



# PROGRESSIO

## Trustees' Report and Financial Statements

For the year ended 31 March 2012

Progressio is both a registered charity and a company limited by guarantee and the Trustees are also non-executive Directors of the Company. As such this report represents both a Directors' and Trustees' Report. Progressio is the working name of the Catholic Institute for International Relations.

Registered charity number 294329  
Registered company number 2002500

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Progressio is a UK-based organisation with Catholic roots, working internationally to help people gain power over their lives and overcome the barriers that keep them poor.

We don't impose solutions – we ask people what needs to change, and give them the right help so they can make it happen. We develop respectful, long-term partnerships with local organisations and community groups and provide them with practical support through, in 2011/12, 83 development workers, mostly from the South, who share skills, know-how and training. They range from agro-economists to urban planners and from human rights activists to HIV specialists. Working together in this way we can cost-effectively help to improve the lives of thousands of people.

We also build people's ability to tackle poverty. That means not just practical skills but the ability and confidence to stand up for their rights and tackle the unjust systems and policies that keep them poor. And we support them by campaigning internationally on issues like climate change and access to water.

### Organisational information

President: His Eminence Cardinal Cormac Murphy O'Connor

#### Trustee members

Martin McEnery (Chair)  
Dennis Sewell (Vice Chair)  
Phil King (Treasurer)  
Ijeoma Ajibade  
John Barker  
Susana Edjang  
Tim Livesey  
Chris Smith  
Carolyn Williams  
Dan Cook (elected September 2011 for three years)  
Andy Waites (elected September 2011 for three years)  
Jagat Chatrath (elected September 2011 for three years)  
Kevin Tunnard (co-opted December 2011)

#### Statement of trustee appointments

Trustees join the Board in line with a written recruitment policy. They are elected at an AGM for an initial period of three years after which they can be further elected for two years, once renewable. Terms of office begin again if appointed as an officer. Upon election Trustees undergo an induction process and training is available as required.

#### Senior staff

Christine Allen	Executive Director (until May 2012)
James Collins	Director of Finance and Administration and Company Secretary
Oswaldo Vasquez	Head of Programmes
Tim Aldred	Head of Policy and Communications
Sarah Sandon	Head of Fundraising

#### Auditors, bankers, registered office, solicitors

See the Financial Statements.

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## Letter from the Chair of Trustees

In a year of economic uncertainty, I'm extremely proud of what Progressio has achieved. In difficult times poor and marginalised people are always hit the hardest, so I'm delighted to report that we are reaching considerably more poor and marginalised people and, although we have had to reduce our total number of development workers from 2010/11, in 2011/12 we have managed to exceed our new revised target for development workers. This is in spite of difficulties such as the deterioration of the security situation in Yemen, which forced Progressio to evacuate international personnel for a period of several months; and the organisational restructure needed to deliver ambitious objectives with significantly decreased Partnership Programme Agreement (PPA) income from the government.

Progressio's advocacy work has always been strongly rooted in the experience of our partners and their communities. This year I'm pleased to note that our advocacy work, particularly on water and virtual water issues, has been even more closely aligned to our campaigning. We have worked hard to bring supporters and the UK constituency closer to the work on the ground; and the voices from the South, closer to UK supporters. The volume and impact of our advocacy work this year has exceeded targets.

We have begun the process of developing new business models, including a social enterprise in Central America, initial foundations for new partnerships and identifying criteria for short-term programmes. For example, a social enterprise, Progressio Latina, has been established in Honduras. This is a way of utilising our expertise to generate new income streams to safeguard the financial sustainability, mission and on-going activities of the organisation. We have also recruited local Programme Funding Officers in four regions to develop long-term financial sustainability for the programmes of work in those regions.

As always, we have been very conscious of value for money. Increasingly Progressio is entering into partnership with other international NGOs to help achieve greater cost efficiency. For example, in Peru Christian Aid manages and hosts the Progressio development worker; in Haiti we have a similar arrangement with Christian Aid and CAFOD; and in the Dominican Republic Progressio manages and hosts

the Christian Aid staff member. At home, moving to smaller offices has seen a significant cost saving.

This year saw our first International Citizen Service (ICS) volunteers setting out for their placements with partners in Peru, El Salvador, Malawi and Zimbabwe. Following the success of the pilot, Progressio, as a consortium member, has been awarded a Government contract for 590 new volunteer places over the next three years.

Progressio has a risk register which includes a range of issues that we monitor, manage and mitigate. One key risk is security in countries, where the ability of development workers to function in a country is beyond our control when war or conflict breaks out. In-country staff are key to this both in terms of monitoring and responding quickly, such as in Yemen when we had to evacuate international staff and brought in local development workers. Increased work in coalitions also helps to reduce and manage risks.

It has been a year with some notable successes in the face of rising challenges in exploring new sources of funding, in developing new ways of operating and in coping with insecurity in some of the countries we are working in. The trustees are deeply grateful to our staff for their commitment and hard work during this time.

In particular we are immeasurably thankful to Christine Allen, our Executive Director for the last 11 years, who leaves Progressio in May 2012 to take up the role of Director of Policy and Public Affairs at Christian Aid. Her leadership has ensured that our vital work supporting local communities overseas faced with poverty has grown, developed, and is making a real difference to the lives of poor and marginalised people. We are deeply sorry to see her go, but at the same time, we wish her every success in her new role at Christian Aid. She leaves Progressio in good shape, with strong programmes and funding in place.



**Martin McEnery**  
Chair of Trustees

## Our vision

Poor and marginalised people empowered to transform their lives

## Our mission

To help people gain power over their own lives and overcome the barriers that keep them in poverty and suffering social injustice

## Our values

Our values are inspired by our Catholic roots and particularly Catholic Social Teaching. They seek to speak to all people and identify the common ground where people of any background can work together to tackle poverty and injustice. Working with and for people of all faiths and none is important to us.

Progressio means 'development' and 'advancement' in Latin, concepts reflected in the innovation, energy, enthusiasm and determination we bring to the task of people powered development, guided and inspired by four values:

### Respect

We respect every person's inherent dignity and right to justice. This requires us to ensure fairness and equity in everything we do. At the heart of our work is fair and sustainable use of the earth and its resources.

### Solidarity

Poverty is not someone else's problem. We are a global community. So we stand in partnership with poor and marginalised people to support them in achieving their rights and challenging unfair systems. We bring people together from the global South and North, from all faiths and none.

### Passion

Poverty is an outrage. But we believe people can change their own lives for the better. We act with commitment and conviction to see poverty eradicated. We mobilise people from different countries to campaign and act – because every step, however small, helps to achieve lasting change.

### Boldness

We are bold and innovative, bringing together Christian values of dignity and social justice with a strong, practical understanding of development. We recognise that relentless determination combined with high calibre work makes the most impact.

