



PROGRESSIO

Trustees' Report and Financial Statements

For the year ended 31 March 2013

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
People powered development

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 2012/13, 117 development workers, mostly from the global South, who share skills, know-how and training. They 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 ICS (International Citizen Service) programme. 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) (re-elected Sep 2012 for one year)
Ijeoma Ajibade
John Barker (re-elected September 2012)
Dan Cook
Susana Edjang
Tim Livesey (re-elected September 2012)
Chris Smith (re-elected September 2012)
Kevin Tunnard (elected September 2012 for three years)
Andy Waites
Carolyn Williams

Michael Doris (co-opted March 2013)

Jagat Chatrath (resigned June 2012)

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

Mark Lister *Chief Executive* (from October 2012)
James Collins *Director of Finance and Administration and Company Secretary*
Osvaldo Vasquez *Head of Programmes*
Sarah Sandon *Head of Fundraising*
Daniel Hale *Campaigns and Communications Manager* (from January 2013)

Christine Allen *Executive Director* (until May 2012)
Tim Aldred *Head of Policy and Communications* (until January 2013)

Auditors, bankers, registered office, solicitors

See the Financial Statements.

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Front cover picture: A woman campaigning during elections in Somaliland in November 2012.
Photo: Kate Stanworth/Progressio

Letter from the Chair of Trustees

For Progressio this has been a year of considerable change and considerable consolidation. One important aspect of change was the successful recruitment of our new Chief Executive, Mark Lister. At the end of the year, Mark completed his first six months in the role and he is now very much established and a source of energy and confidence to us all. As a past staff member of CIIR, Mark has an excellent understanding of our values and history. His wealth of management experience gained in other areas of the voluntary sector over the last 20 years is helping to ensure Progressio continues to change and adapt to new circumstances.

At the same time towards the end of the year we have been saying farewell to some very influential and experienced members of staff. Tim Aldred left us in January having been a tower of strength in our advocacy and faith work, and the year saw the impending departure of Osvaldo Vasquez, Head of Programmes, and Steve Kibble, Policy and Advocacy Officer, with his renowned expertise on Africa. These two between them have given us some 50 years of their lives. We are immensely grateful for the time and commitment they have given.

Finding sources of sustainable funding continues to be vital to Progressio's work. Our fundraising infrastructure has been further strengthened over the last year. More grant applications have been submitted to a wider range of donors and in consortium with partner organisations. We are pleased that our strategic investment in fundraising is paying off, even in these financially challenging times, with unrestricted income from sundry receipts, membership and donations amounting to £149,256, a 42% increase on the previous year. We are also pleased to maintain our DFID PPA funding at the same level as last year having continued to demonstrate the importance of strategic flexible funding to the work we do.

Part of the wider fundraising imperative, and in the context of our successful On Purpose partnership looking at new models for our business, was the implementation of new programmes of paid-for work. In a partnership with our sister agency Progressio Ireland and the Irish mission organisation Mísean Cara, two short-term development workers were placed in countries where we do not have a fully-supported programme infrastructure, South Africa and Zambia. Instead, these posts are managed from Zimbabwe. This is a new mode of working and we are pleased that it has gone well. We will continue to develop this in the coming years.

Our overseas programmes continue to operate often under very difficult economic and political circumstances but nevertheless with considerable impact. The independent evaluation of Progressio carried out for DFID in October 2012 highlights the value of our work and the respect in which it is held. The report records "overwhelming evidence that partners, both in Progressio's international policy work and its country-level capacity-building, attach great value to the approach and quality of its partnership." Highlights of our advocacy work have included the raising of issues around international water resources management and around the post-earthquake reconstruction and development work in Haiti.

A very significant and positive part of our funding and programmatic mix was the implementation of the DFID-funded International Citizen Service programme in its first year of full rollout. After a successful pilot, we were delighted to send 198 young adults to Zimbabwe, Malawi, Nicaragua, Honduras and El Salvador. We have made strides towards more fully integrating our development worker programme with our young adult volunteer programme, noting the value-added the latter can bring. Returned ICS volunteers have become an extremely welcome addition to our UK supporter base, providing campaigning voice and fundraising enthusiasm. We look forward to successfully implementing years 2 and 3 of the ICS programme.

