

Catholic Institute for International Relations

Directors' and Trustees' Report and Financial Statements

For the year ended 31 March 2016



Women queuing outside a voter registration centre in the remote Sanaag region of Somaliland, July 2016. Photo taken by Malou Schueller, Progressio.

Progressio is the working name for the **Catholic Institute for International Relations (CIIR)**. **Progressio** will be used throughout this report

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, especially women, gain power over their lives and overcome the barriers that keep them poor and deny them their rights.

We don't impose solutions – we ask people what needs to change, and give them the right tools and guidance so they can bring about this change for themselves.

We develop respectful, long-term partnerships with local organisations and community groups. We have a longstanding specialist experience in supporting civil society organisations. We provide these organisations with practical support through our Development Workers. Over 90% of our Development Workers are from the Global South, who share skills, expertise and knowledge to build on local people's, especially women's, existing knowledge and skills, and strengthens their voices so they can achieve lasting change for themselves and their whole communities. Our Development Workers range from agro-ecologists to marketing specialists and from human rights activists to HIV advisers.

We also support local partners and communities through young adult volunteers in the International Citizen Service (ICS) programme, which helps to support thousands of people living in some of the world's poorest places to empower themselves by obtaining respect for their rights and creating sustainable livelihoods.

In the fight against poverty, we give people the confidence to stand up for their rights. Through lobbying training, we support them to challenge unfair power relations and structures to reduce injustice and poverty. By bringing the reality and voices of poor and marginalised people to policy-making processes at a local, national and international level, we help to ensure decision-making is resolutely pro-poor. Our participation and effective governance work is also supported in the UK by public campaigning on issues like gender equality, food, climate change and access to clean water.

We also work to bring about gender equality. Women make up 50% of the population but account for 60% of the world's poor and suffer widespread discrimination including high-levels of sexual violence in the countries where we work. Progressio supports civil society partner organisations in tackling gender inequality. Our approach to gender recognises women and men as agents of change. Our programmes and projects have a focus on supporting women and girls to empower themselves.

We work to support poor and marginalised people to attain Sustainable and Resilient Livelihoods. Our Development Workers and young volunteers work to support men and women to practice sustainable and fair equitable farming approaches to bring about improved livelihoods for themselves.

Organisational information

PRESIDENT

His Eminence Cardinal Cormac Murphy O'Connor

BOARD OF TRUSTEES

TRUSTEES

Martin McEnery, Chair (re-elected for 1 year, November 2015)

Michael Doris, Treasurer

Carolyn Williams, Vice Chair. (re-elected for 1 year, November 2015)

Belinda Calaguas, Vice Chair, (elected for 3 years, November 2015)

Chris Smith

Kevin Tunnard (re-elected for 2 years, November 2015)

Jean Casey

Ranila Ravi-Burslem

Rocco Blume (elected for 3 years, November 2015))

Lynda Kerley (elected for 3 years, November 2015)

SENIOR STAFF

Mark Lister, Chief Executive

James Collins, Director of Finance and Administration

Gemma Hayes, Director of International Programmes

Lizzette Robleto, Head of Policy, (left December 2015)

Letter from the Chair of Trustees

This year 2015 to 2016 marked our 75 years of operations since we were founded in 1940. A long and very successful track record of which we are very proud. At the same time 2015-2016 has been for us a very challenging year. We have had to tackle concerns for our longer term financing and to handle in consequence some downsizing in our operations. In addition, we have responded to the difficult working conditions caused by the conflict in Yemen. Despite all of this our finances for this year have been professionally managed and in surplus, and our staff have delivered some excellent work. In this letter I will indicate the highlights.

Our programmatic work has delivered some remarkable successes:

- **On our theme of Participatory and Accountable Governance:**

We worked in Zimbabwe with the Catholic Commission for Justice and Peace (CCJP), to ensure 30 parishes have well-established advocacy committees in the form of REFLECT circles, and to facilitate a democratic and transparent dialogue between members of the communities and local leaders.

And, in Somaliland we supported the *Barwaqoo Voluntary Organisation and Women Rehabilitation and Development Association* in Hargeisa to have a strengthened capacity to participate in decision-making and democratic processes.