## How we work

Imposed solutions, however well meaning, are not the answer. Progressio believes that to ensure full human development, people must be authors of their own future and have the power to address their own problems. That is why we don't give money; we work through skilled people working with local organisations to benefit poor and marginalised communities in developing countries. We seek to build and strengthen the skills and experience of our partner organisations so that they are better placed to organise, influence and participate in local, national and international structures; and to deliver results in poverty eradication and social justice including gender equity and greater accountability.

We describe the way we tackle poverty as people powered development:

- **People** – we work through and alongside people – giving practical support in a spirit of partnership to local organisations and community groups through our development workers.
- **Power** – we seek to challenge and influence policies that affect poor and marginalised people.
- **Development** – we work hand-in-hand with people of all faiths and none to help them transform their own lives, inspired by a combination of Catholic Social Teaching and the best development practice.

We tackle poverty and injustice in three ways:

- We place development workers with a wide range of partner organisations – farmers' groups, women's organisations, national networks – to build the skills and experience of local people overseas. These are professional people who bring skills not readily available in the country, and while they offer the expertise a consultant might, they live in solidarity with local staff on a small local allowance. They enable local organisations to find and implement the sort of responses they need to tackle poverty and its causes effectively. We also send young volunteers to work alongside local young people on community projects in Africa and Latin America.
- We listen to the needs of our partners, bringing their voices to the global policy debate and advocate for changes in policy, practice and attitudes that keep people poor and marginalised.
- We engage with members, supporters and others in the North, enabling them to be more informed on issues of poverty and to act in solidarity. We also help the Christian community to be more aware of the connection of issues of poverty to their faith.

## Our charitable aims

Progressio's purposes as set out in the Memorandum and Articles of Association include the objectives of:

- relieving poverty, sickness and distress around the world;
- promoting public education and research on the nature, causes and effects of poverty;
- promoting any Christian or moral consideration of these issues;
- promoting a greater understanding of the contribution of faith-based groups to development and international affairs;
- encouraging faith reflection by Catholics and others on development issues;
- fostering tolerance and respect between different faith groups working together to tackle poverty, inequity, sickness and distress.

## Making sure our aims are met

The trustees have taken account of the statutory reporting duty to illustrate how the activities of Progressio meet the legal public benefit requirement. We have noted the guidance from the Charity Commission when reviewing the activities of the past year. This report highlights some ways in which we fulfil our mission and bring benefits to:

- individuals and communities living in poverty in the countries where we work around the world, regardless of race, religion, gender or sexual orientation;
- people in churches and communities in the UK who are concerned about global poverty and justice issues and who seek ways to be more informed about and take action on those issues.



# Progressio's achievements and performance

The nature of our work – building the skills, capacity and confidence of local people and organisations – is not as easy to quantify as building hospitals or digging wells. Yet the impact of this people-centered approach is clear from the illustrations given below. When people have the skills to bring about change for themselves, they make a sustainable difference that will last long after the development worker has fulfilled his or her role.

From our method of measuring the impact of our work we estimate that nearly 13.5 million people have experienced a tangible difference in their lives as a result of Progressio's work.

Over the course of the financial year, Progressio had a total of 83 development workers in the field, exceeding the target of 80.

Progressio's work is focused around three main programme areas with policy, advocacy and campaigns work to support long-term policy change.

## 1 Effective civil society participation

We believe that in order to reduce their poverty, poor and marginalised people need to have a greater influence on decisions and policies that affect their lives. Women, who are often the most marginalised, are at the heart of this work. Effective participation underpins all Progressio's work. We have a two-pronged approach:

First, we develop partnerships with local groups, networks and organisations and place with them workers recruited from around the world who bring skills and practical support. They help our partners to empower local people to bring about changes to their own lives, and to find ways they can influence local policies and practices in order to make a positive difference to the way of life of the whole community.

Secondly, we conduct research and analysis into the causes of poverty and marginalisation, and campaign to influence policy at national and international levels.

### What have we achieved this year?

**11,473,012** people have been affected by Progressio's work directly involving the effective participation of civil society. The work across the 11 countries we work in is broad and varied. Two examples illustrate some of the possible different approaches.

In **Somaliland**, Progressio partner SONYO is a youth umbrella organisation that aims to get more young people involved in decision-making at a local and national level. Until recently young people were barred from standing for election until the age of 35 but with training and support from Progressio's development worker, SONYO lobbied successfully for a ground-breaking change in the law to reduce the minimum legal age of election candidates to 25, so opening the way for young people to participate in decision-making at all levels. This campaign, along with school visits, meetings with local community leaders and a national awareness campaign on civic education through the media, has helped SONYO to reach at least 12,000 young people directly.

*"Knowing that this law is in place now means a lot for young people, because they are the ones that know about their own problems. Additionally, young people*

*bring in new ideas, they are very effective working and they have an incredible willingness to learn," says Amal Osman, 25, Project Officer at SONYO.*

In the **Dominican Republic**, Progressio has helped set up participatory municipal budgeting in 14 municipalities, including Villa Gonzalez where it is supporting Fundacion Solidaridad. It's an initiative that gets ordinary people involved in deciding how the government budget for their area should be spent, through meetings, debates, surveys and negotiations – and making sure the authorities stand by their word. Not only does it deliver tangible benefits for the whole community, such as libraries, bridges and roads, it also completely changes the way people and local government engage with each other, giving ordinary people the confidence and ability to demand and negotiate for themselves and their communities.

*"These days we're no longer the simple observers, we're the main actors in our own history," says Carmen Luz, a community leader and mother of three.*

*"Participatory budgeting gives us the opportunity to benefit from infrastructure and services that would otherwise have been impossible to get... it creates space for dialogue. If our needs as citizens are met, governance is balanced and local democracy strengthened."*

## 2 Effective responses to HIV and AIDS

Progressio has been working on this issue for many years. HIV and AIDS is not just a health issue, but also one of the world's biggest challenges to development. Those who are poorest are disproportionately affected and the high and growing rate of prevalence among women and girls represents a global 'feminisation' of HIV and AIDS. Our goal for tackling HIV is to seek an effective and appropriate response in policy and practice to the HIV pandemic from communities, faiths, civil society and governments that will result in lower prevalence rates, greater access to treatment and removal of stigma and discrimination against women, men and children living with or affected by HIV and AIDS.

Progressio offers an important dimension by working with faith communities, especially through influencing religious leaders to recognise the strength of their potential to contribute to an effective response to HIV.

### What have we achieved this year?

**1,544,835** people have benefited from Progressio's work on HIV and AIDS. Innovative work involving prison inmates and the transport sector in Zimbabwe and women prisoners living with HIV in Yemen are part of the rich tapestry of work carried out in 2011/12, as are the following examples.

