



Tearfund Ireland
Annual Report and Financial Statements
for the financial year ended 31 March 2021

Tearfund Ireland

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Tearfund Ireland

DIRECTORS AND OTHER INFORMATION

Directors	Paraic O'Toole (Chair) Sharon Morrow (Vice-Chair) Richard Barkley (Hon. Treasurer) Susan Heaney Dr David Weakliam Oghenovo Oghuvbu Lucy Hill
Company Secretary	Richard Barkley (Hon. Treasurer)
Company Number	323619
Charity Number	20021337
Chief Executive Officer	Sharan Kelly
Acting Chief Executive Officer	Sean Copeland (from 26 August 2019)
Development Committee	Richard Phillips (Chair) Dr David Weakliam Kate Bowen-Evans Libby Sweetman Helen Lane Lucy Hill
Audit and Risk Committee	Richard Barkley (Chair) Paraic O'Toole Christian Dijkstra Jody Johannie
Governance Committee	Sharon Morrow (Chair) Richard Barkley
Business Address	2nd Floor Ulysses House 22/24 Foley Street Dublin 1 Ireland
Auditors	Lewis & Co Chartered Accountants and Statutory Audit Firm 8 Priory Office Park 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

In a year that was commonly referred to as unprecedented, Tearfund Ireland successfully came through a number of challenges. Like everyone, the organisation faced the myriad of challenges brought on by the coronavirus pandemic. During the government restrictions the staff adapted to working from home, adjusting to new ways of working and exploring new methods of collaborating and communicating with supporters. The Board provided additional support to the staff, in particular, the Audit and Risk Committee met monthly in the early stages of the pandemic.

In addition to the challenges imposed by Coronavirus and government restrictions, the office was damaged by a water leak from another premises within the building. While this was another challenge for staff to manage, it was fortunate the employees were already working from home when the damage occurred.

While the Dublin office faced the challenges, the impact of the pandemic was severely felt among our staff in Ethiopia and our implementing partners around the world. The global pandemic affected everyone but the regions in which we work do not have government subsidies to support people who are advised to remain at home. Nor do they have access to levels of health care services similar to ours in Ireland. The people we serve have been hardest hit by the coronavirus and its secondary impacts – daily labourers unable to work, supply chain disruption, lack of facilities for testing & tracing and, in some regions, lack of access to soap or sanitizer.

In addition to the health risks and impact on livelihoods, all of our programmatic activities had to be changed and adapted during the year. But, with the empathetic understanding of our major donors, along with the generous giving of our individual supporters and churches, we were able to continue our projects in Ethiopia, Lebanon, Cambodia and Yemen.

Our work in Ethiopia continues and this year we impacted 59,590 people (11,031 households) through the Self-Help Groups programme – this is almost 5,000 people more than planned. The additional numbers are a result of extra efforts made by our partners to serve people during the pandemic. In addition to addressing livelihood supports and disaster risk reduction plans, our partners also assisted in climate-adapted agricultural methods and building community-based solidarity groups.

This Self-Help Group project is made possible through the support of Irish Aid and we wish to thank them for the Civil Society Funding grant. We are grateful to Tearfund Australia for their continued collaboration and co-funding on this project. We also thank Cedar Fund, for their ongoing commitment to fund a portion of this project. We are also grateful for the continued support of the Bishops' Appeal, who have contributed to a number of humanitarian efforts during the year.

Although the education programme for children of Syrian refugees had to pause during the pandemic, we continued our support Syrian families displaced by conflict and who are being generously served by, LSESD, our partners in Lebanon. In addition to the provision of hygiene kits for families in the refugee camps, we were also able to give a significant contribution toward humanitarian interventions following the explosion in Beirut which occurred in August 2020.

We have also continued our work to keep families together in Cambodia and we have strengthened our efforts to raise awareness against volunteering in orphanages. Our participation in an EU-funded project called VIVID:T has enabled us to increase our activities in this important area.

The VIVID:T project involves each agency sharing its expertise to build the capacity of other consortia members to enable them to better incorporate disability and inclusion within their organisations. Tearfund Ireland's contribution has been to equip other agencies with awareness of the harm caused to children who grow up in an institution as well as practical training to avoid supporting overseas orphanages and, specifically, to advocate for not enabling orphanage volunteering. Participation in this project has enabled Tearfund Ireland to build awareness toward disability inclusion, assisted in our policy development and supported us in receiving certification to become a volunteer sending organisation.

