



Charity registration number 20021337

Company registration number 323619 (Ireland)

Tearfund Ireland
Annual Report And Financial Statements
FOR THE YEAR ENDED 31 MARCH 2023

TEARFUND IRELAND

Legal And Administrative Information

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| Directors | Paraic O'Toole (Chairperson) Sharon Morrow (Vice-Chairperson) Richard Barkley (Hon. Treasurer) Susan Mary Heaney Dr David Weakliam Oghenovo Oghuvbu Lucy Hill |
| Secretary | Richard Barkley (Hon. Treasurer) |
| Chief Executive Officer | Sean Copeland |
| Development Committee | Dr David Weakliam (Chair from 29th November 2022) Richard Phillips (Chair until 29th November 2022) Lucy Hill Kate Bowen-Evans Helen Lane |
| Audit and Risk Committee | Richard Barkley (Chair) Paraic O'Toole Christian Dijkstra Jody Johannie |
| Governance Committee | Sharon Morrow (Chair) Richard Barkley |
| Charity number | 200212337 |
| Company number | 323619 |
| Registered office and Principal Address | 2nd Floor Ulysses House 22/24 Foley Street Dublin 1 Ireland |
| Auditor | Lewis & Co Chartered Accountants and Statutory Auditors 8 Priory Office Park Stillorgan Co. Dublin |
| Bankers | Allied Irish Banks 126 Capel Street North City Dublin 1 |

TEARFUND IRELAND

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TEARFUND IRELAND CHAIRPERSON'S STATEMENT

for financial year ended 31 March 2023

The current macro-economic and geo-political context has brought significant challenges. Tearfund Ireland has adapted to these challenges and continued to make a substantial impact for those marginalised and vulnerable across the world.

Following a thorough interview process and unanimous recommendation by the Board's selection committee, Sean Copeland was appointed to the role of CEO on 19 July 2022.

In March 2022 the Board approved a refresh of the organisation's strategic plan for 2022-2025. This strategy is a continuation of the main elements of the 2015-2020 strategy. A significant component to the organisational strategy continues to be the Self-Help Group project in Ethiopia of which Irish Aid is our largest donor through the Civil Society Funding. This period we were awarded a new three-year contract within the CSF project funding which reflects Irish Aid's confidence in our project. A few weeks after submitting the CSF application, the staff also applied for higher grant funding in Irish Aid's CSP funding stream. Although this CSP application was unsuccessful, the result and feedback from Irish Aid provided the staff improved clarity on the strengths and distinctiveness of Tearfund Ireland's approach in locally led, long-term sustainable development being achieved in our CSF project.

This period, the CSF project in Ethiopia impacted more than 76,000 people through 533 existing Self-Help Groups and established 291 new Self-Help Groups. In addition, the participants are becoming more resilient to climate-related shocks through taking part in the Conservation Agricultural programme. 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 also grateful to Tearfund Australia and Cedar Fund for their continued collaboration and co-funding on this project. We also want to thank Bishop's Appeal for their funding to a number of projects through the year.

In addition, we are grateful for opportunities to collaborate with Tearfund Canada within Ethiopia. A new church and community transformation project (CCT), implemented through a shared local partner, is enabling us to increase the quantity of Self-Help Groups and facilitate increasing numbers of small-hold farmers to benefit from the Conservation Agriculture Programme.

Although it may feel like a long time ago, the coronavirus pandemic continued to affect our programmatic work. The secondary economic impacts of the pandemic reduced many gains the world had experienced in overcoming global poverty. In addition, the global inflationary impact from the conflict in Ukraine has increased humanitarian needs, particularly in the Horn of Africa where several countries have been reliant on grain from Ukraine. This reporting period we were able to allocate over €324,059 to fund Humanitarian and Emergency projects in Ethiopia, Lebanon, Somaliland, Ukraine, Pakistan, Yemen and the earthquake response in Syria.

We continued our support of **Syrian refugees** based in Lebanon providing much needed basic supplies for families in refugee camps as well as livelihoods training.

We have also continued our work to **keep children in families** in Cambodia. Here in Ireland, our participation in Comhlámh has strengthened our advocacy for ending the support of orphanages. In particular, members of staff presented on this topic to members of Irish Government which led to a significant amount of press and radio coverage. Tearfund Ireland is seen across the sector as a leading voice in advocating for best practice in the care of vulnerable children.

The **Tearfund Family** as part of a continued process of improving collaboration, established a Statement of Identity and shared values. Tearfund Ireland are delighted to be a part of this international family of Tearfund organisations who demonstrate love for our global neighbour by working with and through the Church. In Ireland, we are proud to continue in the **Irish Emergency Alliance (IEA)** which has enabled us to raise humanitarian funds for those impacted in Ukraine, the Horn of Africa and the earthquakes in Syria/Turkey.

This Spring our staff from Ethiopia were able to travel to Dublin for the first time since 2019. They were present for the **annual coffee morning** and spoke in a number of churches around the Dublin area. The team held a 5-a-side football blitz which created some healthy competition between churches who provided teams to compete for bragging rights. For the less competitive, the annual Pedal Against Poverty cycling campaign continues to raise awareness and funds.

In the areas of **Governance**, the staff continue to progress a programme of policy development and training. To further that area, the organisation became members of the CHS Alliance and plan to carry out a self-assessment of the Core Humanitarian Standards.

TEARFUND IRELAND

CHAIRPERSON'S STATEMENT (CONTINUED)

for financial year ended 31 March 2023

Our total spend on charitable activities was €1,179,123 against an income of €1,341,948. Costs of generating funds amounted to €161,553 (12%). Our overall expenditure on charitable activities increased by 13%. The spend toward international programmes, advocacy and social justice increased during the year.

Finally, I would like thank all who have supported Tearfund Ireland. Your generosity, prayers and frequent messages of encouragement have been a blessing. I want to thank the staff for their commitment, and my fellow Directors for their dedication to Tearfund Ireland. I also thank all of our local church partners in the countries we work in and here in Ireland.