In **Somaliland**, Progressio supports two partners, the Hargeisa Group Hospital and Talowadag, who provide practical support and advice for people living with HIV, and work to increase understanding of the importance of voluntary testing. An important focus is the prevention of mother to child transmission. Two Progressio development workers have coached 149 staff, who now provide counselling and are able to give people their anti-retroviral treatment in their homes. This year, the number of women tested for HIV rose from 321 to 1,112. Our partners have also set up a support group for people living with HIV.

*Isniino (not her real name) initially refused to take her anti-retroviral treatment because she thought it was*

*killing her, until she was reassured. She says: "When I started on the ARVs, my support group members and the counsellors were very supportive and now I regularly visit the unit to check on my CD4 count whenever I feel weak."*

In **Timor-Leste**, Progressio is supporting Estrela+, a group set up by and for people living with HIV. As HIV is little understood or talked about, those living with HIV face discrimination and have little access to information about health care and other issues. With the help of Progressio's development worker, Estrela+ has gone from being a disparate group of people to being the main point of contact on any issue connected with living with HIV, and they're regularly asked by the Ministry of Health to deliver training on discrimination. They have also been invited to sit on the National AIDS Commission and other national bodies, ensuring that the voice of people living with HIV is heard.

*"The first thing I learned from [our development worker] was self-confidence," says Ines Lopez, manager of Estrela+. "We used to be asked to speak at meetings about our experience as positive people... They were all older and high level people. I was scared of them... I have learned to ask questions about the meetings' aims, to work out what I want to say on behalf of the people I am representing, and how to focus on the needs and rights of people living with HIV."*

### 3 Towards a sustainable environment

#### What have we achieved this year?

**369,440** people have benefited from Progressio's sustainable environment work in 2011/12. It encompasses a wide range of activities designed to support partners to reduce poverty while ensuring a sustainable environment. The two examples illustrate the geographic and activity range.

In **Zimbabwe**, two Progressio advisors are working with Environment Africa – one focusing on agro-ecology and the other on product quality and marketing. The aim is to enable farmers, and particularly women farmers, who are the most poor and marginalised, to grow more using sustainable methods so they have more food to feed their families and hopefully a surplus to sell. Progressio's advisor also trains farmers in marketing, so they know better how to sell their products and get the maximum return. In addition, 460 families now have access to clean water.

*Leonard Moyo, 40, was trained in conservation farming. He says: "My granary is full right now. My land has also improved. We can now afford to send all our three children to school, with shoes and complete school uniforms. We have enough food at home."*

In **El Salvador**, Progressio's partner FUMA uses competitions to bring local people together to find their own solutions to the environmental problems they face. Proposals are invited, with the most innovative, plausible and far-reaching winning a small amount of money to implement the project. A recent rubbish collecting contest in the Lake Olomega region attracted 1,500 people, including schools, parents, health workers and local government officials. Not only did they benefit from working together in a way they hadn't before, but it also made people acutely aware of the amount of rubbish that went into their lake and of the need to reduce

consumption. And in an area without regular rubbish collection, it gave people the confidence to demand better services from their local council.

*"In all the places we have done the contests, they have caused impacts in the people, because they can do things for themselves, not wait for others to do things for them," says Mayita Martinez, Progressio development worker.*

### 4 Changing unfair policies and practice

#### What have we achieved this year?

We believe that poverty can only be tackled for the long-term if there are changes in policy. Progressio does this in two ways.

First, we help people in the South to get their voices heard by policy makers and influencers. We do this indirectly through Progressio's publications and policy briefings, where Southern people's experiences are central. For example, 58% of the blogs on our website are written by people from the global South, sharing at first hand their unique perspectives on the issues they face.

We also help our partners make their voices heard directly. This year we helped to arrange, in collaboration with the Zimbabwe Europe Network, a meeting between Zimbabwe civil society leaders and Henry Bellingham MP, minister for Africa, to discuss the situation in Zimbabwe. We were also delighted to see a new UK parliamentary group formed with our support to raise Haitian issues. This group has already visited Haiti and the Dominican Republic to understand the situation at first hand and has fed back its findings to the Department for International Development (DFID) and aid agencies. As the crisis developed in Yemen and during the presidential elections, we shared messages from our partners with the Foreign Office, supporters and the media to highlight their concerns. And in Somaliland we've been following closely the progress of the new government and helping to assess preparations for the forthcoming local elections, liaising closely with the Foreign Office and DFID.

This year we also published a report, 'Prayer alone is not enough,' documenting people's experiences of HIV and their faith. It was shared with church leaders in the UK and beyond, and its findings were presented to an interfaith meeting on HIV hosted by Lambeth Palace.

Secondly, we work to increase understanding of poverty and its underlying causes and to inspire our supporters to campaign and lobby with us to change the policies that keep people poor. The Rio+20 conference is an important focus this year, offering a great opportunity to create a sustainable future for the world's people, especially those who are poor and marginalised. Our Waterproof Rio campaign aims to make sure that access to water for poor and marginalised people is on the agenda. We organised a mass photo petition with supporters to hand in to UK environment minister Caroline Spelman, prepared submissions for the preparatory summit, and briefed and lobbied politicians to make sure the needs of our partners and their communities come first. We were also pleased to work together with CAFOD by providing policy advice and support to their Thirst for Change campaign.

Following up on last year's successful adoption of EU legislation on illegal logging, we've been working with

DEFRA as they prepare to implement the new legislation, and building awareness of the issue among our supporters through the Big Forest Picnic.

Our website is a key lobbying and campaigning tool, enabling us to inform and inspire visitors on a wide range of issues, and to reach supporters quickly with urgent mailings or campaigns. Site visitors are steadily increasing, with monthly visitors regularly breaking the 10,000 visits a month threshold.

Young people play a crucial role in building a more just world and inspiring others to take action. This year we sent our first Progressio ICS young volunteers to work in communities overseas for 10 weeks as part of the International Citizen Service pilot scheme. We placed 130 young people – 10 more than our original target – with local organisations in Peru, El Salvador, Malawi and Zimbabwe. It's too early to measure the impact in such a short timescale but initial feedback indicates that partners are very satisfied with the work of the volunteers and the volunteers themselves have benefited greatly in terms of their understanding of development issues. Following the success of the pilot, we've been awarded a Government contract for 590 new volunteer places over the next three years, starting in July 2012.

## **5 Improving the organisation's effectiveness**

To support the achievement of these programme objectives and to operate as effectively as it can, the strategic framework highlights 12 organisational objectives. The trustees receive reports on progress against these objectives in their quarterly board meetings, but would like to highlight some areas.