Additional resources in the area of Alternative Care were also made possible through funding from the Department of Foreign Affairs and Trade as part of their Development Education grant. Staff began building a resource guide for assisting youth leaders to address the problems created by orphanage volunteering. Additionally, staff used online gatherings to equip Youth Leaders in principles of creation care and how changes in climate are impacting those in the global south.

Tearfund Ireland is proud to be a founding member of the Irish Emergency Alliance (IEA) which launched in October 2020. Established on the premise that a network of INGOs could respond to humanitarian emergencies more effectively by cooperating together, the IEA launched with 6 INGOs (Action Aid Ireland, Christian Aid Ireland, Plan International, Self-Help Africa, Tearfund Ireland and World Vision Ireland). Trócaire became the seventh member of the Irish Emergency Alliance in January 2021.

Tearfund Ireland

CHAIRPERSON'S LETTER

As part of our goal to support the Irish Church we developed creative ways of providing church talks through online meetings, recorded sessions and even a couple of drive-in church gatherings. We also made available a number of resources published by members of the Tearfund Family such as a guide on helping people through traumatic situations published by Tearfund New Zealand.

Through the period of lock-down staff provided a series of online Quiz Nights which gave us an opportunity to build relationships with supporters, and get to know a number of new people who hadn't previously engaged with us. The virtual activity even gave us an opportunity to have one of our implementing partners join us for an online update during one of the quiz nights.

Continuing with the online theme, our annual coffee morning was moved to the autumn and took place virtually. While quite different from our usual coffee morning, this was an excellent way for staff and supporters to meet the staff and hear more specifically about a number of projects.

Tearfund Ireland continued our collaboration with the wider Tearfund Family. A particular focus was the agreement of a number of agreed policy commitments and minimum standards all agencies would work toward.

In the areas of Governance, the staff and Governance Committee continued progress on a policy development plan through which a number of important organisational policies were written and approved by the Board. Of note is our compliance with the Charities Governance Code.

Financially, we ended the year with a surplus of €198,836 achieving our target reserves to cover six months' expenditure. Our total spend on charitable activities was €926,847 against an income of €1,235,198. Costs of generating funds amounted to €109,515 (9%). Our overall expenditure on charitable activities increased by 11%. Similar to last year, the spends in advocacy, social justice and development decreased this year but the spend toward international programmes increased by 23%.

David Weakliam's term of service as Board Chair came to an end and the Board appointed me as Chair in April 2021. On behalf of the Board and staff I would like to thank David for his excellent leadership and service during his tenure as Chair.

Finally, I would like thank everyone who has continued to support Tearfund Ireland. Your generous financial giving as well as your prayers have been a particular blessing during a very challenging year for us all. I also want to thank the staff for their hard work, and to my fellow Directors for their ongoing commitment to the organisation. 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

Paraic O'Toole
Chairperson
30 November 2021

Note:

Paraic O'Toole is the CEO of software company Automsoft, based in Dublin. He is also a member of the Advisory Board of the United Nations Environment Programme GEMS/Water, a former Chairman of the Marketing Institute of Ireland and a director of a number of technology companies. He lives in Kiltarnan in Dublin with his wife Susan and two sons and spends his spare time looking after his horses.

Tearfund Ireland

DIRECTORS' REPORT

for the financial year ended 31 March 2021

The directors present their report and the audited financial statements for the financial year ended 31 March 2021.

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), 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 €198,836 (2020 - €41,280).

At the end of the financial year, the company has assets of €528,776 (2020 - €274,125) and liabilities of €171,761 (2020 - €115,946). The net assets of the company have increased by €198,836.

Tearfund Ireland's income for the financial year ended March 2021 increased compared with the previous year as a result of higher donations from generous supporters and larger grants from institutional donors. 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 in our Self Help Group programme in Ethiopia and each have increased their contribution this financial year. Irish Aid continues to be the company's largest donor. The Civil Society Funding enables the company to carry out the programme in Ethiopia and the Development Education grants facilitate the creation of education resources. In addition, within Ireland, the Church of Ireland Bishop's Appeal has been a generous donor to a number of our Development Education projects as well as our humanitarian relief efforts. Tearfund Ireland is a founder-member of the Irish Emergency Alliance, and a member of Dóchas, Comhlámh and EU-Cord. As a registered charity, Tearfund Ireland was able to reclaim €100,959 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 committed volunteers who raise funds, pray, serve on our committees and Board 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 were as follows:

Paraic O'Toole (Chair)
Sharon Morrow (Vice Chair)
Richard Barkley (Hon. Treasurer)
Susan Heaney
Dr David Weakliam
Oghenovo Oghuvbu
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 the appointment of a new Board Chair and the transition of staff. Dr. David Weakliam completed his term as Chair of the Board and Paraic O'Toole was appointed as the new Chair on 27th April 2021. In addition, Sharon Morrow was appointed Vice-Chair.