Cost control and new ways of organising ourselves led to finishing the year in a healthy surplus. Our London office moved to Stockwell in a deal with our long-term partner CAFOD. We developed enhanced partnerships with Christian Aid to manage our reduced programme in Peru and our joint programme in Hispaniola, and remain grateful to Christian Aid for their vision and support. Finally, we invested in our Harare team to become a sub-regional hub for our southern Africa programmes (including our ICS and development worker programmes in Malawi and our short-term development workers in South Africa and Zambia). This model is one we are watching closely to see if it holds promise for other parts of our programme work.

Progressio has a risk register which includes a range of issues that we monitor, manage and mitigate. A key risk is security in countries, where the ability of development workers to function is greatly reduced when conflict breaks out. In-country staff are key to handling this in terms of monitoring and responding quickly. In Yemen we had to evacuate international staff and with our partners we developed new ways of working until it was safe to bring back international staff. Increased work in coalitions also helps to reduce and manage risks.

We continue to update and clarify our identity as a faith organisation. Mark has initiated and continues to pursue a re-energising of our relationship with the Catholic Church, and we have worked closely this year with DFID on its thinking on issues of faith and development.

The Board thanks all our supporters and donors, large and small, for your contributions which have enabled a year of change and consolidation, and also I believe a time of progress and growth in confidence. It is a year of finding new ways of raising the funding we require, new ways for empowering and sustaining people in development and new ways for raising awareness of the issues of social justice and planetary wholeness that we are passionate about.



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 and young adult volunteers.
- **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 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 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-centred 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.

Over the course of the financial year, Progressio had a total of 117 development workers in our programme countries, directly supporting 35,925 people* through 480 partner organisations.

And more than a million people have indirectly benefited from our work through people we have trained locally and through policy change, nationally and internationally through our UK-based campaigners and the work of our international policy staff.

Progressio's work is focused around three main programme areas together with policy, advocacy and campaigns work to support long-term policy change. In addition we continually strive to improve our organisational effectiveness.

* Includes all interventions across two separate reporting periods. Some people benefiting from an intervention in both periods may be counted twice. We are working to strengthen our monitoring systems in this regard.

1 Participation and effective governance

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. They are also supported in this work by our young adult volunteers under the ICS programme.

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?

Progressio's work building effective civil society participation has directly benefited 19,901 people – people who have been supported, coached or received specialised training within partner organisations and people from communities who participated in training or capacity building workshops. The work across the 13 countries we worked in during 2012/13 is broad and varied and includes, for example, promoting local participative budgeting and support for greater participation of women in decision-making.

Through our work, poor and marginalised people, especially women, gain the power to take a leading role in achieving change

"Most Yemeni women are not willing to work outside the home," says Hanan Omar, head of Half of Society, a Progressio partner organisation in Hodeidah, Yemen. But with training from Progressio development workers, women are starting to speak out against discrimination. Wearing the pink sash which distinguishes them as 'women champions', **they go out into the communities to discuss issues such as violence against women, and promote women's participation in local development.** Salimah Ahmed, from Al Marawa district, says: "Many women in my area are refused participation in all fields of life. But I believe that, as a woman, I can make important contributions to my society." Fatima Fetiny, from Al Hali district, says: "I have a wonderful feeling that I have been trusted and supported by sisters of my district to defend their rights. It is my pleasure to struggle to change people's perceptions." As Hanan Omar says: "We need to change the negative attitudes towards women that they are not only wives, mothers or sisters, but also partners in the development process."

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?

Progressio's work on HIV and AIDS has directly benefited 13,734 people and includes supporting greater awareness of HIV and AIDS and the reduction of stigma.

Women, who make up the majority of people in poverty, are at the heart of our work to strengthen the ability of poor and marginalised people to demand their rights

"We want our rights, we are being cheated." So says Paulina Mpofu, from the rural community of Kenilworth, in Zimbabwe. Despite their key role as breadwinners, farmers, and carers, women in Zimbabwe remain marginalised. As Paulina says, "We do not have a voice." But Progressio is helping women in Zimbabwe find their voice. Paulina is now a respected HIV worker, thanks to training provided with Progressio's support. And in our Action for Better Governance project, with partner organisation the Catholic Commission for Justice and Peace, we're providing advocacy training for women at the grassroots level. Nomai Muleya said: "We used to push the men to be in front of us. But now we go out there and communicate with other people." **Thanks to the training, women are using their voice to bring positive change in their communities.** As Jane Munenge said: "We have seen change, and we urge women to work with other women and men to help develop their society."

3 Towards a sustainable environment

What have we achieved this year?