In 2005 Progressio made gender a cross-cutting issue in all its programmes as opposed to a separate theme. Last year an external programme gender analysis was conducted to understand how effective this strategic change had been. The analysis commended the quality of Progressio's work in promoting women's rights and participation and made a number of recommendations which the Gender Group is taking forward.

A number of organisational effectiveness checks and reviews of processes were undertaken to ensure effectiveness and compliance are integral to all Progressio's work. These included risk management, due diligence, transparency, value for money, monitoring and evaluation and impact assessment.

**Full financial statements for the year ended 31 March 2012 are appended to this report (see page 11)**

Given the difficulties faced by the third sector in general, Progressio's year end position is healthy.

Overall income for the year is £5,157,565, down from £6,096,280 the previous year. The main reason for the decrease was the reduction in the level of funding from DFID. The main unrestricted grant continues to be the DFID Partnership Programme Agreement (PPA), at £2,025,015. We received £2.6 million in restricted grants, including £669,000 from VSO, £424,000 from the EU, £228,000 from the Global Fund and £243,000 from Comic Relief. Legacy income, due in particular to one unusually large legacy, was much higher this year at £333,783 against £28,001 last year, though subscriptions and donations were down slightly.

Overall expenditure for this year is also lower than last year at £5,197,957, as against £5,907,173. Ninety-three per cent of our expenditure was on our charitable objectives, 6% on fundraising and publicity, and 1% on governance. We have reviewed the way we account for governance costs to reflect more accurately the support functions which relate to the overall management of Progressio, therefore support costs have been charged to expenditure headings which relate directly to where those costs originated. We have restated the 2010/11 figures in the Financial Statements to reflect the consistency and accuracy for comparatives.

We have an overall deficit of £40,392 for the year, made up of an unrestricted surplus of £75,504 and a restricted deficit of £115,896. In effect this is an excellent year end position, especially given the reduced level of funding from DFID. This means we can increase our unrestricted reserves by £75,504, to bring the total amount to 14 weeks of year end expenditure, and reduce our restricted deficit (funds received for specific projects but which have not yet been spent) by £115,896.

## **Cash flow management**

Cash flow has been managed pretty much in line with last year's statement and we did not have any issues during the year, however we will monitor this carefully in the coming year to ensure any issues that arise are managed in a timely way and with an effective strategy in place.

## **The donor profile, fundraising and business development**

As has been noted previously, a small number of donors are responsible for the majority of the organisation's income. To respond to this, the new fundraising team, recruited last year, has pursued new strategies. In addition to submitting applications to a wider range of institutional funders, Progressio has applied for funding in consortia with other NGOs and laid the foundations for raising major gifts from individuals, trusts and the private sector.

We have the benefit of a business development placement obtained through a social enterprise, On Purpose. The On

Purpose Associate began in early 2012 to explore new models of working and new ways of raising income to secure Progressio's long-term financial viability. A number of new potential partnerships and initiatives have been identified and will be developed in 2012-13.

These strategies are in their early days but we are more than hopeful that they will help us to secure our longer term future funding platform.

## **Reserves policy**

The trustees have examined the charity's requirements for reserves in the light of the main risks to the organisation, and have established a policy whereby the current target for unrestricted funds not committed or invested in tangible fixed assets held by the charity should be up to five months of expenditure.

We strive to balance the priorities of enabling the organisation to grow and of maintaining a necessary level of reserve in order to fulfil contractual obligations. The trustees are pleased with the level of unrestricted reserves taking into account the continuing challenges of the current economic climate and will only consider utilising reserves in an emergency situation such as an advance payment on a grant receivable or an unforeseen loss. The level of reserves is reviewed by the Board on an annual basis taking into account risks, liabilities and contractual requirements.

## **Risk management**

An annual risk appraisal is submitted to the Board and the register of risks is reviewed and updated each year. Risk analysis is central to management decision making. Risk assessments are part of the on-going project cycle and the management team regularly reviews the risk register at its meetings. The Board is confident that, where necessary, procedures are put in place to mitigate the risks that Progressio might face.

There is a regular programme of audits both internal and external that identify risks, assess systems and ensure checks and balances are in place.

## **Investment policy**

Clear calculations have been made on the organisation's contractual liabilities and the reserves level covers these with only a small amount of excess. Therefore the priority for the trustees is to invest the reserves in a low risk context. In the light of the banking crisis, the trustees and Finance Director are only too aware of the importance of low risk rather than seeking high financial gain. We therefore look to invest our funds in short-term secure deposits of up to six months with availability of instant access where deemed appropriate. Progressio also holds modest balances in both US Dollars and Euros to cover forecast expenditure from restricted external donor funding. The trustees believe that the objectives of the Investment Policy were met during the last year.



# Structure and governance

Progressio is a medium-sized organisation with (at 31 March 2012) 81 employees, 25 full-time equivalent staff in London and 56 in the 11 countries where we work. It should be noted that this number includes security staff in countries, which are essential for risk management.

## Staff and management

Staff report to the Board of Trustees. Delegated authorities to the staff are in writing and reviewed periodically. A Management Team (MT) leads the staff. The MT reports to the Board quarterly and works closely with relevant sub-committees. The Chair of the Board line manages the Executive Director and provides support, guidance and performance review. The Director of Finance and Administration works closely with the Treasurer and the Finance and Audit Committee.

The Management Team is made up of the Executive Director, Head of Programmes, Director of Finance and Administration, Head of Policy and Communications and Head of Fundraising.

The Head of Programmes manages the country-based staff through sub-regional managers and country representatives. They are responsible for project and development worker assessments, reviews, placements and recruitment, as well as liaison, networking and reporting. Further investment in raising funds was also made at country level with the introduction of Programme Funding Officers who assist in the development of projects and finding funding.

Progressio is committed to close and respectful working relationships with partners overseas and with beneficiaries. The country offices have advisory reference groups that include representatives of local organisations and communities.

## Board of Trustees

The Board of Trustees has the main governance role in Progressio. At 31 March 2012 there were 12 members of the Board of Trustees (the constitution requires between eight and 14), four having been recruited during the year as part of succession planning and skills renewal.

## Recruitment and Trustees

Board members serve a period of time in line with written documentation. Board members can serve up to a maximum of seven years (12 years if taking on an officer's role) and they are elected or re-elected by the membership at the AGM periodically.

Trustees are nominated to the membership at the AGM by the Board, but trusteeship is open to anyone, in line with a written policy on trustee recruitment. The Chair and any two other Board members must be Catholic. All trustees have an induction process and receive a folder of relevant material. As well as Progressio's own information and policies, all trustees receive a copy of the NCVO 'Good Trustee Guide'.

There are two sub-committees which have terms of reference and report to the main Board at quarterly meetings.

The Officers Group is now established and has responsibility for overseeing trustee recruitment and senior staff support. During the year it recruited four new trustees as part of succession planning and skills renewal on the Board.