In May 2021 two key members of staff announced their resignation, both of whom have gone to other organisations with our blessing and gratitude for their substantial contributions over the years. To replace these individuals a recruitment process was undertaken in the early part of the 2021-2022 financial year.

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DIRECTORS' REPORT

for the financial year ended 31 March 2021

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.

Coronavirus

The impact of the coronavirus pandemic affected all our operations during the entire reporting period. The organisation restructured its operations to enable staff to work effectively from home. Relevant policies, procedures and collaboration tools were put in place where necessary. Business continuity procedures were reviewed and the Audit and Risk Committee increased its meeting frequency. The pandemic impacted all projects so implementing partners and donors were consulted for changes to planned programmatic activities.

Water Damage

In June 2021 the office suffered damage as a result of a water leak from an adjoining property rendering it unusable for a period. The repairs were managed by staff in conjunction with the Landlord.

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DIRECTORS' REPORT

for the financial year ended 31 March 2021

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 risk 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 Ireland'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 and biblical justice, development and humanitarian relief; Proactive engagement with Donors, Partners, Churches and Supporters. Ongoing development, implementation and review of organisational policies. Emphasis on employee engagement, organisational values and culture audit. Self-assessed compliance with the Charity Regulator's Governance Code. Regular publication of activities and their impact. Increasing collaboration with the Tearfund Family
Finances: Limited Funding, Misappropriation or Fraud	Fundraising and Income strategy in place and monitored; Institutional Donor and Peer relationships managed; Partner assessments & Audits carried out; Finance policies & operational procedures being 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. Implementation of Lessons Learned. Provision of anti-fraud awareness training
Organisational ineffectiveness	Ensuring resources for appropriate staff levels; Provisions for continuity of operation by remote working; Implementation of Remote Working policy; Health, Safety and Wellbeing policy; Review of systems and IT infrastructure; Assistance of Human Resource consultant and Employee Assistance Programme; Policy development and review; Staff performance appraisal programme; Employee engagement and culture audit
Weakened or ineffective partner relationships	Intentional relationship building with institutional donors, co-funding donors and peer networks; Strengthening relationships with implementing partners including evaluation and capacity building; Cooperation and collaboration across the Tearfund Family; Partner monitoring and auditing; Anti-fraud awareness training
Programmes no longer relevant, effective or achieving intended outcomes	Ongoing discussions with Institutional Donors and Co-Funders to align development and humanitarian activity; Board & Development Committee monitoring progress against strategy; Programme reviews to adapt to changed circumstances; Monitoring performance against Core Humanitarian Standards; Continued co-operation with international peer organisations. Measuring, evaluating and reporting impact and results of projects; Innovating methods of engagement and education with niche support base; Project activities altered due to Covid-19; Revision of activities and approval from donors; Flexibility and agility to adapt in complex situations.

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DIRECTORS' REPORT

for the financial year ended 31 March 2021

Structure, Governance and Management

The Board of Directors, who met five 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 selected based on criteria established in the Board Terms of Reference and are appointed by the members at the Annual General Meeting. 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. Key principles underpinning resource allocation include matching expenditure to designated and restricted income resources and maintaining a diversity of income to achieve an appropriate balance of sources. 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.

The Development Committee, a sub-committee of the Board, met on two occasions during the year, having recruited new membership. The membership of the Development Committee includes at least two directors and includes four external members. The Development Committee assists the Board in ensuring Tearfund Ireland follows internationally recognised humanitarian and development best practice, utilising and allocating its financial resources effectively and in accordance with the vision, policy, criteria and guidelines established by the Board. 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 seven occasions during the year. With potential for unforeseen risks caused by the pandemic to impact the organisation, the Audit and Risk Committee met frequently during the early part of the financial period. The frequency of these meetings helped ensure the organisation mitigated risks, adapted operations and effectively managed its resources. The committee's 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 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 four 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 development of organisational policies and recommending same to Board for approval. The committee also assists the continuing development of the Board through regular evaluations, effectiveness reviews, succession planning and Board renewal.