Thank you

Paraic O'Toole
Chairperson
27th June 2023

Note: (Bio of Board Chair)

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 DIRECTOR'S ANNUAL REPORT

for financial year ended 31 March 2023

DIRECTORS' REPORT for the year ended 31 March 2023

The directors present their report and the audited financial statements for the year ended 31 March 2023.

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

At the end of the year, the company has assets of €635,112 (2022: €661,901) and liabilities of € 248,453 (2022: €276,514). The net assets of the company have increased by €1,272 (2022: €28,372).

The General reserves include a provision for six-months' reserves as set out by the Board's policy.

Tearfund Ireland's income for the financial year ended March 2023 increased compared with the previous year as a result of increased 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 continued their generous funding and partnership in our Self-Help Group programme in Ethiopia. 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 while engaging the Irish public in global citizenship education. In addition, within Ireland, the Church of Ireland Bishops' Appeal has been a generous donor to our development 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, EU-Cord, Micah Global and World Without Orphans. As a registered charity, Tearfund Ireland was able to reclaim €107,275 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 year were as follows:

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

TEARFUND IRELAND DIRECTOR'S ANNUAL REPORT

for financial year ended 31 March 2023

Dr David Weakliam

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

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.

Appointment of CEO

The Board continues its strategic focus of strengthening the organisation. Following a thorough interview process and unanimous recommendation by the Board's selection committee, Sean Copeland was appointed Chief Executive Officer on 19 July 2022.

Hybrid Working

In spring 2022, following consultation and engagement with the staff, the organisation implemented a hybrid model of working in which most staff work three days in the office and two days remotely. These arrangements are reviewed regularly to ensure effectiveness in operations and collaboration.

Core Humanitarian Standard

As part of continued efforts to improve quality standards, Tearfund Ireland have been accepted into membership of the CHS Alliance. The Core Humanitarian Standard is a measurable standard to improve the quality and effectiveness of humanitarian activity. Tearfund Ireland are preparing to carry out a self-assessment to the standard within the next reporting period.

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. Risks are identified 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 and their respective mitigation measures are summarised in the following table.

| Risk | Mitigation Measures |
|--|---|
| Reputational risk or loss of credibility | Commitment to Christian ethos and values. Strong code of conduct and professional ethics with commitment to high professional & quality standards. Maintain purpose to seek poverty eradication and justice for vulnerable & marginalised. Effective governance from Board. Proactive engagement with donors, partners, churches & supporters; effective communications and media plans. Clear brand & independence for Tearfund Ireland while strengthening relationships with Tearfund Family. Founding member of Irish Emergency Alliance, compliant with Dóchas codes, Charities Regulator Code and SORP financial standards. |
| Finances: Limited Funding, Misappropriation or Fraud | Income & fundraising strategy in place and funding mix monitored; partner agreements, assessments in place and regular audits carried out. Building relationships with supporters, donors, |

TEARFUND IRELAND DIRECTOR'S ANNUAL REPORT

for financial year ended 31 March 2023

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| | businesses, trusts & foundations. Board and committees are involved and active. Policies & procedures in place. Strong finance management with regular management meetings; regular lesson learning events; fraud awareness training implemented; screening of individuals and organisations to mitigate against money laundering and/or fund flows to individuals linked with terrorist organisations. |
| Weakened or ineffective partner relationships | Maintaining strong reciprocal relationships with implementing partners including organisational assessments, partnership covenants and grant agreements; cooperation and collaboration across the Tearfund Family with shared partner processes, monitoring and auditing; fraud awareness training and wrongdoing response policy in place. |
| Programmes no longer relevant, effective or achieving intended outcomes | Board monitor progress against Strategy and annual plans; Development Committee maintains strategic advisory role. Strong relationships with implementing partners. Strong reporting criteria and open dialogue with Institutional Donors and Co-Funders; Core Humanitarian Standard self-assessment to strengthen systems. |
| Safety and well-being of all staff and volunteers | Committed to safety and security of staff. Health & Safety and Security in Travel policies, procedures, and training in place. Closely monitoring all local and national news in conflict-disturbed areas. Aware of and observing travel advisories from appropriate government agencies. All travel, including within country required to be approved prior to undertaking. Adequate and appropriate insurance cover for all staff and visitors travelling for/with Tearfund Ireland. Appropriate implementation of duty of care for employees through Employee Assistance Programme and Well-Being policies. Relevant policies in line with current employment legislation; Human Resource service provider in place; consultation on Hybrid working arrangements. Safeguarding policy and training in place. |

Structure, Governance and Management

The Board of Directors met five times during the reporting period, and 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 co-opt 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

TEARFUND IRELAND

DIRECTOR'S ANNUAL REPORT

for financial year ended 31 March 2023

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 committee of the Board, met on three occasions during the reporting period. In addition, members of the Committee gave support to the International Programmes Manager in the development of procedures, programmes policy and the strategy refresh. The membership of the Development Committee includes two directors and three external members. During the reporting period Richard Phillips resigned from his position as Chair of the Development Committee and on 29th November 2022 the Board appointed Dr David Weakliam as Chair of the Development Committee. 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 committee of the Board, met on five occasions during the reporting period. In addition, members of the Committee gave support to the Finance Manager in the development of finance policies and procedures as well as the strategy refresh. The committee's membership includes two directors and two external members. 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 committee of the board, met on five occasions during the reporting period. In addition, members of the committee gave support to the organisation in the development of policy and the strategy refresh. Its membership includes 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.

Tearfund Ireland is a company limited by guarantee registered with the Companies Registration Office, and is registered as a charity with the Charities Regulatory Authority. It is in full compliance with the Charities Acts and is compliant with the Charity Regulator Governance Code. Tear Times is a magazine circulated regularly in paper form and by email 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.