- **On our theme of women's rights:**

In the Yemen our work was suspended in April 2015 due to the conflict, but early in 2016, our Development Workers were able to restart the provision of technical support and advocacy training to *The Protection of the Rights of Female Inmates and Juvenile Offenders* project. This project aims to increase awareness of the rights of women and juveniles in prison, as well as provide vocational training to help increase their chances or reintegration in the society, once they are released.

Then in Somaliland, we strengthened the capacity of partners, government and traditional elders to work in coalition, producing evidence-based advocacy that will lead to fundamental changes in the attitudes of key stakeholders who will become both active and supportive of efforts to end gender-based violence in Somaliland.

In Zimbabwe, 2,577 hearing and visually impaired women and men were trained on their HIV and Sexual and Reproductive Health and Rights (SRHR) and how to access HIV and Sexual and Reproductive Health (SRH) related services in Harare.

In Zimbabwe, our Action for Better Governance project has supported women to be able to participate in the decision-making processes in their communities, and to take on issues that are also related to women.

- **On our theme of Sustainable and Resilient Livelihoods:**

Progressio worked in an isolated area in the Dominican Republic, with a local partner, Solidaridad Fronteriza, to support people to find ways of adapting to the challenges of climate change, deforestation and drought. The cross-border project promotes food

security and sustainable agriculture. As part of this, over 20 members of the 'Unity and Effort' mothers club, have been given training and help with setting up vegetable plots using sustainable production methods, as well as information about better nutrition, particularly for children.

Our ICS programme:

During this year ICS continued to be very successful, and the Progressio programme is consistently rated as one of the top-performing agencies across the consortium. 349 UK volunteers completed placements in Malawi, Zimbabwe, Honduras, Nicaragua and El Salvador. Their efforts have been matched by a further 365 local volunteers.

Volunteers have exceeded targets across projects in all 5 country programmes. In Malawi and Zimbabwe, the focus has been on increasing the access of SRH services to young people. One project in Malawi, with our local partner organisation Youth Net and Counselling (YONECO), engaged over 2000 young people in one 12-week cycle, with MacBain Mkandawire, Executive Director of YONECO, saying:

"A huge difference is being made by young ICS volunteers. Their engagement with the local community, their focus on their work, and their commitment will support the young people in Malawi to change. As a leader, I see this as a huge opportunity."

Key activities in our International Policy work:

In collaboration with ActionAid, **Progressio made a submission to the UK Government 2015** review of the National Action Plan on Business and Human Rights. Our submission was also picked and put to use by a number of other civil society organisations.

In Somaliland we started the observation of the current voter registration process as an aid to transparency and legitimacy.

Commonwealth Youth and Gender Network (CYGEN): Progressio was invited to serve as an expert facilitator during an Australian government funded conference that enabled young leaders from commonwealth countries to develop policy positions and network in Malta. Progressio presented on SRHR and youth at the conference and facilitated three working group sessions resulting in a one-pager on youth and SRHR.

The conference led to the establishment of the CYGEN movement and participants developed the 'Gender Agenda', a policy document for future advocacy. Representatives fed CYGENs suggestions into the Commonwealth Head of States meeting. Representatives were invited to attend annual consultation of National Women's Machineries (NWMs) during CSW in New York. Both meetings gave visibility to the network.

Fundraising:

For Progressio, like many other charities in the sector, fundraising has become a high priority and remains a key challenge. We have continued to implement fresh approaches and new

strategies. This year we placed a focus on Major Donor acquisition through consultancy work in an attempt to increase unrestricted funding from donors where possible. We also increased our Direct Mailing appeals to include a Summer and Easter mailing in an attempt to acquire new regular givers.

Our 75th birthday:

2015 was a very important year for Progressio, marking 75 years since our foundation. We celebrated this in November 2015 with an AGM and a service in Temple Church led by our President Cardinal Cormac Murphy O'Connor. We are most grateful to Patrick Maddams and our many supporters in Inner Temple for their hospitality and generosity on this occasion.

During this anniversary year, Progressio led an appeal to new and existing donors to make a special financial commitment to help us become less dependent on uncertain Government funding, and to meet the very pressing needs of the people we work with.

From our 75th Inner Temple and Covent Garden events in autumn, we have created a strong network of well-connected people and elicited support from a number of Vice-Presidents who are helping us reach new audiences and potential donors, including further developing our relationship with Catholic Dioceses, lawyers and women in business.