During the financial period the organisation undertook a review of organisational policies which resulted in the drafting or updating a number of key organisational policies. In addition, an updated Employee Handbook was approved in April 2021.

Tearfund Ireland is a company limited by guarantee, registered with the Charities Regulatory Authority, is in full compliance with the Charities Acts and is compliant with the Charities Governance Code. 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 income is expensed to fund our vital work and run the organisation.

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DIRECTORS' REPORT

for the financial year ended 31 March 2021

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. Although the Board had begun a review of the strategy, this initiative was paused with the onset of the pandemic and the impending changes in staffing. The Board have extended the existing strategic plan and Tearfund Ireland continues to work toward growing its income to enable its activity within Ireland and overseas.

Tearfund Ireland's vision is for flourishing communities, free from poverty and injustice. Tearfund Ireland believes this can be achieved through working with the local church in Ireland and through faith based partners in the global south. Tearfund Ireland's continuing strategy is to grow its organisational capacity in the Republic of Ireland in order to make an even greater impact in the lives of people and communities worst affected by poverty and injustice in priority countries.

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

Tearfund Ireland continues to strategically manage its geographic and country focus. With the onset of the coronavirus pandemic and an increase in conflict and climate related humanitarian needs, Tearfund Ireland places emphasis on sustainable development and humanitarian responses in targeted regions to facilitate efficient operations and enable funding to priority areas. Tearfund Ireland's approach is to work holistically in communities affected by poverty with a specific focus on the most marginalised and vulnerable. This includes children at risk and orphans, vulnerable women, and people worst affected by conflict and protracted crises. Tearfund Ireland emphasises principles of empowerment, 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, income and prayer.

Tearfund Ireland continues to build its partnerships with Irish Aid, peer organisations and other institutional donors toward providing restricted resources to build its overseas development & humanitarian programmes. At the same time, Tearfund Ireland continues pursuing unrestricted funding sources from individuals, churches and businesses to broaden its reach, build its capacity and give individuals and churches who share the vision and mission of Tearfund Ireland an opportunity to participate in its work. A key element of the Marketing, Communications and Fundraising strategy is to grow the regular giving stream from churches and individuals to ensure financial sustainability.

One of Tearfund Ireland's strategic goals is to advocate with and on behalf of the most marginalised and vulnerable. While advocacy has been an integral part of its work in development and humanitarian responses, Tearfund Ireland has not had the resources to employ dedicated advocacy personnel. During this reporting period, advocacy has been achieved through awareness raising, public engagement and development education resources. 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.

Tearfund Ireland

DIRECTORS' REPORT

for the financial year ended 31 March 2021

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.

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 poverty alleviation, gender, conflict, children, environment and sustainability needs. 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.

During the financial period Tearfund Ireland undertook a review of organisational policies which resulted in the drafting or updating a number of key organisational policies: Safeguarding; Prevention of Sexual Exploitation, Abuse and Harassment; Health and Safety; Whistleblowing; Personal Conduct; Security & Travel; Crisis Management; Internet & Email Use. Staff were also trained in Safeguarding and in Prevention of Sexual Exploitation, Abuse and Harassment. In addition, a number of human resource policies were approved during the period and an updated Employee Handbook was formally approved in April 2021.

Tearfund Ireland has continued to progress closer relationships with other Tearfund organisations around the world through the development of the Tearfund Family. These strengthening relationships and collaborations have led to, among other things, agreed common compliance standards. Tearfund Ireland will continue to implement these shared policy standards with a target completion by December 2022.

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.

Irish Emergency Alliance

During the financial period Tearfund Ireland, along with Action Aid, Christian Aid, Plan, Self-Help Africa and World Vision, launched the Irish Emergency Alliance (IEA). This alliance of Irish NGO's is designed to provide a streamlined approach for the Irish public to respond to humanitarian disasters and emergencies. Each member agency contributes to the operation of the alliance through staff time, expertise and bi-annual membership fees. The IEA launched in November 2020 with an appeal to respond to the secondary impacts of coronavirus in 6 targeted countries. Tearfund Ireland utilised income from this appeal to further develop our work in Ethiopia. In the spring of 2021 Trócaire became a member of IEA bringing the membership to seven organisations.