Strategy

In March 2022 the Board approved a refresh of the organisation's strategic plan for 2022-2025. This strategy is a continuation of the main elements of the 2015-2020 strategy which comprehensively articulated its vision, mission and goals.

Tearfund Ireland is a Christian development and relief organisation committed to the holistic transformation of the most marginalised and vulnerable in specific regions around the world. Working in relationship with local partners and the church, we enable people to lift themselves out of poverty and respond with humanitarian relief when disasters or emergencies arise. As a Christian organisation, we resource the Church in Ireland, to practically demonstrate their faith by engaging in sustainable development, pursuing biblical justice and advocating on behalf of the world's marginalised. At the same time, we continually strengthen the organisational resources, expertise, skills and capacity in order to achieve our mission.

Tearfund Ireland continues to strategically manage its geographic and country focus. As a result of the pandemic challenges, along with an increase in conflict and climate related humanitarian needs, Tearfund Ireland continues to emphasise sustainable development and humanitarian responses in targeted regions. Tearfund Ireland's

TEARFUND IRELAND DIRECTORS' ANNUAL REPORT

for year ended 31 March 2023

approach is to work holistically in communities affected by poverty with a focus on the most marginalised and vulnerable. This includes vulnerable women, children at risk and orphans, 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. The organisation's Marketing, Communications and Fundraising strategy identifies churches and individuals as a major source of support, income, prayer and awareness-raising. In addition, Development Education initiatives provide avenues for deeper engagement and critical thinking around issues related to sustainable development and global citizenship.

Tearfund Ireland continues to deepen 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. The organisation also prioritises the tax reclaim scheme from Revenue.

One of Tearfund Ireland's strategic goals is to advocate with and on behalf of the most marginalised and vulnerable. Advocacy continues to be an integral part of its work in development and humanitarian responses. During this reporting period, advocating for change has been achieved through raising awareness around the harm caused to children by orphanage volunteering. As well as continuing this messaging, Tearfund Ireland aims to leverage advocacy resources from within the Tearfund Family to influence those in positions of power to act in more just and equitable ways.

Vision, Mission, Goals and Values

Tearfund Ireland's Vision is for flourishing communities free from poverty and injustice.

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

Tearfund Ireland's Strategic Goals are to:

- 1) Alongside the local church and other partners, empower the most vulnerable and marginalised people to transform their lives through meaningful partnerships, capacity building and increased provision of resources.
- 2) Deepen relationships with churches across Ireland to envision, equip and mobilise the Christian community to engage in justice and sustainable development internationally, as well as responding to humanitarian emergencies.
- 3) Advocate with and on behalf of those most vulnerable to poverty and injustice.
- 4) Grow and strengthen organisational resources, technical expertise, skills and capacity.

Tearfund Ireland are 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.

Core Values:

Christ-Centred: As followers of Jesus Christ we aim to love God with our whole self, representing his nature and goodness through practical demonstrations of love and compassion toward our neighbour. We intentionally nurture our faith and prioritise prayer across all aspects of our work and decision-making.

Relational: We are committed to meaningful, effective and mutually beneficial relationships. With humility and respect, we seek to understand and learn from others for the benefit of those we serve.

TEARFUND IRELAND DIRECTOR'S ANNUAL REPORT

for financial year ended 31 March 2023

Justice Minded: We believe justice is a fundamental component of a flourishing society so we pursue just and equitable treatment for all. We are committed to changing systems of injustice and we work for the dignity, value and empowerment of every human being.

Behavioural Values:

Passionate: We believe in a world with no poverty so we are passionately committed to ending cycles of poverty through restoring broken relationships, empowering the marginalised and facilitating holistic transformation.

Empowerment: We work in collaborative partnerships to empower others to lift themselves out of poverty.

Integrity: We are professional and act with integrity, transparency and accountability.

Operating Principles:

Faith-Based: Motivated by our faith, we engage, educate and equip the Church in Ireland; our projects are implemented through local partners who work alongside, and as part of, their local church. Our work is provided on the basis of need alone without discrimination.

Localisation: We work with like-minded local partners who understand their own context and, as part of their communities, influence change through locally led initiatives.

Partnership: We aim for meaningful and mutually beneficial partnerships where we can add value as well as learn from our partners.

Relationship: We value relationship over transaction. We prefer long-term engagement with our supporters, donors, churches, businesses and partners.

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 all our activities are carried out 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 maintain our projects to international standards as laid out in the Sphere Humanitarian Charter, Minimum Standards in Disaster Response 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: Risk Management, Financial Wrongdoing, Anti-Money Laundering and Anti-Terrorism, Cyber Security, Brand Management and Public Reputation Management. In addition, staff continue undertaking annual formal trainings in key policy areas.

Tearfund Ireland has continued to progress closer relationships with other Tearfund organisations around the world as part of the Tearfund Family. During the reporting period, the Tearfund Family have agreed a Statement of Identity, Vision and Values. In addition, the organisations within the Tearfund Family have agreed common compliance standards. Tearfund Ireland, as part of its overall policy development, implemented these shared policy standards of the Tearfund Family. Tearfund Ireland have adopted the Quality Standard framework and Partner's Organisational Capacity Assessment process as developed by Tearfund (UK).

TEARFUND IRELAND DIRECTOR'S ANNUAL REPORT

for financial year ended 31 March 2023

Irish Emergency Alliance

Tearfund Ireland, along with Action Aid, Christian Aid, Plan, Self-Help Africa, Trócaire and World Vision are members of the Irish Emergency Alliance (IEA). This alliance of Irish NGOs is designed to provide a collaborative 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. During the reporting period Tearfund Ireland participated in three appeals launched by the IEA: February-April 2022 humanitarian response to those impacted from the conflict in Ukraine; October 2022, food and water for those impacted by the food crisis in the Horn of Africa; and February 2023, emergency response to those impacted by the earthquakes in Syria/Turkey.