This year we also developed a unique community fundraising strategy: *ZimFare* and *ZimFast*. This campaign was run in partnership with Liverpool Archdiocese, Birmingham Archdiocese and Clifton Diocese and it showed early success and helped contribute to core funding of the organisation.

Campaigns and Communications:

We have improved our ability to measure evidence and stories of impact of our projects, and have published a series of new case studies and blogs from our country teams on our website, as well as start a new social media strategy.

To celebrate International Women's Day 2016 an evening event was organised with a panel of experts on different aspects of gender equality with a focus on attaining the new Sustainable Development Goal 5 of gender equality by 2030.

This year, once again, hundreds of Progressio campaigners showed their dedication to the success of UK Aid by asking their MPs to attend a parliamentary debate on aid spending, when the justification for the 0.7% commitment was questioned in a major national newspaper. Many spoke of why they were proud of aid, and at the debate itself there was overwhelming cross party support for the work that is made possible because of the aid budget.

Looking ahead:

Despite the efforts on fundraising that I have described above, the reality now in 2016 is that we have a considerable mountain to climb to cover the potential loss of Government funding, and to raise the amount of unrestricted funding we require in the year 2017 and onwards to

operate as a viable development agency. Making every effort to try to achieve this will exercise us all very fully in the coming year.

Thank you:

On behalf of the Board, I thank all of our staff both overseas and in the UK for their dedication and commitment in this challenging year. Furthermore, I'd like to thank all our supporters and donors for your contributions, large and small, which have enabled us to complete a year of change, consolidation, and progress, together with considerable successful delivery.

Martin McEnery,
Chair of Trustees

About Progressio

Vision

A world in which marginalised people take into their own hands the power to transform their own lives.

Mission

We equip some of the poorest and most marginalised people, especially women, to claim their rights and overcome the causes of poverty, injustice or exploitation.

We do this by listening closely to our community partners, sharing skills and strengthening voices so that people can transform unjust power structures.

Values

Respecting dignity, standing in solidarity, acting boldly.

Our values are inspired by our Catholic roots and particularly Catholic Social Teaching. We 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.

How we work

We believe that imposed solutions, however well meaning, are not the answer to tackling the complex root causes of poverty and injustice. 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 work through skilled Development Workers and young adult volunteers working with local organisations to benefit poor and marginalised communities in fragile states.

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 power structures; and to deliver results in poverty eradication and social justice including respect for people's rights, gender equity and greater accountability.

We describe the way we tackle poverty as “People Powered Development”:

- **People** – we work through and alongside women and men – giving practical support in a spirit of partnership to local organisations and community groups through our Development Workers and young adult volunteers.
- **Power** – we seek to support poor and marginalised people, especially women, to raise their voices to challenge unfair power structures, locally and nationally, and to influence policies internationally that affect them. Material poverty is man-made, it is compounded by and

flows from injustice. We work to support women and men to claim their rights and live with dignity.

- **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 skilled Development Workers and young adult volunteers with local organisations, where they support local people and communities to tackle poverty and improve lives.
- 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, returned volunteers and others in the Global North, enabling them to be more informed on issues of injustice and poverty and to act in solidarity. We also help the Christian community to be more aware of the connections between issues of poverty and their faith, and how to put their faith in to action.

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 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 and public benefit requirements 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 while seeking for ways to be more informed about or take action on those issues.

Progressio's people-led strategy 2015-18

“Women previously could not speak during public meetings but now they can speak... one woman asked the representatives from the Ministry of Health why it took them long to attend to patients at the local clinic” a woman member of a new Parish Advocacy Committee, pushing for improved health care in St Pius Donga, Zimbabwe following Progressio and CCJP training in Action for Better Governance.

As the global community entered 2015 there were some notable post-Millennium successes lifting millions out of poverty, but these were mostly in more stable countries. *There were special challenges facing ‘fragile and conflict-affected states’ such as Yemen, Somaliland and Zimbabwe which appear stuck or are even going backwards* (see table below). In these countries gender inequality and violence against women and girls were at their worst.

Focusing on fragile states, a new people-led strategy is needed that:

- Has the active participation of and is led by local citizens and civil society organisations (people-led)
- Seeks to address the complex root causes of poverty and injustice, addressing unfair power structures
- Is tailored to each country's specific needs and
- Has a special focus on women's rights and equity.