The Finance and Audit Committee is responsible for overseeing the financial security of Progressio, including fundraising. A separate Fundraising support group has also been established.

## Board meetings

The Board usually holds four meetings a year plus an away-day. As well as the sub-committees, Board members are encouraged to engage with Progressio's work through Reference Groups. This year travel abroad by Board members was limited to financial audits because of cost limitations, although we hope to enable more Board members to experience first-hand Progressio's programme work.

A joint away-day of the Board and the Management Team is held annually. This year the day focused on strategy post the DFID decision and long-term strategy along with the Board performance review and skills audit.

## Membership

Another vital part of our governance, and essential to our achievements, is the wider membership. There are more than 3,000 members and supporters who are active in supporting our work and campaigns. Some of these are legal members of the Company who have a key decision-making role at the AGM, responsible for the governance measures of electing the trustees, ratifying the Chair, approving the annual report and accounts, and appointing the auditors. In 2011 we held a workshop event for members and supporters which enabled greater engagement with the organisation's work.

## Progressio Ireland

Progressio has close working relationships with Progressio Ireland, a 'sister' charity that is an independent company. Progressio Ireland has its own Board and management structure and there is a partnership agreement/Memorandum of Understanding in place between the two organisations. Where Progressio Ireland provides funding (often from Irish Aid), there is a contract in place for every country programme. Progressio Ireland also undertakes advocacy and awareness raising work in Ireland in close collaboration with the UK and there has been increased joint planning and strategy development between the two organisations in the last year.

There is close contact between staff and Board members of the two organisations, with attendance from the UK staff at Irish Board meetings, joint planning, joint funding applications and contact between the two Chairs.

## Priorities for the coming year

- Successful recruitment of a new Chief Executive to lead the organisation through the challenges of the next couple of years and beyond.
- Seeing significant returns on our increased investment in fundraising with a view to securing longer term financial security.
- Development of a new business model, and new programmes of paid-for work underway within the financial year.
- Identification of a new geographical base for Progressio's activity and suitable programme infrastructure to enable us to move forward.
- Continuation of effective risk management of our operations particularly in countries with a degree of political instability.
- Successful delivery on the International Citizen Service programme in its first year of full rollout, so that we can consider increased numbers of young volunteers in years 2 and 3.

# PROGRESSIO

*the working name of the*  
Catholic Institute for International Relations

## DRAFT

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## Financial Statements

for the year ended 31 March 2012

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**A Company Limited by Guarantee and registered as a charity.  
Company registration no. 2002500  
Charity registration number 294329**

*CIIR remains the legal registered name.  
The working name 'Progressio' will be used throughout this report.*

# **PROGRESSIO**

(A Company Limited by Guarantee)

## **Auditors' Report**

### **Independent Auditors' Report to the Members of Progressio**

We have audited the financial statements of Progressio for the year ended 31 March 2012 on pages 4 to 12. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of Trustees and Auditors**

As explained more fully in the Statement of Trustees' Responsibilities set out on the trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2012 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other requirement of the Companies Act 2006**

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- the charity has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

R R Oswald (Senior Statutory Auditor)  
For and on behalf of Appleby & Wood, Statutory Auditors  
June 2012

40 The Lock Building  
72 High Street, Stratford  
London E15 2QB

# **PROGRESSIO**

## **BOARD OF TRUSTEES**

### **TRUSTEES**

Martin McEnery, Chair (re-elected September 2011)  
Phil King, Treasurer  
Dennis Sewell, vice-chair (re-elected September 2011)  
Tim Livesey  
Carolyn Williams (re-elected September 2011)  
John Barker  
Chris Smith  
Susanna Edjang  
Ijeoma Ajibade  
Dan Cook (elected September 2011)  
Andy Waites (elected September 2011)  
Jagat Chatrath (elected September 2011)

Kevin Tunnard (co-opted December 2011)

### **SENIOR STAFF**

Christine Allen, Executive Director  
James Collins, Director of Finance and Administration  
Osvaldo Vasquez, Head of Programmes  
Tim Aldred, Head of Policy and Communications  
Sarah Sandon, Head of Fundraising

### **AUDITORS**

Appleby & Wood  
40 The Lock Building  
72 High Street  
London E15 2QB

### **BANKERS**

Royal Bank of Scotland  
40 Islington High Street  
London N1 8XJ

### **REGISTERED OFFICE**

Units 9-12, The Stableyard  
Broomgrove Road  
London SW9 9TL

### **SOLICITORS**

Stone King LLP  
16 St John's Lane  
London EC1M 4BS



**PROGRESSIO**  
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2012**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2012	Total Funds 2011 £
<b>Incoming Resources</b>					
<b>Incoming Resources from Generated Funds</b>					
<b>Voluntary Income (Programme Funding)</b>					
Grants, donations, earmarked projects and sponsorship	13	-	2,685,030	2,685,030	2,399,576
PPA from Department for International Development	3	2,025,015	-	2,025,015	3,560,000
Legacies		333,783	-	333,783	28,001
Subscriptions and donations from membership		35,355	-	35,355	34,738
Sundry receipts including non-membership donations		69,462	-	69,462	66,104
<b>Activities for Generating Funds</b>					
Sales of publications		440	-	440	383
<b>Investment Income</b>					
Interest received		6,480	2,000	8,480	7,478
<b>Total Incoming Resources</b>		<b>2,470,535</b>	<b>2,687,030</b>	<b>5,157,565</b>	<b>6,096,280</b>
<b>Resources Expended</b>					
<b>Costs of Generating Funds</b>					
Fundraising and publicity	4	300,608	-	300,608	216,432
<b>Charitable Activities</b>					
Costs of activities in furtherance of the charity's objectives	5,13	2,021,858	2,802,926	4,824,784	5,471,542
<b>Governance costs</b>	6	72,565	-	72,565	219,199
<b>Total Resources Expended</b>		<b>2,395,031</b>	<b>2,802,926</b>	<b>5,197,957</b>	<b>5,907,173</b>
<b>Net (outgoings)/Incoming Resources for the year</b>	13	75,504	(115,896)	(40,392)	189,107
Balance brought forward at 1 April		1,338,385	868,822	2,207,207	2,018,100
<b>Balance Carried Forward at 31 March</b>		<b>1,413,889</b>	<b>752,926</b>	<b>2,166,815</b>	<b>2,207,207</b>

The notes on pages 7 to 12 form part of these Financial Statements.