Reserves Policy

The Directors consider that maintaining Tearfund Ireland's cash reserves at a target level of 6 months' expenditure and an annual review of internal controls and risks will provide Tearfund Ireland with adequate risk assurance and sufficient resources in the event of adverse conditions. The Board allocated reserves for once-off expenditure items and increased the level of reserves to a minimum of 6 months' expenditure including staff costs, running costs and liabilities. This was maintained during the reporting period. Led by the Audit and Risk Committee, Treasurer and the Board, this strategy and reserve levels are monitored quarterly. A key objective, implemented by the staff, is to raise restricted funding from institutional donors while, simultaneously, 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 and ensure its reserves policy is maintained. The Board continues to build 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 Ireland'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.

Repayment of funds

During the financial year ending 31st March 2021 the organisation discovered through a routine audit evidence of misappropriation of funds and terminated the relationship with that local partner. In the months since the organisation has pursued the return of unspent and misappropriated funds. In February 2023, Tearfund Ireland received the amount of €8,367 (ETB 482,454) from the former partner.

Employees and Volunteers

The work of Tearfund 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), Tearfund Australia, Tearfund Canada and Tearfund Germany.

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 serving on committees, prayer, campaigning, acting within their local churches and communities, enthusing others, engaging with local media and championing fair trade. This volunteer network is a distinctive aspect of Tearfund Ireland's approach and the board is very grateful for their commitment and contribution.

Statement on Relevant Audit Information

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

TEARFUND IRELAND DIRECTOR'S ANNUAL REPORT

for financial year ended 31 March 2023

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
27 June 2023

Paraic O'Toole (Chairperson)
Director
27 June 2023

TEARFUND IRELAND

Statement Of Directors' Responsibilities

For The Year Ended 31 March 2023

The directors, who also act as trustees for the charitable activities of Tearfund Ireland, 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 that law, the directors have elected to prepare the financial statements in accordance with Companies Act 2014 and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (Generally accepted Accounting Practice in Ireland) issued by the Financial Reporting Council, as modified by the Charities SORP (FRS 102). 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 or of the company for that 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 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 profit or loss 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 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.

By order of the Board of Directors

Paraic O'Toole (Chair)
Director

Richard Barkley (Hon. Treasurer)
Director

Date: 27 June 2023

TEARFUND IRELAND

Independent Auditor's Report To The Directors Of Tearfund Ireland

Opinion

We have audited the financial statements of Tearfund Ireland ('the Charity') for the year ended 31 March 2023, which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including the summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is Irish Law and Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* issued in the United Kingdom by the Financial Reporting Council, as modified by the Charities SORP (FRS 102) *Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)*.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Charity as at 31 March 2023 and of its surplus for the year then ended;
- have been properly prepared in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*, as modified by the Charities SORP (FRS 102); 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 Charity 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 small entities, in the circumstances set out in note 18 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 Charity'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 in the annual report. 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.

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 requirements of any of 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.

TEARFUND IRELAND

Independent Auditor's Report (Continued)

To The Directors Of Tearfund Ireland

Responsibilities of Directors for the financial statements

As explained more fully in the statement of Directors' responsibilities, 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 the Directors 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 Charity'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 intend to liquidate the charitable company or to cease operations, or have 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 Charity's 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: <https://www.iaasa.ie/Publications/Auditing-standards/Standards-Guidance-for-Auditors-in-Ireland/Description-of-the-auditor-s-responsibilities-for>. This description forms part of our auditor's report.

Use of our report

This 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 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.

Keith Talbot (Statutory Auditor)
for and on behalf of Lewis & Co
Chartered Accountants and Statutory Auditors

8 Priory Office Park
Stillorgan
Co. Dublin

TEARFUND IRELAND

Statement Of Financial Activities Including Income And Expenditure Account

For The Year Ended 31 March 2023

| | Notes | Unrestricted funds 2023 € | Restricted funds 2023 € | Total Unrestricted funds 2023 € | Restricted funds 2022 € | Total 2022 € |
|---|-------|---------------------------------|-------------------------------|---------------------------------------|-------------------------------|--------------------|
| Income from: | | | | | | |
| Donations and legacies | 3 | 650,608 | 687,205 | 1,337,813 | 520,120 | 1,244,752 |
| Other income | 4 | 4,135 | - | 4,135 | 6 | 6 |
| Total income | | 654,743 | 687,205 | 1,341,948 | 520,126 | 1,244,758 |
| Expenditure on: | | | | | | |
| Raising funds | 5 | 118,597 | 42,956 | 161,553 | 130,095 | 173,655 |
| <u>Charitable activities</u> | | | | | | |
| International Programmes | 6 | 325,274 | 645,408 | 970,682 | 281,286 | 820,545 |
| Social Justice and Development | 6 | 75,268 | 95,668 | 170,936 | 62,436 | 188,374 |
| Advocacy and Policy | 6 | 13,509 | 23,996 | 37,505 | 11,209 | 33,812 |
| Total charitable expenditure | | 414,051 | 765,072 | 1,179,123 | 354,931 | 1,042,731 |
| Total expenditure | | 532,648 | 808,028 | 1,340,676 | 485,026 | 1,216,386 |
| Net incoming/(outgoing) resources before transfers | | 122,095 | (120,823) | 1,272 | 35,100 | (6,728) |
| Gross transfers between funds | | (73,052) | 73,052 | - | (83,110) | - |
| Net income/(expenditure) for the year/ Net movement in funds | | 49,043 | (47,771) | 1,272 | (48,010) | 28,372 |
| Fund balances at 1 April 2022 | | 196,684 | 188,703 | 385,387 | 112,316 | 357,015 |
| Fund balances at 31 March 2023 | | 245,727 | 140,932 | 386,659 | 188,698 | 385,387 |

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The notes on pages 17 to 30 form part of these financial statements.