Progressio has a unique heritage and longstanding successful specialist experience in support of civil society organisations pursuing people-led solutions to transform unfair power structures in the face of some of the most challenging obstacles in the world

This positions Progressio well to make a substantial contribution in the fragile countries where we work and indeed beyond. Our skill-sharing, young adult volunteering and international policy approach builds on local people's and especially women's capacity and strengthens their voices so they can achieve lasting change for themselves and their whole community.

These are crucial years for the people of fragile states to begin to turn the corner. Progressio works alongside some of the world's poorest and most marginalised people and their organisations who are seeking to transform their own lives. These people are resilient, courageous, resourceful, innovative, and are often making remarkable progress in the face of formidable odds. But alone, they are unlikely to achieve the transformation that is needed. Progressio is committed to work in partnership to strengthen their immensely challenging undertaking.

In response to marginalised people's changing needs and the shifting context in which we operate we have updated our vision mission and values (see 'About Progressio' above) and set a new strategic direction for 2015-18 building on our distinctive approach:

- Rights-based approach to our work. Human rights are an essential foundation for our development work. We also draw on Catholic Social Thinking that recognises the importance of human development and dignity of every person, working with people of all faiths and none.

- Build capacity and share skills – strengthen civil society organisations (CSOs) and governments to promote the rights of marginalised people, so these communities can engage effectively with institutions to effect change,
- Support poor and marginalised people to have a stronger voice and bring their views to influence local, national and international decisions that affect their lives.

Our strategic direction includes:

A.) A tighter geographic focus

Over the next three years Progressio will focus its resources and support on fewer countries where there is a high level of fragility. We will:

- Consolidate and expand our work in Yemen, Somaliland, Zimbabwe and Malawi.
- Complete our transition away from Dominican Republic and Haiti by end March 2016.
- Gradually transition our ICS work away from Central America and expand ICS in Africa if we secure ICS2 funding through to 2018.
- Identify and possibly begin work in one or two other African countries near to existing programmes in 2017-18 where there is a high level of poverty and fragility where our work can contribute the most.

B.) New strategic goals with a tighter thematic focus

Theme 1: Participatory and Accountable Governance

Goal 1:

Poor and marginalised people actively and effectively participate in and hold to account key institutions to enable them to be transparent, accountable and responsive to the needs of poor and marginalised groups.

Progressio prioritises gender justice.

Objective 1.1: Local, national and international governments and institutions (both formal and informal) are transparent, accountable and responsive to the needs of poor and marginalised groups and promote and practise gender justice

Objective 1.2: In order to challenge unjust power structures for the realisation of people's rights and gender justice, CSOs are:

- Accountable
- Better equipped to strengthen the voice and influencing skills of marginalised women and men
- Stronger in their own direct influencing

Theme 2: Women's rights

Goal 2:

Women take decisions and have control over their sexual and reproductive health, live free from violence and harmful cultural practices



Theme 3: Sustainable and Resilient Livelihoods

Goal 3:

Poor and marginalised women and men achieve increased income and food security through sustainable, resilient livelihoods

Objective 3: Sustainable farming

Women and men practise sustainable, equitable farming approaches, to achieve stronger, resilient livelihoods

Incorporate and strengthen poor and marginalised communities in Disaster Risk Recovery in agricultural work – hazards, vulnerability, resilience

In all our work we support gender justice.

C. Internal priorities and objectives

We will achieve our People Powered Development ambitions over the next three years through the best strategic use of us: our people, skills, knowledge and funding.

1. We will review the internal structure required to deliver the new strategy. We will design the correct model and implement a scalable structure by April 2016 which can adjust in size to support lower or higher volumes of programme and policy work.
2. We will transform our income generating including a whole organisation approach to maximise income for People Powered Development building on our strengths, increasing cost recovery and diversifying our income sources:
3. We will build our internal people development and capacity setting and achieving high-quality standards on our key competencies supporting staff to deliver them e.g. project design, planning and management; funder relationship management;
4. We will adopt a new strategic approach to learning and innovation.

Progressio's Achievements and Performance

Progressio's work is focused around three main programmatic areas: Participation and Accountable Governance, Women's Rights and Sustainable and Resilient Livelihoods. The Policy, Advocacy and Campaigns team works in alignment with these themes to support long-term policy change. In addition, we continually strive to improve our organisational effectiveness across the board.