# PROGRESSIO

(A Company Limited by Guarantee - Company registration no. 2002500)  
(Registered Charity – no. 294329)

## BALANCE SHEET AS AT 31 MARCH 2012

		2012		2011	
	Note	£	£	£	£
<b>Fixed assets</b>	9		4,649		10,735
<b>Current assets</b>					
Stocks		1,000		1,000	
Debtors	10	143,170		193,104	
Cash at bank and in hand	11	2,281,563		2,344,125	
		<u>2,425,733</u>		<u>2,538,229</u>	
<b>Creditors falling due within one year</b>					
Other creditors	12	127,328		202,104	
Liability for earmarked projects		35,869		26,732	
		<u>163,197</u>		<u>228,836</u>	
<b>Net current assets</b>			<u>2,262,536</u>		<u>2,309,383</u>
<b>Total assets less current liabilities</b>			2,267,185		2,320,128
<b>Creditors falling due after more than one year: provisions</b>			(100,370)		(112,921)
			<u>2,166,815</u>		<u>2,207,207</u>
<b>Income Funds</b>					
Unrestricted charitable funds		1,413,889		1,338,385	
Restricted funds	13	752,926		868,822	
	14	<u>2,166,815</u>		<u>2,207,207</u>	

The notes on pages 7 to 12 form part of these Financial Statements.

Approved by the Board of Trustees on 27 June 2012

Martin McEnery	Board of Trustees Chair
Phil King	Treasurer
James Collins	Company Secretary

**PROGRESSIO**  
(A Company Limited by Guarantee)

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2012**

	2012		2011
	£	£	£
<b>Net cash (outflow)/inflow from operating activities</b>		(67,952)	108,036
<b>Returns on investments and servicing of finance</b>			
Interest received	8,480		7,478
<b>Net cash inflow from returns on investments and servicing of finance</b>		8,480	7,478
<b>Investing activities</b>			
Purchase of fixed assets	(3,090)		(3,323)
<b>Net cash (outflow) from investing activities</b>		(3,090)	(3,323)
<b>(Decrease)/increase in cash</b>		<u>(62,562)</u>	<u>112,191</u>

<b>Notes to the cash flow statement</b>	2012		2011
	£	£	£
<b>1. Reconciliation of (outgoing)/incoming resources to net cash Inflow from operating activities</b>			
Net (outgoing)/incoming resources for the year	(40,392)		189,107
Interest received	<u>(8,480)</u>		<u>(7,478)</u>
Operating (loss)/surplus		(48,872)	181,629
Depreciation charges		9,176	14,566
(decrease) in provisions		(12,551)	(11,507)
Decrease/(increase) in debtors and stocks		49,934	(56,525)
(Decrease) in creditors		(65,639)	(20,127)
<b>Net cash (outflow)/inflow from operating activities</b>		<u>(67,952)</u>	<u>108,036</u>

**2. Analysis of changes in net funds**

	2012	2011	Change in year
	£	£	£
Cash at bank and in hand	(58,679)	(14,606)	(44,073)
Balances held overseas	194,997	281,143	(86,146)
Short term deposits	2,145,245	2,077,588	67,657
	<u>2,281,563</u>	<u>2,344,125</u>	<u>(62,562)</u>

**PROGRESSIO**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**

**1. Incorporation**

The Institute was incorporated as a Company limited by guarantee on 1 April 1987, and these Financial Statements have therefore been prepared in accordance with the Companies Act 2006.

On 1<sup>st</sup> January 2006 CIIR adopted Progressio as a working name.

**2. Accounting policies**

a) Basis of accounting: the Financial Statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards and with the requirements of Statement of Recommended Practice 2005, 'Accounting and Reporting by Charities'.

b) Income: grants, donations and sponsorships are accounted for on a receivable basis. Income specifically allocated to projects not utilised at the year end has been carried forward as Restricted Reserves (see note 12 to these Financial Statements).

c) Depreciation: depreciation is provided on the straight-line method to write off the cost of fixed assets over their estimated useful life. The following annual rates of depreciation are used:

Computer/electronic equipment 33%

Other office equipment 15%

d) Overseas equipment and vehicles held by the overseas offices have been funded by grant and have been directly charged to the Revenue account. UK assets over £500 are capitalised.

e) Foreign currencies: foreign currency transactions are translated into sterling at the rates of exchange ruling at the date of the transaction. Assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date.

f) Publications stock has been valued at the lower of cost and net realisable value.

g) Expenditure is charged in the year in which it is incurred and provision is made for all committed expenditure.

Expenditure is allocated to its appropriate categories on a direct basis or where apportionment takes place on an appropriate basis.

i) Volunteer support: The charity is indebted to the many volunteers who during the year have given their time to help Progressio in a variety of areas such as Advocacy, Communications, Finance, Fundraising and ICS. It is impossible to put a cost on the contribution they make to the organisation but clearly their support is invaluable. These were not shown as a cost on the financial statements and the income equivalent was therefore not recognised within incoming resources.

**3. Department for International Development block grant**

This is the first year (from 2011 to 2014) of our Partnership Programme Agreement between Progressio and the Department for International Development (DFID). This funding is for Progressio's contribution to work on increasing the participation of the poor in decision making and promoting the involvement of faith groups in tackling poverty. It includes elements for communications, advocacy, monitoring and management as well as development worker and associated costs. Although Progressio and DFID have agreed work and outcomes, and monitoring is in place for effective reporting against these, this funding is classified as unrestricted income by the funder.

**4. Fundraising and publicity**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Salaries (UK salaries, social security costs & pensions)	107,961	55,474
Research	271	434
In-country Funding Officers	71,133	92,381
Travel	5,911	3,963
Meetings	211	18
Stationery	546	200
Postage	1,126	1,000
Design and printing	2,300	4,557
Advertising	1,150	1,830
Software maintenance	5,571	5,337
Other expenses	562	160
On-purpose Associate	12,335	-
Publicity & Profile	14,950	-
Fundraising initiatives	27,742	11,771
Consultancies	20,976	8,166
Support Costs (see note 7)	27,863	31,141
	<u>300,608</u>	<u>216,432</u>

## 5. Costs of activities in furtherance of the charity's objectives

Total direct charitable expenditure of £4,824,784 as shown on page 4, is expended as follows:

