	76,058
General funds		60,019	30,639
		<u>158,179</u>	<u>116,899</u>
Members' Funds		<u>158,179</u>	<u>116,899</u>

Approved by the board on 3 November 2020 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 2020

	Retained surplus (as restated) €	Total €
At 1 April 2018	97,418	97,418
Surplus for the financial year (as restated)	19,481	19,481
At 31 March 2019 (as restated)	116,899	116,899
Surplus for the financial year	41,280	41,280
At 31 March 2020	158,179	158,179

Tearfund Ireland
CASH FLOW STATEMENT
for the financial year ended 31 March 2020

	Notes	2020 €	2019 €
Cash flows from operating activities			
Surplus for the financial year		41,280	19,481
Adjustments for:			
Interest receivable and similar income		(30)	(43)
Depreciation		1,415	2,240
		<u>42,665</u>	<u>21,678</u>
Movements in working capital:			
Movement in debtors		46,337	(91,679)
Movement in creditors		(49,852)	(35,098)
		<u>39,150</u>	<u>(105,099)</u>
Cash flows from investing activities			
Interest received		30	43
Payments to acquire tangible fixed assets		(204)	(3,009)
		<u>(174)</u>	<u>(2,966)</u>
Net increase/(decrease) in cash and cash equivalents		38,976	(108,065)
Cash and cash equivalents at beginning of financial year		181,003	289,068
Cash and cash equivalents at end of financial year	13	219,979	181,003

Tearfund Ireland

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2020

1. GENERAL INFORMATION

Tearfund Ireland is a company limited by guarantee incorporated and registered in the Republic of Ireland. The registered number of the company is 323619. The registered office of the company is 2nd Floor Ulysses House, 22/24 Foley Street, Dublin 1. 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. SUMMARY OF SIGNIFICANT 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. 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 6.

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 financial year ended 31 March 2020

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. The company is able to avail of the VAT Compensation Scheme which allows the company to reclaim some element of the VAT paid in the period.

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.

Prior period adjustment

The directors were not made aware in the prior year of a 2019 holiday pay and time off in lieu accrual on approval of the 2019 accounts, but were notified of this error in the current year as a result of a review of work practices. As soon as the directors became aware of the error they rectified it in the current year. As a result a prior year adjustment has been made to the 2020 financial statements, which has resulted in a reduction to the 2019 surplus of €40,089 and correspondingly the opening reserves for 2020.

The impact was as follows:

Previously reported surplus at 31 March 2019	€59,570
Additional charge for holiday pay	<u>(€40,089)</u>
Revised surplus at 31 March 2019	€19,481

3. DEPARTURE FROM COMPANIES ACT 2014 PRESENTATION

The directors have elected to present an Income and Expenditure Account instead of a Profit and Loss Account in these financial statements as this company is a not-for-profit entity.

4. 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.

Tearfund Ireland
NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 March 2020

continued

5. INCOME SUMMARY

	2020	2019
	€	€
Donations - unrestricted	405,074	450,600
Grants - restricted	141,274	132,203
Irish Aid development grant - restricted	295,000	295,143
Gifts in kind	25	7,660
Legacy Income	40,715	-
Taxation recoverable	100,019	93,498
Sale of products	90	273
Investment income	30	43
	<u>982,227</u>	<u>979,420</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, €31,687 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 €15,000 was given by Irish Aid towards development education expenditure, this was fully utilised during the year.

Restricted Grants were received from Tear Australia, Cedar Fund, Bishops Appeal, Dublin City Council as well as an EU Grant during the year.

Income tax recovered on donations amounted to €100,019 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 financial year ended 31 March 2020

continued

6. TOTAL RESOURCES EXPENDED

	Grants	Direct costs	Support costs	Total	2019 Total
	€	€	€	€	€
Unrestricted					
International programmes	48,045	172,170	35,323	255,538	259,338
Social Justice and Development	-	101,293	22,180	123,473	127,535
Advocacy and Policy	-	22,274	8,215	30,489	41,783
Total unrestricted	48,045	295,737	65,718	409,500	428,657
Restricted					
International programmes	259,577	132,575	21,653	413,806	386,357
Social Justice and Development	-	79,068	13,596	92,664	108,837
Advocacy and Policy	-	19,941	5,036	24,977	36,090
Total restricted	259,577	231,585	40,285	531,447	531,283
Total expenditure	307,622	527,322	106,003	940,947	959,939