Reserves Policy

The Directors consider that maintaining Tearfund's cash reserves at a target level of 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. The Board allocated reserves for once-off expenditure items and put in place a strategy to increase the level of reserves to a minimum of 6 months' expenditure including staff costs, running costs and liabilities. This was achieved during the reporting period. Led by the Audit and Risk Committee,

Tearfund Ireland

DIRECTORS' REPORT

for the financial year ended 31 March 2021

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, implemented by the staff, is to improve regular donations by standing order and direct debit to provide a solid financial base for our activities. The Board continues to monitor its strategy to raise its income levels to ensure its reserves policy is maintained. In addition, the Board constituted an emergency reserve to enable Tearfund Ireland to respond to humanitarian emergencies as they arise.

The Board 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 Ireland operates. As a result, Tearfund Ireland 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, which maintains a register of the irregularities, actions taken and results.

Rates Case

The company has been invoiced for rates for the period from 2012 to September 2021 in the total amount of €40,515.76. Tearfund Ireland contested this assessment on the basis that it was 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. The Commissioner for Valuation appealed this decision to the High Court which found against the decision of the Valuation Tribunal. An appeal is under consideration, but the company considers it prudent to provide for the accumulated rates. Costs in the High Court action were not awarded against Tearfund Ireland in view of the public interest in the matter.

Project Partner Matter

During the course of a scheduled audit inspection some anomalies came to light in the conduct of a local office of one implementing partner. After additional investigation the amount of €3,879 was identified as misappropriated. The balance of funds provided to the partner was frozen, the partner relationship was terminated, and processes to recover these amounts were undertaken and continue. The institutional donor has been reimbursed.

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 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.

Tearfund Ireland

DIRECTORS' REPORT

for the financial year ended 31 March 2021

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.

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: 30 November 2021

Paraic O'Toole (Chair)
Director

Date: 30 November 2021

Tearfund Ireland

DIRECTORS' RESPONSIBILITIES STATEMENT

for the financial year ended 31 March 2021

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

Date: 30 November 2021

Paraic O'Toole (Chair)
Director

Date: 30 November 2021

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 2021 which comprise the Income and Expenditure Account, the Balance Sheet, the Reconciliation of Members' Funds, the Cash Flow Statement and notes to the financial statements, including the 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" issued in the United Kingdom by the Financial Reporting Council.

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 2021 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 described below 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 the 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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.

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 course of 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

In our opinion, based solely on the work undertaken in the course of the audit, we report that:

- 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
- the Directors' Report has been prepared in accordance with the Companies Act 2014.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are 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. In our opinion the financial statements are in agreement with the accounting records.

INDEPENDENT AUDITOR'S REPORT

to the Members of Tearfund Ireland

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, which relate to disclosures of directors' remuneration and transactions are not complied with by the company. We have nothing to report in this regard.

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 in accordance with the applicable financial reporting framework that 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, if 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 the 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

Date: 30 November 2021

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 2021

	Notes	Restricted Funds 2021 €	Unrestricted Funds 2021 €	Total 2021 €	Restricted Funds 2020 €	Unrestricted Funds 2020 €	Total 2020 €
Incoming resources							
Grants	5	546,004	-	546,004	436,273	-	436,273
Donations		-	680,135	680,135	-	545,927	545,927
Insurance claims receivable			9,015	9,015			
Investment income		-	44	44	-	30	30
Total incoming resources		<u>546,004</u>	<u>689,194</u>	<u>1,235,198</u>	<u>436,273</u>	<u>545,957</u>	<u>982,230</u>
Resources expended							
Cost of generating funds	6	48,412	61,104	109,515	47,083	58,920	106,003
Net incoming resources available for charitable application		497,592	628,091	1,125,682	389,190	487,037	876,227
Resources Expended on Charitable Activities							
International programmes		441,497	313,434	754,931	414,803	197,567	612,370
Social Justice and Development		71,126	71,648	142,774	89,466	90,896	180,361
Advocacy and Policy		15,850	13,292	29,141	22,216	20,000	42,216
Transfer from unrestricted to restricted		(58,008)	58,008	-	(212,280)	212,280	-
	6	<u>470,466</u>	<u>456,381</u>	<u>926,847</u>	<u>314,204</u>	<u>520,743</u>	<u>834,947</u>
Movement in funds for the year		<u>27,127</u>	<u>171,709</u>	<u>198,836</u>	<u>74,986</u>	<u>(33,706)</u>	<u>41,280</u>