Progressio's work on sustainable environment has directly benefited 2,290 people. It encompasses a wide range of activities designed to support partners to reduce poverty while ensuring a sustainable environment, such as training farmers to use agro-ecological techniques or supporting integrated water resource management.

We support poor and marginalised people, especially women, to organise themselves so that they can tackle the problems they face

"I want to continue to support other families in the community, and promote food security and nutrition to improve the welfare of the whole community," says Elena Tusen. Elena is a small-scale farmer working with our food security project in the impoverished northern border area of Haiti and the Dominican Republic. The project supports farmers like Elena to grow more and earn more, and to pass on techniques and knowledge to others in their communities. Belcis Leclerc, from the community of Partido, says: **"I'm grateful for all the knowledge on food security, diversification in the family diet and how to produce nutritious crops in our home gardens."** Following training from Progressio development worker Karina Cuba, Belcis and other members of the Mothers' Club of Partido provide nutritional advice and guidance to vulnerable families. Another food security 'promoter', Milagros Gomez, says: "It's so important to continue this work to support rural women's associations, which receive little support and are usually excluded or marginalised."

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, 54% of the blogs on our website are written by or feature 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. For example, our report *Thinking local in Haiti: Civil society perspectives on decentralisation* directly presented to international policy makers the views and opinions of our partners on the ground in Haiti.

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 was 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 aimed to make sure that access to water for poor and marginalised people is on the agenda. With our supporters, we organised a mass photo petition to hand in to UK environment minister Caroline Spelman. We also prepared submissions for the preparatory summit, and briefed and lobbied politicians to make sure the needs of our partners and their communities come first.

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. In 2012/13, 141,000 people visited our website, with monthly visitors regularly breaking the 15,000 visits a month threshold, a significant increase on last year.

Young people play a crucial role in building a more just world and inspiring others to take action. This year we sent 198 young adult volunteers from the UK to work in communities overseas for 10 weeks as part of the International Citizen Service programme. In addition, we placed 117 local young adult volunteers to work alongside the UK volunteers with local organisations in Nicaragua, Honduras, El Salvador, Malawi and Zimbabwe. Partners have rated their satisfaction with the ICS programme at 4.15 out of 5 and 92% of planned activities have been fully or partially completed. Our contract will last until August 2015.

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.

A good example is in our campaigning work. Against a target of 3,409 people, 4,459 people took a campaign action, went to an event, or took a solidarity action. Our campaigning work remains an important way for us to reach new audiences as well as engage our current supporters in our work.

Full financial statements for the year ended 31 March 2013 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 £6,072,832, from £5,157,565 the previous year. The main reason for the increase in income was largely due to phase 2 of our International Citizen Service (ICS) contract for services bringing in £1,481,917. The main unrestricted grant continues to be the DFID Programme Partnership Arrangement (PPA), at £2,025,015.

We received £3.7 million in restricted grants, including £1,482,000 from VSO (for the ICS programme), £394,000 from the EC, £118,000 from the Global Fund, £164,000 from Comic Relief, £110,000 from Ford Foundation, £124,000 from UNOCHA, £73,000 from Irish Aid, £157,000 from Big Lottery Fund and £86,000 from CAFOD.

Legacy income was £193,000. Membership and donations from individuals amount to £149,256, a 42% increase on the previous year.

Overall expenditure for this year was £5,729,111, as against £5,197,957 in 2011/12. 93% of our expenditure was on our charitable objectives, 6% on fundraising and publicity, and 1% on governance. We are delighted to report that activity levels were at required levels to fulfil all our contractual obligations to external funders and we were able to respond to the challenges faced such as working in fragile states. We were also able to meet our development worker targets in our PPA logframe.

We have an overall surplus of £343,721 for the year, made up of an unrestricted surplus of £6,225 and a restricted surplus of £337,496. This is an excellent year-end position, especially given the continuing economic downturn and the challenges of securing new and existing funding commitments. This means we can increase our unrestricted reserves by £6,225, to bring the total amount to 13 weeks of year-end expenditure. Restricted funds have increased in the year by £337,496 due primarily to carrying forward ICS-related income relevant to expenditure in the coming year 2013/14.

Cash flow management

Cash flow has been managed much in line with last year's statement and we did not have any issues during the year. 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.