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 financial year ended 31 March 2020

continued

6.1 GRANTS

	2020	2019
	€	€
Grants were given to the following countries/projects:		
Syria	15,750	-
Yemen	-	49,572
South Sudan	4,277	-
Mozambique (Cyclone IDAI)	27,672	-
Malawi	1,170	-
Refugee	-	4,150
Zimbabwe	-	15,500
Haiti	-	1,200
Uganda	2,000	
Nepal	11,254	32,942
Cambodia	4,585	17,035
Ethiopia	245,877	209,179
Indonesia	1,094	8,600
Lebanon	4,250	1,708
	<u>317,929</u>	<u>339,886</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 €56,640 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	2019 Total
		€	€	€	€	€
Support costs						
People costs	Headcount	40,705	25,559	9,466	75,731	85,133
Travel and subsistence	Headcount	1,319	828	307	2,454	4,595
Fundraising	Headcount	1,426	895	332	2,653	18,601
Communications	Headcount	7,350	4,615	1,709	13,674	19,787
Bank charges	Headcount	1,221	767	284	2,272	2,171
Office expenses	Headcount	4,955	3,111	1,152	9,218	9,982
		<u>56,977</u>	<u>35,776</u>	<u>13,250</u>	<u>106,003</u>	<u>140,269</u>
Auditor's remuneration					11,446	6,596
Insurances					<u>4,238</u>	<u>3,960</u>
					15,684	10,556

Tearfund Ireland
NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 March 2020

continued

7. OPERATING SURPLUS	2020	2019
	€	€
Operating surplus is stated after charging:		
Depreciation of tangible fixed assets	<u>1,415</u>	<u>2,240</u>
8. EMPLOYEES		
The average monthly number of employees, including directors, during the financial year was 11, (2019 - 11).		
9. KEY MANAGEMENT PERSONNEL		
The key management of the charity is the chief executive and the acting chief executive. The gross pay to key management personnel for the period was €61,597 plus 7% employer pension contribution.		
10. TANGIBLE FIXED ASSETS	Fixtures, fittings and equipment	Total
	€	€
Cost		
At 1 April 2019	43,331	43,331
Additions	204	204
At 31 March 2020	<u>43,535</u>	<u>43,535</u>
Depreciation		
At 1 April 2019	40,786	40,786
Charge for the financial year	1,415	1,415
At 31 March 2020	<u>42,201</u>	<u>42,201</u>
Net book value		
At 31 March 2020	<u>1,334</u>	<u>1,334</u>
At 31 March 2019	<u>2,545</u>	<u>2,545</u>
11. DEBTORS	2020	2019
	€	€
Other debtors	-	125
Prepayments	5,347	8,400
Accrued income	47,465	90,624
	<u>52,812</u>	<u>99,149</u>
12. CREDITORS	2020	2019
Amounts falling due within one year	€	€
Trade creditors	3,800	8,066
Taxation	4,616	18,713
Other creditors	73	-
Pension accrual	-	10,791
Accruals	107,457	128,228
	<u>115,946</u>	<u>165,798</u>

Tearfund Ireland
NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 March 2020

13. 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.

14. CONTINGENT LIABILITIES

The company has been invoiced for rates going back to 2012 in the amount of €37,107 up to 31 March 2020. 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. Tearfund Ireland appealed this to the Valuation Tribunal and was successful in its appeal. However, the decision has been further appealed by the Valuation Commissioner to the High Court. Should the Valuation Commissioner's appeal be successful, it will result in the rates bill to Tearfund Ireland becoming due for payment. The directors of Tearfund Ireland having consulted with their legal counsel, are confident that the Valuation Commissioner's appeal will not be successful and that the rates will not be payable. Therefore on this basis no provision has been made in the financial statements to reflect such liability.

15. CASH AND CASH EQUIVALENTS

	2020	2019
	€	€
Cash and bank balances	219,470	95,521
Cash equivalents	509	85,482
	<u>219,979</u>	<u>181,003</u>

16. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 3 November 2020.