Approved by the Directors on 30 November 2021 and signed on its behalf by

Richard Barkley (Hon. Treasurer)
Director

Paraic O'Toole (Chair)
Director

Tearfund Ireland
BALANCE SHEET

as at 31 March 2021

	Notes	2021 €	2020 €
Fixed Assets			
Tangible assets	10	4,424	1,334
Current Assets			
Debtors	11	37,452	52,812
Cash and cash equivalents		486,900	219,979
		524,352	272,791
Creditors: Amounts falling due within one year	12	(171,761)	(115,946)
Net Current Assets		352,591	156,845
Total Assets less Current Liabilities		357,015	158,179
Reserves			
Restricted funds		112,316	85,189
Designated funds		46,341	12,971
General funds		198,358	60,019
Members' Funds		357,015	158,179

Approved by the board on 30 November 2021 and signed on its behalf by:

Richard Barkley (Hon. Treasurer)
 Director

Paraic O'Toole (Chair)
 Director

Tearfund Ireland
RECONCILIATION OF MEMBERS' FUNDS
as at 31 March 2021

	Retained surplus	Total
	€	€
At 1 April 2019	116,899	116,899
Surplus for the financial year	<u>41,280</u>	<u>41,280</u>
At 31 March 2020	158,179	158,179
Surplus for the financial year	<u>198,836</u>	<u>198,836</u>
At 31 March 2021	<u>357,015</u>	<u>357,015</u>

Tearfund Ireland
CASH FLOW STATEMENT

for the financial year ended 31 March 2021

	Notes	2021 €	2020 €
Cash flows from operating activities			
Surplus for the financial year		198,836	41,280
Adjustments for:			
Interest receivable and similar income		(44)	(30)
Depreciation		3,067	1,415
		<u>201,859</u>	<u>42,665</u>
Movements in working capital:			
Movement in debtors		15,360	46,337
Movement in creditors		55,815	(49,852)
		<u>273,034</u>	<u>39,150</u>
Cash flows from investing activities			
Interest received		44	30
Payments to acquire tangible fixed assets		(6,157)	(204)
		<u>(6,113)</u>	<u>(174)</u>
Net cash used in investment activities			
		<u>(6,113)</u>	<u>(174)</u>
Net increase in cash and cash equivalents		266,921	38,976
Cash and cash equivalents at beginning of financial year		219,979	181,003
		<u>219,979</u>	<u>181,003</u>
Cash and cash equivalents at end of financial year	14	486,900	219,979
		<u><u>486,900</u></u>	<u><u>219,979</u></u>

Tearfund Ireland

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2021

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) 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. 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 and the costs 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 financial year ended 31 March 2021

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

Debtors are recognised initially at transaction price (including transaction costs) unless a financing arrangement exists in which case they are measured at the present value of future receipts discounted at a market rate.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the Balance Sheet bank overdrafts are shown within Creditors.

Trade and other creditors

Creditors are recognised initially at the transaction price net of transaction costs and subsequently measured at amortised cost using the effective interest method.

Employee benefits

The company provides access to a pension scheme. It contributes to the pension schemes of individual employees.

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. 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

continued

for the financial year ended 31 March 2021

5. INCOME SUMMARY

	2021	2020
	€	€
Donations - unrestricted	579,151	395,285
Grants - restricted	171,556	141,274
Irish Aid development grant - restricted	374,448	295,000
Gifts in kind	-	25
Legacy Income	-	40,715
Taxation recoverable	100,959	100,019
Other income	-	9,789
Sale of products	25	93
Investment income	44	30
Insurance claims receivable	9,015	-
	<u>1,235,198</u>	<u>982,230</u>

A grant was received from The Department of Foreign Affairs and Trade (Irish Aid) for a contracted project in Ethiopia, amounting to €350,000. There were also other grants received from Tearfund Australia and Cedar Fund which totalled €60,455.

At the year end, a total balance of €78,826 (€53,826 relating to The Department of Foreign Affairs and Trade (Irish Aid)) 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)
4. Meserete Kristos Church Relief and Development Association (MKC-RDA)

Additionally €24,448 was given by The Department of Foreign Affairs and Trade (Irish Aid) towards development education expenditure, €9,000 of this was utilised during the year.