Donor profile, fundraising and business development

Diversifying Progressio's income sources continues. Fundraising from the public is being systematically developed to reach more people; a new model is being developed for recovering a greater proportion of costs through grant funding; a greater number of applications are being submitted to a wider range of funders; and consortium bids with both other NGOs and with local partners, are all contributing to the longer-term financial stability of both Progressio and Progressio's partners.

Progressio had the benefit of a business development placement obtained through a social enterprise, On Purpose. Our On Purpose Associate continued 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 are being developed in 2013/14. This will focus on looking at our recruitment and development worker models to see if we can attract new funding to support these areas of work.

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.

Progressio strives 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 Leadership 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. 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 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.

Progressio is a medium-sized organisation with (at 31 March 2013) 86 employees, 27 full-time equivalent staff in London and 59 in our country offices. It should be noted that this number includes security staff in countries, who are essential for risk management.

Progressio and our sister agency Progressio Ireland worked closely this year. Although formally independent, the two agencies work together on public fundraising and campaigning. This year we also worked hard with our team in Central America to support the launch of Progressio Latina as a social enterprise (in April 2013). Together the three agencies form an emerging 'Progressio family' of independent organisations with a common vision.

Staff and management

Staff report to the Board of Trustees. Delegated authorities to the staff are in writing and reviewed periodically. A Leadership Team leads the staff. The Leadership Team reports to the Board quarterly and works closely with relevant subcommittees.

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 Leadership Team is made up of the Executive Director, Head of Programmes, Director of Finance and Administration, the Campaigns and Communications Manager 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. They also manage and work closely with the country-based 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 2013 there were 12 members of the Board of Trustees, and a co-opted member (the constitution requires between eight and 14).

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. As well as receiving information about Progressio's work and policies

and the NCVO 'Good Trustee Guide', trustees have a thorough induction process with Board and staff members.

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

During the year the Board recruited two new trustees as part of succession planning and skills renewal. 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. 'Link' trustees have been appointed, and both programmes and fundraising have their own link trustee to work as an interface with the Board, getting more detail and information on their area than is normally possible in a trustee meeting.

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 Leadership 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 around 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 2012 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 UK staff at Irish Board meetings, joint planning, joint funding applications and contact between the two Chairs.

Priorities for the coming year

Our partners and the grassroots communities we work with continue to face a sometimes staggering array of challenges, whether acute material shortages, difficult environmental conditions like acute water scarcity, or poor access to HIV and AIDS treatment. Underlying all these challenges they especially raise with us the impact of exclusion and marginalisation from decisions that affect their lives, that are taken locally, nationally and internationally.

Consequently challenging the power structures remains at the heart of our partners' and Progressio's priorities for the coming year. Our top priorities are:

1. To continue to focus on support for poor and marginalised people, especially women, to have a stronger voice and greater control over their own lives and to improve their livelihoods through our three goals of:

- a) Participation and effective governance
- b) Sustainable environment
- c) Effective responses to HIV and AIDS

2. To continue to deliver high quality support through our combination of

- a) skill-sharing from 65-70 Development Workers in place at any one time
- b) international policy and advocacy work

reinforced with our

- c) ICS young adult volunteer teams at community level.

This will be achieved by working in partnerships in-country, and in the UK and Ireland, while ensuring we learn and share lessons from our work to improve impact

3. To secure funding for our current and future work, including strengthening relations with existing and new supporters.

4. Taking forward new ways of working to respond to our partners' needs and to adapt to the changing external environment, including shorter-term development worker partnerships and development of Progressio Latina.

5. To integrate our working more fully for greater impact and effectiveness, including links between Programmes, Policy and ICS, and links with Progressio Ireland, as well as a more integrated communications and people engagement strategy.

PROGRESSIO

the working name of the
Catholic Institute for International Relations

Financial Statements

for the year ended 31 March 2013

**A Company Limited by Guarantee and registered as a charity.
Company registration no. 2002500
Charity registration number 294329
VAT registration number 143958681**

*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 2013 on pages 14 to 22. 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, 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. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 2013 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 requirements 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
18 June 2013

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

PROGRESSIO

BOARD OF TRUSTEES

TRUSTEES

Martin McEnery, Chair
Dennis Sewell, Vice-Chair
Phil King, Treasurer (re-elected September 2012 for 1 year)
Ijeoma Ajibade
John Barker (re-elected September 2012)
Dan Cook
Susana Edjang
Tim Livesey (re-elected September 2012)
Chris Smith (re-elected September 2012)
Kevin Tunnard (elected September 2012)
Andy Waites
Carolyn Williams