TEARFUND IRELAND

Balance Sheet

As At 31 March 2023

| | Notes | 2023 € | € | 2022 € | € |
|---|-------|------------------|----------------|------------------|----------------|
| Fixed assets | | | | | |
| Tangible assets | 11 | | 16,103 | | 12,625 |
| Current assets | | | | | |
| Debtors | 12 | 30,502 | | 98,622 | |
| Cash at bank and in hand | | 588,507 | | 550,654 | |
| | | <u>619,009</u> | | <u>649,276</u> | |
| Creditors: amounts falling due within one year | 13 | <u>(248,453)</u> | | <u>(276,514)</u> | |
| Net current assets | | | 370,556 | | 372,762 |
| Total assets less current liabilities | | | <u>386,659</u> | | <u>385,387</u> |
| Income funds | | | | | |
| Restricted funds | 15 | | 140,932 | | 188,698 |
| <u>Unrestricted funds</u> | | | | | |
| Designated funds | 16 | 4,041 | | 20,402 | |
| General unrestricted funds | | <u>241,686</u> | | <u>176,287</u> | |
| | | | <u>245,727</u> | | <u>196,689</u> |
| | | | <u>386,659</u> | | <u>385,387</u> |

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with Financial Reporting Standard 102 'The Financial Statement Reporting Standard applicable in the UK and Republic of Ireland'.

The financial statements were approved by the Directors on 27 June 2023

Paraic O'Toole (Chairperson)
Director

Richard Barkley (Hon. Treasurer)
Director

TEARFUND IRELAND

Statement Of Cash Flows

For The Year Ended 31 March 2023

| | Notes | 2023 € | € | 2022 € | € |
|--|-------|-----------|----------------|-----------|----------------|
| Cash flows from operating activities | | | | | |
| Cash generated from operations | 17 | | 48,463 | | 75,201 |
| Investing activities | | | | | |
| Purchase of tangible fixed assets | | (10,610) | | (11,447) | |
| Net cash used in investing activities | | | (10,610) | | (11,447) |
| Net cash used in financing activities | | | - | | - |
| Net increase in cash and cash equivalents | | | 37,853 | | 63,754 |
| Cash and cash equivalents at beginning of year | | | 550,654 | | 486,900 |
| Cash and cash equivalents at end of year | | | <u>588,507</u> | | <u>550,654</u> |

The notes on pages 17 to 30 form part of these financial statements.

TEARFUND IRELAND

Notes To The Financial Statements

For The Year Ended 31 March 2023

1 Accounting policies

Charity information

Tearfund Ireland is a limited company domiciled and incorporated in Ireland. The registered office is 2nd Floor Ulysses House, 22/24 Foley Street, Dublin 1, Ireland.

1.1 Accounting convention

These financial statements have been prepared in accordance with the requirements of the Companies Act 2014, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in Euros, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest €.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Directors have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Directors in furtherance of their charitable objectives. Unrestricted funds consist of General and Designated funds.

- **General funds** represent amounts which are expendable at the discretion of the board, in furtherance of the objectives of the company

- **Designated funds** comprise unrestricted funds that the board has, at its discretion, set aside for particular purposes. These designations have an administrative purpose only, and do not legally restrict the board's discretion to apply the fund.

Restricted funds represent income received which can be only used for particular purposes, as specified by donors. Such purposes are within the overall objectives of the company.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Charity.

1.4 Income

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

TEARFUND IRELAND

Notes To The Financial Statements (Continued)

For The Year Ended 31 March 2023

1 Accounting policies

(Continued)

Assets for distribution are recognised only when distributed. Assets given for use by the Charity are recognised when receivable. Stocks of undistributed donated goods are not valued for balance sheet purposes.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|-----------------------|-------------------|
| Fixtures and fittings | 25% Straight line |
| Computers | 33% Straight line |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

TEARFUND IRELAND

Notes To The Financial Statements (Continued)

For The Year Ended 31 March 2023

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.11 Retirement benefits

The company has no pension scheme but makes contributions to employees' PRSAs.

2 Critical accounting estimates and judgements

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

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

TEARFUND IRELAND

Notes To The Financial Statements (Continued)

For The Year Ended 31 March 2023

3 Donations and legacies

| | Unrestricted funds | Restricted funds | Total | Unrestricted funds | Restricted funds | Total |
|---|--------------------|------------------|------------------|--------------------|------------------|------------------|
| | 2023 | 2023 | 2023 | 2022 | 2022 | 2022 |
| | € | € | € | € | € | € |
| Donations and gifts | 523,911 | - | 523,911 | 422,932 | 68,236 | 491,168 |
| Legacies received | 19,423 | - | 19,423 | 1,100 | - | 1,100 |
| Grants received | - | 687,205 | 687,205 | - | 656,396 | 656,396 |
| Tax reclaims received | 107,274 | - | 107,274 | 96,088 | - | 96,088 |
| | <u>650,608</u> | <u>687,205</u> | <u>1,337,813</u> | <u>520,120</u> | <u>724,632</u> | <u>1,244,752</u> |
| Grants receivable for core activities | | | | | | |
| Department of Foreign Affairs (Irish Aid) | - | 350,000 | 350,000 | - | 350,000 | 350,000 |
| Department of Foreign Affairs (Irish Aid Development Grant) | - | 21,650 | 21,650 | - | 10,904 | 10,904 |
| Teafund Australia | - | 90,020 | 90,020 | - | 130,853 | 130,853 |
| Cedar Fund | - | 42,531 | 42,531 | - | 31,818 | 31,818 |
| Bishops Appeal General Development | - | 35,415 | 35,415 | - | 26,675 | 26,675 |
| Bishops Appeal General Emergency | - | 82,000 | 82,000 | - | 38,649 | 38,649 |
| Irish Emergency Alliance | - | 89,832 | 89,832 | - | 38,344 | 38,344 |
| Department of Foreign Affairs (Irish Aid) - Refund | - | (20,267) | (20,267) | - | (18,623) | (18,623) |
| EU VIVID Grant Refund | - | (3,976) | (3,976) | - | 37,776 | 37,776 |
| World Charitable Foundation | - | - | - | - | 10,000 | 10,000 |
| | <u>-</u> | <u>687,205</u> | <u>687,205</u> | <u>-</u> | <u>656,396</u> | <u>656,396</u> |

TEARFUND IRELAND

Notes To The Financial Statements (Continued)

For The Year Ended 31 March 2023

3 Donations and legacies

(Continued)

A grant was received from The Department of Foreign Affairs (Irish Aid) for a contracted project in Ethiopia, amounting to €350,000. An amount of €7,074 was refunded to the Department due to grant underspend. There were also other grants received from Tearfund Australia, Cedar Fund, Bishops Appeal which totalled €142,551.