The nature of our work – building the voice, skills, capacity and confidence of local people and organisations – does not easily lend itself to measurable outcomes. Yet the significant impact of this people-centred approach is clear from the illustrations given below. When people have the skills and an influential voice to bring about change for themselves, they make a sustainable difference that will last long after the Development Workers and volunteers have fulfilled their roles.

Over the course of the financial year, Progressio's work reached almost 750,000 people. This is lower than the previous year, principally because the war in Yemen meant we sadly had to halt work in Yemen until January 2016. We also had some other major projects ending and had not yet secured new funding to start new projects we would hope to undertake. The breakdown between programmes including our international policy work and ICS is as follows:

Our work alongside 60 civil society partner organisations involving our Development Workers in our programme countries, reinforced with our international policy work, directly supported 9,134 people (**approximately 48% women and 52% men**). More than 700,000 people have indirectly benefited. For example, people equipped with skills from our Development Workers' training have helped their families or others in the community by transferring the necessary skills and knowledge required to overcome issues such as poverty and inequality. Others have benefited indirectly from national and international policy change.

In addition, our ICS young adult volunteer programmes included activities that reached 44,978 other people through our work alongside 18 local partner organisations in 5 country programmes. These numbers include some overlap as some community members have attended several activities but unfortunately it is often not possible or appropriate to get names of people attending activities or receiving, for example HIV & AIDS prevention education materials and cross compare. This year 714 volunteers worked with local communities. 365 were Africans or Central Americans volunteering in their own country and they were joined by 349 UK volunteers who have completed placements in Malawi, Zimbabwe, Honduras, Nicaragua and El Salvador.

1. Towards Participatory and Accountable Governance (PAG)

We want to support poor and marginalised people, especially women, to participate in and influence decision-making processes, locally, nationally, and internationally. We want to

support them to challenge unfair power relations and structures to reduce injustice and poverty and to enjoy their human rights fully.

We will know good governance has been achieved when political, legal and social power structures are participatory, transparent, accountable, responsive and inclusive. Only when these formal and informal institutions respect the dignity of every human being and give priority to the needs of those with least power and least wealth will this goal be met. Our role is to help ensure poor and marginalised people especially women have a say in local, national, and international decisions that affect their lives.

What have we achieved this year?

Our key achievements in this field include:

- Working with the Catholic Commission for Justice and Peace (CCJP), in Zimbabwe to ensure 30 parishes have well-established advocacy committees in the form of REFLECT circles and to facilitate a democratic and transparent dialogue between members of the communities and local leaders;
- Supporting the Barwaqoo Voluntary Organisation and Women Rehabilitation and Development Association in Hargeisa to have a strengthened capacity to participate in decision-making and democratic processes in Somaliland;
- In Somaliland, Progressio, in collaboration with the Development Planning Unit of the University College London, coordinated and participated in the international voter registration observation. Three observations were carried out and debriefing meetings were held with the British Embassy in Addis Ababa and the National Electoral Commission (NEC) for Somaliland. This work has built on years of experience of Progressio coordinating international election observation teams, since 2002 Progressio has observed all elections in Somaliland. This contributes to strengthening accountability of the election process, Progressio has also performed an advisory role during the de-briefing meetings with the NEC/British Embassy on how the process can be improved. It is a major accomplishment that the Somaliland government is undertaking voter registration.

2. Towards Women's Rights

Women's Rights are human rights, and Progressio believes that the dignity of every human being must be respected. We have a commitment to gender justice which is central to all our work. Gender justice means ending the inequalities between women and men that are produced and reproduced in the family, the community and by the state. We believe that gender differences between human beings are socially constructed and can change. These gender differences are often defined culturally, socially, economically and historically, and can be further affected by race, class, religion, ethnicity and sexual orientation.

Women and girls are disproportionately affected by poverty and oppression. Progressio supports civil society partner organisations in tackling gender inequality. Our approach to gender recognises women and men as agents of change. Our programmes and projects will support women and girls to empower themselves as much as possible, for example achieving access to and ownership of their SRHR or ending violence against women and girls.

What have we achieved this year?