Restricted Grants were received from Tearfund Australia, Cedar Fund, Bishops Appeal, Dublin City Council as well as an EU-funded Aid Volunteer Initiative project called VIVID:T during the year.

Income tax recovered on donations amounted to €100,959 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.

Insurance claims receivable relate to amounts received due to flood damage in the office in 2020.

Tearfund Ireland
NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2021

continued

6. TOTAL RESOURCES EXPENDED

	Grants	Direct costs	Support costs	Total	2020 Total
	€	€	€	€	€
Unrestricted					
International programmes	169,184	144,246	32,843	346,273	229,233
Social Justice and Development	-	71,648	20,622	92,270	110,781
Advocacy and Policy	-	13,292	7,638	20,930	27,365
Total unrestricted	169,184	229,185	61,104	459,473	367,379
Restricted					
International programmes	304,343	137,155	26,021	467,519	440,114
Social Justice and Development	-	71,126	16,339	87,465	105,356
Advocacy and Policy	-	15,850	6,051	21,901	28,101
Total restricted	304,343	224,131	48,412	576,885	573,571
Total expenditure	473,527	453,316	109,515	1,036,358	940,950

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.

6.1 GRANTS

	2021	2020
	€	€
Grants were given to the following countries/projects:		
Syria	24,500	15,750
Yemen	41,000	-
South Sudan	-	4,277
Mozambique (Cyclone IDAI)	-	27,672
Malawi	-	1,170
Bahamas (Hurricane Dorian)	1,550	-
Zimbabwe	1,000	-
Uganda	-	2,000
Nepal	-	11,254
Cambodia	-	4,585
Ethiopia	275,895	245,877
Indonesia	-	1,094
Lebanon	94,083	4,250
	438,028	317,929

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 €78,826 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.

Tearfund Ireland
NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2021

continued

7. OPERATING SURPLUS	2021	2020
	€	€
Operating surplus is stated after charging:		
Depreciation of tangible fixed assets	3,067	1,415
	<u> </u>	<u> </u>
8. EMPLOYEES		
The average monthly number of employees during the financial year was 9, (2020 - 11).		
9. KEY MANAGEMENT PERSONNEL		
The key management of the charity is the acting chief executive. The gross pay to key management personnel for the period was €57,106 plus 7% employer pension contribution.		
10. TANGIBLE FIXED ASSETS		
	Fixtures, fittings and equipment	Total
	€	€
Cost		
At 1 April 2020	43,535	43,535
Additions	6,157	6,157
	<u> </u>	<u> </u>
At 31 March 2021	49,692	49,692
	<u> </u>	<u> </u>
Depreciation		
At 1 April 2020	42,201	42,201
Charge for the financial year	3,067	3,067
	<u> </u>	<u> </u>
At 31 March 2021	45,268	45,268
	<u> </u>	<u> </u>
Net book value		
At 31 March 2021	4,424	4,424
	<u> </u>	<u> </u>
At 31 March 2020	1,334	1,334
	<u> </u>	<u> </u>
11. DEBTORS	2021	2020
	€	€
Prepayments	2,430	5,347
Accrued income	35,022	47,465
	<u> </u>	<u> </u>
	37,452	52,812
	<u> </u>	<u> </u>

Tearfund Ireland

NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 March 2021

12. CREDITORS	2021	2020
Amounts falling due within one year	€	€
Trade creditors	4,722	3,800
Taxation	18,150	4,616
Other creditors	-	73
Pension accrual	558	-
Grant accruals	78,826	56,940
Accruals	69,505	50,517
	<u>171,761</u>	<u>115,946</u>

The Company has been invoiced for rates for the period from 2012 to September 2021 in the total amount of €40,515.76. Tearfund Ireland contested this assessment on the basis that it was 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. The Commissioner for Valuation appealed this decision to the High Court which found against the decision of the Valuation Tribunal. An appeal is under consideration, but the company considers it prudent to provide for the accumulated rates. Costs in the High Court action were not awarded against Tearfund Ireland in view of the public interest in the matter.

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. CASH AND CASH EQUIVALENTS	2021	2020
	€	€
Cash and bank balances	486,900	219,979
	<u>486,900</u>	<u>219,979</u>

15. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 30 November 2021.