At the year end, a total balance of €93,940 of the Department of Foreign Affairs (Irish Aid) grant received remained to be expended. This has been accrued for at the year end.

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

1. Wolaita Kaleheywet Church Terepeza Development Association (TDA)
2. Consortium of Self help group Approach Promoters (CoSAP)
3. Meserete Kristos Church Relief and Development Association (MKC-RDA)

Additionally €21,650 was given by The Department of Foreign Affairs (Irish Aid) towards a development education expenditure. €10,265 of the amount received was utilised during the year.

Income tax recovered on donations amounted to €107,275 (2022: €96,088).

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, however these donations are treated as being unrestricted on the basis of that if in the event funds donated exceed requirements, the donations can be directed to a similar response and where the need is greatest. This is outlined to donors before they make their donation.

4 Other income

| | Unrestricted funds | Unrestricted funds |
|--------------------------|-------------------------------|-----------------------|
| | 2023 | 2022 |
| | € | € |
| Bank interest received | - | 6 |
| Insurance claim received | 3,636 | - |
| Product income | 499 | - |
| | <u>4,135</u> | <u>6</u> |

TEARFUND IRELAND

Notes To The Financial Statements (Continued)

For The Year Ended 31 March 2023

5 Raising funds

| | Unrestricted funds | Restricted funds | Total | Unrestricted funds | Restricted funds | Total |
|----------------------------------|-------------------------------|-----------------------------|----------------|-----------------------|---------------------|----------------|
| | 2023 | 2023 | 2023 | 2022 | 2022 | 2022 |
| | € | € | € | € | € | € |
| <u>Fundraising and publicity</u> | | | | | | |
| Advertising | 860 | - | 860 | 762 | - | 762 |
| Staff costs | 56,494 | 16,781 | 73,275 | 64,737 | 17,075 | 81,812 |
| Depreciation and impairment | 5,517 | 1,615 | 7,132 | 2,570 | 677 | 3,247 |
| Support costs | 55,726 | 24,560 | 80,286 | 62,026 | 25,808 | 87,834 |
| | <u>118,597</u> | <u>42,956</u> | <u>161,553</u> | <u>130,095</u> | <u>43,560</u> | <u>173,655</u> |
| Fundraising and publicity | <u>118,597</u> | <u>42,956</u> | <u>161,553</u> | <u>130,095</u> | <u>43,560</u> | <u>173,655</u> |

TEARFUND IRELAND

Notes To The Financial Statements (Continued)

For The Year Ended 31 March 2023

6 Charitable activities

| | International Programmes | Social Justice and Development | Advocacy and Policy | Total 2023 | International Programmes | Social Justice and Development | Advocacy and Policy | Total 2022 |
|--|--------------------------|--------------------------------|---------------------|------------------|--------------------------|--------------------------------|---------------------|------------------|
| | 2023 | 2023 | 2023 | | 2022 | 2022 | 2022 | |
| | € | € | € | € | € | € | € | € |
| Staff costs | 229,497 | 100,271 | 24,821 | 354,589 | 181,576 | 131,133 | 23,539 | 336,248 |
| Travel and subsistence | - | 1,298 | - | 1,298 | - | 343 | - | 343 |
| Office costs | 3,812 | 1,454 | 494 | 5,760 | 816 | 246 | 106 | 1,168 |
| Communications and marketing | 29,866 | 21,571 | 3,873 | 55,310 | 28,260 | 20,410 | 3,662 | 52,332 |
| Direct costs | 64,165 | 46,342 | 8,317 | 118,824 | 50,182 | 36,242 | 6,505 | 92,929 |
| | <u>327,340</u> | <u>170,936</u> | <u>37,505</u> | <u>535,781</u> | <u>260,834</u> | <u>188,374</u> | <u>33,812</u> | <u>483,020</u> |
| Grant funding of activities (see note 8) | 643,342 | - | - | 643,342 | 559,711 | - | - | 559,711 |
| | <u>970,682</u> | <u>170,936</u> | <u>37,505</u> | <u>1,179,123</u> | <u>820,545</u> | <u>188,374</u> | <u>33,812</u> | <u>1,042,731</u> |
| Analysis by fund | | | | | | | | |
| Unrestricted funds | 325,274 | 75,268 | 13,509 | 414,051 | 281,286 | 62,436 | 11,209 | 354,931 |
| Restricted funds | 645,408 | 95,668 | 23,996 | 765,072 | 539,259 | 125,938 | 22,603 | 687,800 |
| | <u>970,682</u> | <u>170,936</u> | <u>37,505</u> | <u>1,179,123</u> | <u>820,545</u> | <u>188,374</u> | <u>33,812</u> | <u>1,042,731</u> |

TEARFUND IRELAND

Notes To The Financial Statements (Continued)

For The Year Ended 31 March 2023

7 Description of charitable activities

International Programmes

This Goal incorporates activities from Tearfund Ireland's Strategic Goals one and four outlined in the Directors Report, as they contribute toward the achievement of and outworking of Tearfund Ireland's international programmatic work.