Our key achievements in this field include:

- Strengthening the capacity of partners, government and traditional elders to work in coalition, producing evidence-based advocacy that will lead to fundamental changes in the attitudes of key stakeholders who will become both active and supportive of efforts to end Gender-Based Violence in Somaliland.

3. Towards a sustainable environment

Communities in some of the poorest places in the world are at the sharp end of climate change that threatens their already fragile livelihoods. Drought and deluge combine to damage the soils and destroy harvests among small farmers whose small-holdings are often restricted to the least fertile soils. Progressio's Sustainable and Resilient Livelihoods strategic goal has focused on supporting women and men to practise sustainable, equitable farming approaches, to achieve stronger, resilient livelihoods.

What have we achieved this year?

- We have supported small farmers with training in agroecology so that they find affordable and sustainable ways of countering climate change. In an isolated area of the Dominican-Haitian northern border, for example, Progressio worked with a local partner, Solidaridad Fronterzia, to support people on both sides of the border to find ways of adapting to the challenges of climate change, deforestation and drought.
- Progressio's work on sustainable environment encompasses a wide range of activities designed to support partners to reduce poverty and to improve food security for the most disadvantaged communities while ensuring a sustainable environment. This was done through skills and knowledge transfer on sustainable agro-ecological production, diversification and commercialisation of products. For example, as part of Progressio's work with Solidaridad Fronteriza, over 20 members of the 'Unity and Effort' mothers club, have been given training and help setting up vegetable plots using sustainable production methods. Progressio's work on sustainable environment has been further supported by our ICS young adult volunteers at grassroots level in five countries in the Global South.

4. Towards effective responses to HIV and AIDS

In our 2015-18 strategy we will transition away from the thematic focus area of HIV and AIDS. We will fulfil our existing HIV and AIDS commitments but new HIV & AIDS work will sit within wider SRHR programmes or PAG programmes. Two examples of this are: Comic Relief HIV and AIDS project in Zimbabwe, where the work runs to 2018 increasing emphasising PAG – strengthening the voices of people living with HIV and AIDS and Somaliland national HIV and AIDS programme where the final transitional work runs to 2016/17.

What have we achieved this year?

- Supporting four partner organisations in Zimbabwe to conceptualise, develop and implement HIV related evidence-based advocacy and lobbying initiatives;
- Training 185 HIV and AIDS support group members in Zimbabwe in five prisons, 693 HIV peer educators from Small and Medium Enterprises in the informal sector, carrying out voluntary HIV counselling and testing for 433 women and 784 men (1,217 in total).

International policy focused on 'Women and Fragility: Challenging and changing institutions for a fairer world for women'

Progressio's International Policy and Campaigns team started their new five-year plan, aiming to challenge and change institutions for a fairer world for women. This policy and campaigns work contributes to Progressio's strategy across the two themes: Women's rights and Participatory and Accountable Governance. It ensures Progressio delivers creative, bold and effective advocacy activities, as we work increasingly to strengthen the voices of those in the Global South.

What have we achieved this year?

Progressio attended the International Family Planning conference together with our partner organisation YONECO from Malawi and Progressio was invited to facilitate a session on Youth and Faith interfaith ***at the Youth pre-conference, reflecting on faith-based organisations' role on young people's access to family planning.***

Progressio, in collaboration with ActionAid, wrote a detailed submission to inform the UK government's 2015 review of their Nation Action Plan on Business and Human Rights. In this, we recommended changes that would ensure that women's rights and perspectives are taken into account wherever businesses operate. Similar recommendations were shared at the UN Forum on Business and Human Rights, which Progressio attended in Geneva. This resulted in a number of civil society organisations, including European CIDSE* members, using our recommendations to influence their own government's forthcoming action plans. (*network of Catholic Development agencies).

Since January 2016, we have been observing the Somaliland voter registration process which is due to end in September. Our international observation aims to support a transparent process and provides legitimacy to this process in a country which is not recognised by the international community.

Over 2015-16, Progressio achieved 48 international policy interventions that are positive steps towards policy change targeting government, corporate or multilateral bodies.

Our campaigns work complements our policy work and ensures that our UK supporter base are equipped and informed by us to take action for global change on women's rights and gender justice. This year we have had the following highlights.