	2012 £		2011 £
<b>Programme delivery</b>			
Local allowances and subsistence	175,348		350,305
Training, allowances and materials	106,090		245,000
Vehicles and transport equipment	40,090		43,203
Monitoring and evaluation	56,020		52,380
Observer mission	15,216		18,281
Direct partner support	723,822		1,074,936
Salaries (UK office, social security costs & pensions )	158,256		259,261
Conferences/workshops/seminars	71,045		87,014
Consultancies and technical assessment	76,560		76,527
Travel	86,966		96,940
Advocacy capacity partner development	41,261		49,257
Publications	17,764		20,451
ICS (UK office, social security & pension)	61,921		-
ICS programme	574,093		-
		2,204,452	2,373,555
<b>Development workers</b>			
Pre-departure grant	16,487		19,359
Travel	161,834		110,201
Equipment grants	-		-
Insurance, social security and medical expenses	80,324		68,736
Training	92,350		93,579
Overseas local costs	840,596		1,069,106
Accommodation	253,758		243,066
		1,445,349	1,604,047
<b>Programme support</b>			
Recruitment and selection	38,946		55,751
Programme administration	325,172		412,172
Salaries (UK office, social security costs & pensions )	187,190		195,211
Publications	3,418		7,178
Travel	57,219		81,811
Conferences and meetings	15,217		19,935
Consultancies	34,168		37,517
		661,330	809,575
<b>Communications</b>			
Salaries (UK salaries, social security costs & pensions)	96,846		186,427
Freelances	2,860		19,091
Authors fees	-		-
Electronic media	1,787		10,221
Publications	8,144		7,387
Books marketing	647		701
Postage and stationery	1,128		4,587
Projects & campaigns	2,300		18,218
Web development	956		142
Media relations	-		7,767
Other expenses	967		2,686
Travel	7,925		1,545
		123,560	258,772
Support costs (see note 7)	390,093		425,593
		390,093	425,593
		<u>4,824,784</u>	<u>5,471,542</u>



## 6. Governance Costs

Includes costs incurred on the governance of Progressio's assets and is primarily associated with its constitutional and statutory requirements including audit fees.

	2012 £	2011 £
External Audit fees	18,300	17,282
Professional fees	2,341	1,211
Meetings	3,533	3,841
Annual General Meeting	1,951	5,543
Restructuring	-	129,040
Support costs (see note 7)	46,440	62,282
	<u>72,565</u>	<u>219,199</u>

No remuneration was paid to Board of Trustees members for their services. A total of £1,184 was reimbursed to trustees for their general travel expenses.

## 7. Support Costs

The basis for allocation for support costs was changed in the year. The costs for 2011 have been restated on the new basis for consistency. Support costs are allocated on the basis of the number of staff participating in each activity together with a percentage allocation of the central administrative costs.

	2012			2011	
	Fundraising activity	Charitable activity	Governance activity	Total Cost	Total Cost
	£	£	£	£	£
UK salaries (salary, social security & pensions)	17,731	213,943	29,554	261,228	322,267
ICS salaries (Salary, social security & pension)	-	34,308	-	34,308	-
Office repairs and maintenance	441	6,169	734	7,344	7,860
Depreciation	551	7,708	918	9,176	14,566
Insurance	825	11,553	1,375	13,753	15,719
Travel	883	12,358	1,471	14,712	10,871
Telephone, fax and e-mail	811	11,348	1,351	13,510	10,591
Postage, printing and stationery	1,048	14,676	1,747	17,472	11,582
Professional fees	120	1,683	200	2,004	2,051
Rent, rates and heating	2,623	36,721	4,372	43,716	69,934
Training	60	840	100	1,000	-
Freelances	135	1,897	226	2,258	2,308
Other expenses	191	2,675	319	3,185	4,114
Provision	240	3,360	400	4,000	4,000
Computer consultancies	1,201	16,808	2,001	20,010	26,050
House maintenance & consumables	258	3,606	429	4,293	2,330
Meetings	-	-	-	-	553
Computer maintenance & development	545	7,632	909	9,086	14,220
Corporate identity	200	2,806	334	3,341	-
	<u>27,863</u>	<u>390,093</u>	<u>46,440</u>	<u>464,396</u>	<u>519,016</u>

## 8. Information regarding employees

	2012 £	2011 £
<b>UK employee costs during the year</b>		
Salaries	777,746	876,062
Social security costs	78,080	89,843
Pensions	51,884	52,735
	<u>907,710</u>	<u>1,018,640</u>

	<b>2012 Number</b>	<b>2011 Number</b>
Number of persons employed		
UK	25	21
Overseas country representatives	8	10
Local staff employed in country	48	46
	<u>81</u>	<u>77</u>
Development workers employed by projects at 31 March	<u>83</u>	<u>75</u>
No employee earned £60,000 or more in the year		

<b>9. Fixed assets</b>	<b>Office improvements, furniture &amp; equipment</b>	<b>Total</b>
	<b>2012 £</b>	<b>2012 £</b>
<b>Cost</b>		
At beginning of year	45,220	45,220
Additions	3,090	3,090
Disposals	(35,674)	(35,674)
At end of year	<u>12,636</u>	<u>12,636</u>
<b>Depreciation</b>		
At beginning of year	34,485	34,485
Disposals	(35,674)	(35,674)
Charge for year	9,176	9,176
At end of year	<u>7,987</u>	<u>7,987</u>
<b>Net book value at 31 March 2012</b>	<u>4,649</u>	<u>4,649</u>
<b>Net book value at 31 March 2011</b>	<u>10,735</u>	<u>10,735</u>

<b>10. Debtors</b>	<b>2012 £</b>	<b>2011 £</b>
Grants receivable 2011/12	135,170	182,444
Pre-payments	8,000	10,660
	<u>143,170</u>	<u>193,104</u>

<b>11. Cash at bank and in hand</b>	<b>2012 £</b>	<b>2011 £</b>
Cash on current accounts and in hand	(58,679)	(14,606)
Balances held overseas	194,997	281,143
Short term deposits	2,145,245	2,077,588
	<u>2,281,563</u>	<u>2,344,125</u>

<b>12. Other creditors: amounts falling due within one year</b>	<b>2012 £</b>	<b>2011 £</b>
Other creditors	32,200	32,200
Accruals	95,128	169,904
	<u>127,328</u>	<u>202,104</u>

### 13. Restricted funds

The income funds of the Charity include restricted funds comprising the following balances of donations and grants, unexpended at 31 March 2012 and held on trust to be applied for specific purposes thereafter:

	Brought forward at 31 March 2011 £	Incoming resources 2011/12 £	Grants receivable 2011/12 £	Expended in year 2011/12 £	Carried forward at 31 March 2012 £
European Commission	194,527	423,716	16,861	(506,559)	128,545
Catholic Fund for Overseas Development (CAFOD)	109,806	147,242	-	(141,630)	115,418
Comic Relief	22,327	243,203	-	(126,754)	138,776
Big Lottery Fund Malawi and Zimbabwe	-	5,500	-	(5,500)	-
Progressio Ireland	285,490	230,135	-	(461,783)	53,842
British Embassy Central America	-	19,925	-	-	19,925
British Embassy Small Grants Scheme (BESGS)	4,222	22,437	-	(18,478)	8,181
Christian Aid (Peru)	45,000	45,000	-	(29,010)	60,990
Irish Aid	62,190	84,316	-	(73,748)	72,758
Development and Peace/ Canadian International Development Agency (CIDA)	41,752	47,525	-	(89,277)	-
Trocaire	6,545	6,293	-	(12,838)	-
Christian Aid	-	16,443	-	(13,264)	3,179
The Global Fund to fight AIDS, Tuberculosis and Malaria	2,427	228,001	112,211	(342,639)	-
Caritas Australia	20,851	-	-	(14,954)	5,897
Porticus UK (formerly the Derwent Charitable consultancy)	30,000	2,500	-	(32,500)	-
International Humanist Institute for Cooperation with Developing Countries (HIVOS)	-	948	-	(948)	-
United Nations Development Fund for Women (Unifem)	4,718	-	-	(4,718)	-
Muslim Aid	5,410	-	-	(5,410)	-
Fondo Canadiense para Iniciativas Locales (FCIL)	-	321	-	(321)	-
Asia Pacific Network	-	11,165	-	(9,944)	1,221
United Nations Development Programme Art Gold	19,550	16,226	6,098	(41,874)	-
Caja de Mediterraneo	-	3,040	-	(3,040)	-
Progressio Ireland/FYFESS	-	6,196	-	-	6,196
Digicel	-	76,418	-	(64,433)	11,985
Haven	-	2,875	-	(2,875)	-
United Nations Population Fund (UNFPA)	-	47,722	-	(47,722)	-
Waterloo Foundation	-	15,000	-	(12,400)	2,600
World Bank	-	3,172	-	3,172	-
Intered	-	3,997	-	(3,997)	-
Ford Foundation	-	112,278	-	(26,546)	85,732
Haiti Advocacy Platform for Ireland and the UK (HAPI UK)	-	3,983	-	(1,176)	2,807
TRCP	-	5,000	-	(5,000)	-
International Citizens Services (ICS) – voluntary contributions/donations	-	26,105	-	(26,105)	-
Voluntary Services Overseas (VSO)	-	658,603	-	(644,217)	14,386
United Nations Development Programme (UNDP)	-	3,107	-	(3,107)	-
The Vodaphone Foundation	-	2,750	-	(624)	2,126
Others	14,007	30,718	-	(26,363)	18,362
	<u>868,822</u>	<u>2,551,860</u>	<u>135,170</u>	<u>(2,802,926)</u>	<u>752,926</u>
		<u>2,551,860</u>	<u>135,170</u>		
Total restricted funding during year			2,687,030		

## 14. Reserves

Reserves at 31 March were as follows:

	2012	2011
	£	£
Unrestricted charitable funds	1,413,889	1,338,385
Restricted funds	752,926	868,822
Total reserves	<u>2,166,815</u>	<u>2,207,207</u>

Progressio maintains reserves to safeguard its programmes of work and its employees in the event of sudden and unexpected losses of income and/or increases of expenditure. Current levels of unrestricted reserves are sufficient to cover Progressio's operations for a period of fourteen weeks.

The Board's directive to Progressio's management acknowledges that a balance should be maintained between building reserves and supporting Progressio's operations. The Board are pleased with the level of unrestricted reserves taking into account the continuing challenges of the current economic climate and will only consider utilising reserves in an emergency situation such as an advance payment on a grant receivable or an unforeseen loss.

The Board continues to review Progressio's level of unrestricted reserves on an annual basis. Its current target is for them to be maintained to cover Progressio's operations for up to five months.

## 15. Pensions

Progressio operates a contributory pension scheme open to all UK employees. This defined contribution scheme is administered by Friends Provident who are independent of Progressio's finances. Employees are offered the opportunity to join the Group Personal Pension Plan after a period of three months. Progressio contributes 7 per cent of each employee's salary and the employee contributes a minimum of 3 per cent of salary to the scheme. Employer contributions charged to the Statement of Financial Activities were £51,884 in 2011/12 (£52,735 in 2010/11).

One employee is in a longstanding personal pension scheme with The Pensions Trust. Following a change in legislation in September 2005 there is a potential debt on employers that participate in a multi-employer pension scheme such as the Growth Plan of this pension that could be levied by the Trustee. The employer debt on withdrawal liability which would be incurred if this employee left Progressio, is currently calculated at £34,099, which is included in provisions.

## 16. Analysis of net assets between funds

	Unrestricted Reserves £	Restricted Reserves £	Total £
Tangible fixed assets	4,649	-	4,649
Current assets	1,672,807	752,926	2,425,733
Current liabilities	(163,197)	-	(163,197)
Long term liabilities	(100,370)	-	(100,370)
<b>Net assets at 31<sup>st</sup> March 2012</b>	<u>1,413,889</u>	<u>752,926</u>	<u>2,166,815</u>

## 17. Financial Commitments

As at 31<sup>st</sup> March 2012, the charity had no annual commitments under non-cancellable leases or any other financial commitments.

# Acknowledgements

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Progressio wishes to thank the individuals and organisations that made donations to its work in 2011/2012.

The following agencies and individuals donated more than £1,000 in the year 2011/2012

Asia Pacific Network  
Big Lottery Fund  
Caja de Mediterraneo  
Rt Rev John Crowley  
Daughters of Jesus  
Franciscan Friary  
R C Fuller  
Mary Grey  
A A Gummett  
Haiti Advocacy Platform for Ireland and the UK (HAPI UK)  
Haven  
Intered  
Peter Keeling  
Kulika Charitable Trust  
J E M Latham  
John B Ruming  
Society of the Sacred Heart  
TRCP  
Trocaire  
United Nations Development Programme (UNDP)  
The Vodaphone Foundation  
John A Walsh  
Waterloo Foundation  
Wild Rose Trust  
Margaret M Williams  
World Bank

The following agencies donated more than £20,000 in the year 2011/2012

British Embassy Small Grants Scheme (BESGS)  
British Embassy Central America  
Catholic Fund for Overseas Development (CAFOD)  
Christian Aid  
Comic Relief  
Department For International Development (DFID)  
Development and Peace  
Digicel/Progressio Ireland  
European Commission  
The Ford Foundation  
The Global Fund to fight AIDS, Tuberculosis and Malaria  
International Citizens Service (ICS) voluntary contributions  
Irish Aid  
United Nations Development Programme ART GOLD  
United Nations Population Fund (UNFPA)  
Voluntary Services Overseas (VSO)

Progressio would also like to thank Appleby and Wood, for providing consulting advice as pro bono services to Progressio.

## Trustees' Report (see pages 1 to 10 of this document)

### Statements of Trustees' responsibilities

Company law requires the Trustees to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing those financial statements, the Trustees are required to:

- ☐ select suitable accounting policies and then apply them consistently;
- ☐ make judgements and estimates that are reasonable and prudent;
- ☐ state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- ☐ prepare the Financial Statements on the going-concern basis unless it is inappropriate to presume that the Company will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the Financial Statements comply with the Companies Act 2006. 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.