Social Justice and Development

This Goal incorporates activities from Tearfund Ireland's Strategic Goals two and four as outlined in the Directors Report, as they contribute toward the achievement of and outworking of Tearfund Ireland's work to raise awareness, envision, equip and mobilise the Christian community within Ireland.

Advocacy and Policy

This Goal incorporates activities from Tearfund Ireland's Strategic Goals three and four as outlined in the Directors Report, as they contribute toward the achievement of and outworking of Tearfund Ireland's advocacy, influencing and campaigning within Ireland and to international stake-holders.

8 Grants payable

| | International Programmes 2023 | International Programmes 2022 |
|--|--|-------------------------------------|
| | € | € |
| Grants to institutions (26 grants): | | |
| Jordan | 22,700 | 10,000 |
| Cambodia | 50,000 | 51,059 |
| Ukraine | 102,546 | 25,000 |
| Horn of Africa | 63,050 | 25,000 |
| Ethiopia Self Help Groups | 246,583 | 281,085 |
| Yemen | 5,000 | 14,000 |
| Ethiopia Moyale District Food Security | 11,145 | - |
| Pakistan | 12,000 | - |
| Iraq | - | 9,000 |
| Afghanistan | - | 15,000 |
| Lebanon | 21,318 | 46,000 |
| Ethiopia Tigray | - | 45,217 |
| Turkey/Syria Earthquake Response | 109,000 | - |
| Ethiopia (Capacity Building Project and Food Security) | - | 38,350 |
| | <u>643,342</u> | <u>559,711</u> |

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TEARFUND IRELAND

Notes To The Financial Statements (Continued)

For The Year Ended 31 March 2023

9 Directors

None of the Directors (or any persons connected with them) received any remuneration or benefits from the Charity during the year.

10 Employees

The average monthly number of employees during the year was:

| | 2023 | 2022 |
|-------------------------|----------------|----------------|
| | Number | Number |
| | 10 | 10 |
| | <u>10</u> | <u>10</u> |
| | <u>10</u> | <u>10</u> |
| Employment costs | 2023 | 2022 |
| | € | € |
| Wages and salaries | 371,669 | 370,647 |
| Social security costs | 35,076 | 32,235 |
| Other pension costs | 21,119 | 15,178 |
| | <u>427,864</u> | <u>418,060</u> |
| | <u>427,864</u> | <u>418,060</u> |

Key management of the charity is the Chief Executive Officer and he was paid a salary of €67,040, plus 7% employer pension contribution.

There were no employees whose annual remuneration was more than €70,000.

11 Tangible fixed assets

| Current financial year | Fixtures and fittings | Computers | Total |
|------------------------------------|------------------------------|------------------|---------------|
| | € | € | € |
| Cost | | | |
| At 1 April 2022 | 30,358 | 30,781 | 61,139 |
| Additions | 7,121 | 3,489 | 10,610 |
| | <u>37,479</u> | <u>34,270</u> | <u>71,749</u> |
| At 31 March 2023 | 37,479 | 34,270 | 71,749 |
| | <u>37,479</u> | <u>34,270</u> | <u>71,749</u> |
| Depreciation and impairment | | | |
| At 1 April 2022 | 23,476 | 25,038 | 48,514 |
| Depreciation charged in the year | 3,891 | 3,241 | 7,132 |
| | <u>27,367</u> | <u>28,279</u> | <u>55,646</u> |
| At 31 March 2023 | 27,367 | 28,279 | 55,646 |
| | <u>27,367</u> | <u>28,279</u> | <u>55,646</u> |
| Carrying amount | | | |
| At 31 March 2023 | 10,112 | 5,991 | 16,103 |
| | <u>10,112</u> | <u>5,991</u> | <u>16,103</u> |
| At 31 March 2022 | 9,224 | 3,401 | 12,625 |
| | <u>9,224</u> | <u>3,401</u> | <u>12,625</u> |

TEARFUND IRELAND

Notes To The Financial Statements (Continued)

For The Year Ended 31 March 2023

| 11 Tangible fixed assets | (Continued) | | |
|--|----------------------------|------------------|------------------|
| <i>Prior financial year</i> | Fixtures and fittings € | Computers € | Total € |
| Cost | | | |
| At 1 April 2021 | 20,481 | 29,211 | 49,692 |
| Additions | 9,877 | 1,570 | 11,447 |
| At 31 March 2022 | 30,358 | 30,781 | 61,139 |
| Depreciation and impairment | | | |
| At 1 April 2021 | 20,230 | 25,038 | 45,268 |
| Depreciation charged in the year | 904 | 2,342 | 3,246 |
| At 31 March 2022 | 21,134 | 27,380 | 48,514 |
| Carrying amount | | | |
| At 31 March 2022 | 9,224 | 3,401 | 12,625 |
| At 31 March 2021 | 251 | 4,173 | 4,424 |
| 12 Debtors | | 2023 € | 2022 € |
| Amounts falling due within one year: | | | |
| Other debtors | | 16,891 | 85,601 |
| Prepayments and accrued income | | 13,611 | 13,021 |
| | | 30,502 | 98,622 |
| 13 Creditors: amounts falling due within one year | | 2023 € | 2022 € |
| Other taxation and social security | | 6,284 | 22,195 |
| Trade creditors | | 2,708 | 21,213 |
| Other creditors | | - | 921 |
| Accruals and deferred income | | 239,461 | 232,185 |
| | | 248,453 | 276,514 |

TEARFUND IRELAND

Notes To The Financial Statements (Continued)

For The Year Ended 31 March 2023

14 Retirement benefit schemes

Defined contribution schemes

Tearfund Ireland does not operate an occupational pension scheme but makes a contribution to employees' pension through PRSAs.

The charge to income and expenditure in respect of contributions made to employees' PRSAs was €21,119 (2022 - €15,178).