On the eve of the announcement of the Sustainable Development Goals (SDGs), Progressio supporters were among the 2,000 people who stood on Millennium Bridge shining torches to 'Light the Way' to a better future. The activity in London was mirrored in similar rallies taking place all over the world. We were thrilled with the success of our petition to David Cameron which showed solidarity with Pope Francis' message to world leaders at the UNGA summit in September. Over 600 people echoed the Pope's desire for a more equal world and asked the Government to implement the new SDGs in full.

At the Department for International Development Youth Summit, Progressio played a key role. Returned Volunteer Amro Hussain co-hosted the entire event. Progressio's Action 2015 youth panel members Jess Lee and Alex Duffy worked tirelessly to shape the event and create a space where young people could voice their commitment to the achievement of the SDGs and push decision-makers for strong leadership on an international stage.

In November Progressio got involved in the UN campaign, 16 days of activism to end violence against women and girls, with a campaign stunt across London, drawing attention to the issue with eye-catching images in London's most iconic locations. Our campaign was featured the media, including in *The Guardian*.

To celebrate International Women's Day 2016, the Progressio Empower Network organised a unique event, hosting six individual experts on different aspects of gender equality. The panel of women were tasked with presenting on several of the targets of Goal 5, the new Sustainable Development Goal to empower all women and girls and achieve gender equality by 2030. The evening had an accompanying photo gallery of inspiring women submitted by attendees and Progressio supporters all over the world and on the night pledges were made by attendees of how they would be contributing to the Goals success.

In total 5,458 people took action.

Financial Review

Full financial statements for the year ended 31 March 2016 are appended to this report.

Progressio is deeply grateful to all our funders and supporters, small and large, for their ongoing commitment to us, without which none of our work would happen.

Progressio's year-end position is good, overall income for the year is £6,377,205, slightly up from £5,757,985 in the previous year. The main unrestricted and flexible funding grant continues to be the Department for International Development (DFID) Programme Partnership Arrangement, at £2,025,015, which has been further extended until December 2016.

We received £4.17 million in restricted grants and service delivery contracts, including £2,625,563 from Voluntary Service Overseas (for the ICS programme). £332,312 from ICS volunteers' fundraising; £404,292 from Comic Relief; and £139,077 from the Multi-Partner Trust Fund, as well as other small grants listed in note 13 to the accounts.

No income was received from legacies this year. Membership and donations from individuals amount to £173,772, a small increase on the previous year. We invested in a consultant appeal director for our 75th anniversary, to seek growth in this key area of unrestricted income sees incremental growth year on year.

Overall expenditure for this year was £5,788,282, compared to £6,108,404 in 2014/15. 93% of our expenditure was on our charitable objectives, which is a slight decrease on last year's figure (6% on fundraising and publicity, and 1% on governance). We are pleased to report that activity was of high-quality and our output fulfilled almost all our contractual obligations to external funders, except we had to put some work on hold due to halting our work in Yemen because of the tragic war affecting the country's people. The situation in Yemen sadly highlights challenges faced when working in fragile states. We delivered very high performance on our ICS contract. We continued to refocus on fewer countries in line with our strategy, and undertook the transitions away from DR-Haiti, which will be completed in 2016/17. Over the year, we delivered on the bulk of our targets in our PPA log-frame, although not in Yemen as described above.

We have an overall surplus of £588,923 for the year, made up of a surplus in unrestricted income of £148,101 and an increase in the movement of our restricted funds held of £440,822. This is an excellent financial year-end position that was anticipated and planned for by the Board of Trustees, especially given the continuing economic uncertainty. The challenges of securing new income from both unrestricted and restricted funds are serious. The year-end figures show that we have increased our unrestricted reserves by £148,101, which is deemed prudent during these difficult economic times over the last period, a situation which is expected to continue. Our restricted funds have increased in the year by £440,822 due to the receipt of direct programme income which will be spent in 2016/17.

- **Cash flow management**

We have had no issues during the year and we continue to monitor this area carefully to ensure appropriate action is taken early if any issues arise. We closely review our incoming and outgoing funds on a monthly basis to ensure that any unforeseen circumstances are handled swiftly.

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

The diversification of Progressio's income sources is pivotal to our organisational strategy moving forward. We are seeking to develop fundraising from the public to engage more people. We have implemented new financial guidelines with a view to greater cost recovery to maximise each specific project towards a full cost recovery model. We are working closely with donors, other international NGOs and local partners to take a thorough examination of our own cost-recovery mechanisms and are seeking to improve this further in the year ahead as the funding climate continues to be very challenging. We have developed our work on new income sources through exploring major donor potential in the 75th Anniversary Appeal. But we have not had the success we need for 2017 and are also finding it increasingly difficult to secure restricted project grants.