TEARFUND IRELAND

Notes To The Financial Statements (Continued)

For The Year Ended 31 March 2023

15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

| | Movement in funds | | | | Movement in funds | | | | Balance at 31 March 2022 |
|---|-------------------------|--------------------|--------------------|---------------|-------------------------|--------------------|--------------------|---------------|--------------------------|
| | Balance at 1 April 2021 | Incoming resources | Resources expended | Transfers | Balance at 1 April 2022 | Incoming resources | Resources expended | Transfers | |
| | € | € | € | € | € | € | € | € | € |
| Ethiopia Self Help Groups | 82,048 | 490,647 | (464,499) | 2,008 | 110,204 | 485,477 | (483,995) | - | 111,686 |
| Irish Aid Development Education | 15,448 | 10,904 | (13,149) | - | 13,203 | 8,457 | (10,265) | - | 11,395 |
| Humanitarian Response - Ukraine | - | 107,023 | (25,000) | (16,792) | 65,231 | 31,827 | (97,058) | - | - |
| EU VIVID-T | 4,820 | 37,776 | (42,596) | - | - | (3,976) | - | 3,976 | - |
| Sustainable Development - Ethiopia Capacity Building | - | 13,401 | (13,336) | - | 65 | 10,000 | (10,065) | - | - |
| Humanitarian Response - Ethiopia Food Security | - | 10,000 | (10,000) | - | - | - | - | - | - |
| Humanitarian Response - Afghanistan | - | 10,000 | (10,000) | - | - | - | - | - | - |
| Humanitarian Response - COVID-19 | 10,000 | - | - | (10,000) | - | - | - | - | - |
| Humanitarian Response - Syria | - | 605 | (605) | - | - | - | - | - | - |
| Humanitarian Response - Lebanon/Syria | - | 10,000 | (10,000) | - | - | 9,394 | (9,394) | - | - |
| Humanitarian Response - Horn of Africa | - | 10,000 | (10,000) | - | - | 50,251 | (40,051) | - | 10,200 |
| Sustainable Development - Iraq | - | 10,000 | (10,000) | - | - | - | - | - | - |
| Humanitarian Response - Ethiopia | - | 8,044 | (8,044) | - | - | - | - | - | - |
| Humanitarian Response - Pakistan | - | - | - | - | - | 12,000 | (12,000) | - | - |
| Sustainable Development - Jordan | - | - | - | - | - | 25,415 | (23,572) | 5,808 | 7,651 |
| Humanitarian Response - Emergency Fund IEA (Turkey/Syria) | - | - | - | - | - | 58,360 | (58,360) | - | - |
| Restricted Administration Income and Expenditure | - | 6,232 | (114,126) | 107,894 | - | - | (63,268) | 63,268 | - |
| | <u>112,316</u> | <u>724,632</u> | <u>(731,355)</u> | <u>83,110</u> | <u>188,703</u> | <u>687,205</u> | <u>(808,028)</u> | <u>73,052</u> | <u>140,932</u> |

TEARFUND IRELAND

Notes To The Financial Statements (Continued)

For The Year Ended 31 March 2023

16 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

| | Movement in funds | | | Movement in funds | | | Balance at 31 March 2023 | |
|--|----------------------------|-----------------------|-----------------------|----------------------------|-----------------------|-----------------------|--------------------------------|--------------|
| | Balance at 1 April 2021 | Incoming resources | Resources expended | Balance at 1 April 2022 | Incoming resources | Resources expended | | Transfers |
| | € | € | € | € | € | € | € | |
| Emergency Fund Irish Emergency Alliance | 1,450 | - | - | 1,450 | 61,405 | (62,688) | - | 167 |
| General Fund - Legacies | - | 1,100 | - | 1,100 | - | - | (1,100) | - |
| General Fund - Living Gifts | - | 1,476 | (1,431) | 45 | 2,002 | (501) | (1,546) | - |
| Ethiopia Self Help Groups | 10,260 | 6,145 | - | 16,405 | 4,656 | (3,425) | (13,762) | 3,874 |
| Emergency Appeal Yemen | - | 10,865 | (9,463) | 1,402 | 2,170 | (5,543) | 1,971 | - |
| Humanitarian Response - Horn of Africa | - | - | - | - | 24,365 | (30,204) | 5,839 | - |
| Humanitarian Response - Ukraine | - | - | - | - | 15,733 | (15,733) | - | - |
| Children Fund General | - | - | - | - | 6,426 | (1,607) | (4,819) | - |
| Vulnerable Children, Alternative Care Cambodia | - | - | - | - | 472 | (472) | - | - |
| Humanitarian Response Lebanon/Syrian refugees | - | - | - | - | 7,168 | (7,168) | - | - |
| Humanitarian Response - Afghanistan | - | - | - | - | 400 | (100) | (300) | - |
| Humanitarian Response - Ethiopia Tigray | 20,000 | - | (20,000) | - | - | - | - | - |
| Sustainable development Jordan - CCTC JOR | 10,000 | - | (10,000) | - | - | - | - | - |
| | <u>41,710</u> | <u>19,586</u> | <u>(40,894)</u> | <u>20,402</u> | <u>124,797</u> | <u>(127,441)</u> | <u>(13,717)</u> | <u>4,041</u> |

TEARFUND IRELAND

Notes To The Financial Statements (Continued)

For The Year Ended 31 March 2023

| 17 Cash generated from operations | 2023 | 2022 |
|--|---------------|---------------|
| | € | € |
| Surplus for the year | 1,272 | 28,371 |
| Adjustments for: | | |
| Depreciation and impairment of tangible fixed assets | 7,132 | 3,247 |
| Movements in working capital: | | |
| Decrease/(increase) in debtors | 68,120 | (61,170) |
| (Decrease)/increase in creditors | (28,061) | 104,753 |
| Cash generated from operations | <u>48,463</u> | <u>75,201</u> |
| 18 Non-audit services provided by auditor | | |

In common with many businesses of our size and nature we use our auditors to assist with the SORP presentation of the financial statements.