- **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 a minimum of four months of expenditure.

Progressio strives to balance the priorities of enabling the organisation to grow and 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. 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 ongoing project cycle and the Leadership Team regularly reviews risk 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 internal and external audits that identify risks, assess systems and ensure checks and balances are in place and in the year we have no reported instances of any issues in this area.

- **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 allowing maximum expenditure on charitable activities. 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 maintaining a low level of risk rather than seeking high financial gain. Progressio therefore looks to invest our funds in short-term secure

deposits of up to six months with availability of instant access where deemed appropriate. Progressio also has small balances in both US Dollars and Euros to cover forecast expenditure from restricted external donor funding. The trustees have agreed that the key areas of our low risk Investment Policy have been met during the last year and have agreed no changes in the coming year ahead.

Structure and governance

Progressio is a medium-sized organisation with (at 31 March 2016) 70 employees, 24 full-time equivalent staff in London and 46 in our country offices. It should be noted that this number includes security staff in certain countries, who are essential for risk management.

Staff and management

Staff report to the Board of Trustees. A Leadership Team leads the staff. The team reports to the Board quarterly and works closely with relevant subcommittees.

The Chair of the Board line manages the Chief Executive 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 Leadership Team is made up of the Chief Executive, Director of International Programmes, Director of Finance and Administration, and Head of Policy.

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. The constitution requires between eight and 14 trustees.

Recruitment and Trustees

Trustees 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 'of the Catholic faith'.

The Finance and Audit Committee is responsible for overseeing the financial security of Progressio, including fundraising. The Officers Committee is responsible for handling any issues of concern to the Board between Board meetings.

Board meetings

The Board usually holds four meetings a year, and a joint Away Day for the Board and the Leadership Team is held annually.

Membership

Another vital part of our governance, and essential to our achievements, is the wider of supporters and members. There are around 2,500 supporters who are active in supporting our work and campaigns. Some 400 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, appointing the auditors, and other matters.

Progressio people powered development priorities for 2016/17

Our partners and the grassroots communities we work with in our 9 country programmes continue to achieve significant successes in the face of extremely tough challenges. Their commitment to challenge unfair power structures lies at the heart of our partnerships, for example, to advance women's rights in Yemen and Somaliland, to improve Participatory and Accountable Governance in Zimbabwe and Somaliland, and to work with communities to improve Sustainable and Resilient Livelihoods through our ICS programmes and project work.

Due to concerns about long-term financial stability, we have embarked on a period of consultation with staff, funders, supporters and partner organisations about the future of Progressio and the possibility of closure next spring. The charity's trustees took the decision to launch the consultation on 29 June 2016. Throughout the consultation period, which will culminate in a trustee meeting on 14 September, our current programmes will continue to operate as normal, and we have some great work underway. The consultation will include detailed planning for all areas of Progressio's work in the event of a decision to close.

We will work hard with all relevant parties to explore all the options and to ensure the best possible outcomes. And, we hope to secure a source or sources of sufficient unrestricted funding during the consultation period, so we can continue.

In this context, Progressio's work for the coming year and our top 4 priorities are:

1. To secure funding for our current and future work through strengthening relations with existing and new supporters to secure Progressio's future in light of the consultation.
2. To continue to support poor and marginalised people, especially women, to empower themselves and improve their own lives, working across our three themes:
 - a) Participatory and Accountable Governance
 - b) Women's Rights
 - c) Sustainable and Resilient Livelihoods
3. To continue to deliver high-quality impact through our combination of:
 - a) skill-sharing from our Development Workers
 - b) national and international policy and advocacy work

These areas are both reinforced by our young adult local and UK ICS volunteer teams in 5 countries who always work in partnership with others and ensure we learn and share lessons from our work to improve impact

4. To value the contribution of all our Progressio people and integrate our working for greater effectiveness, for example, across Policy, Programmes and ICS to strengthen the voices of our marginalised communities and partner organisations; and integrating our UK fundraising, communications and ICS UK work to increase UK supporter involvement