Michael Doris (co-opted March 2013)

Jagat Chatrath (resigned June 2012)

SENIOR STAFF

Mark Lister, Chief Executive (from October 2012)
James Collins, Director of Finance and Administration
Osvaldo Vasquez, Head of Programmes
Sarah Sandon, Head of Fundraising
Dan Hale, Campaigns and Communications Manager (from January 2013)

Christine Allen, Executive Director (resigned May 2012)
Tim Aldred, Head of Policy and Communications (resigned January 2013)

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 2013

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2013	Total Funds 2012 £
Incoming Resources					
Incoming Resources from Generated Funds					
Voluntary Income (Programme Funding)					
Grants, donations, earmarked projects and sponsorship	13	-	2,213,161	2,213,161	2,685,030
PPA from Department for International Development	3	2,025,015	-	2,025,015	2,025,015
Legacies		193,469	-	193,469	333,783
Subscriptions and donations from membership		18,391	-	18,391	35,355
Sundry receipts including non-membership donations		130,865	-	130,865	69,462
VSO/ICS Contract for Services		-	1,481,917	1,481,917	-
Activities for Generating Funds					
Sales of publications		392	-	392	440
Investment Income					
Interest received		9,622	-	9,622	8,480
Total Incoming Resources		2,377,754	3,695,078	6,072,832	5,157,565
Resources Expended					
Costs of Generating Funds					
Fundraising and publicity	4	354,354	-	354,354	300,608
Charitable Activities					
Costs of activities in furtherance of the charity's objectives	5,13	1,950,893	3,357,582	5,308,475	4,824,784
Governance costs					
	6	66,282	-	66,282	72,565
Total Resources Expended		2,371,529	3,357,582	5,729,111	5,197,957
Net Incoming / (outgoings) Resources for the year	13	6,225	337,496	343,721	(40,392)
Balance brought forward at 1 April		1,413,889	752,926	2,166,815	2,207,207
Balance Carried Forward at 31 March		1,420,114	1,090,422	2,510,536	2,166,815

The notes on pages 17 to 22 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 2013

		2013		2012	
	Note	£	£	£	£
Fixed assets	9		2,067		4,649
Current assets					
Stocks		1,000		1,000	
Debtors	10	197,961		143,170	
Cash at bank and in hand	11	2,633,037		2,281,563	
		<u>2,831,998</u>		<u>2,425,733</u>	
Creditors falling due within one year					
Other creditors	12	163,548		127,328	
Liability for earmarked projects		28,777		35,869	
Value Added Tax (VAT)		78,834		-	
		<u>271,159</u>		<u>163,197</u>	
Net current assets			<u>2,560,839</u>		<u>2,262,536</u>
Total assets less current liabilities			2,562,906		2,267,185
Creditors falling due after more than one year: provisions			(52,370)		(100,370)
			<u>2,510,536</u>		<u>2,166,815</u>
Income Funds					
Unrestricted charitable funds			1,420,114		1,413,889
Restricted funds	13		1,090,422		752,926
	14		<u>2,510,536</u>		<u>2,166,815</u>

The notes on pages 17 to 22 form part of these Financial Statements.

Approved by the Board of Trustees on 18 June 2013

Martin McEnergy	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 2013

	2013		2012	
	£	£	£	£
Net cash inflow/(outflow) from operating activities		341,852		(67,952)
Returns on investments and servicing of finance				
Interest received	9,622		8,480	
Net cash inflow from returns on investments and servicing of finance		9,622		8,480
Investing activities				
Purchase of fixed assets	-		(3,090)	
Net cash inflow/(outflow) from investing activities		-		(3,090)
Increase/(Decrease) in cash		351,474		(62,562)

Notes to the cash flow statement

	2013		2012	
	£	£	£	£
1. Reconciliation of incoming/(outgoing) resources to net cash inflow from operating activities				
Net incoming/(outgoing) resources for the year	343,721		(40,392)	
Interest received	(9,622)		(8,480)	
Operating surplus/(loss)		334,099		(48,872)
Depreciation charges		2,582		9,176
(Decrease) in provisions		(48,000)		(12,551)
(Increase)/decrease in debtors and stocks		(54,791)		49,934
Increase/(decrease) in creditors		107,962		(65,639)
Net cash inflow/(outflow) from operating activities		341,852		(67,952)

2. Analysis of changes in net funds

	2013	2012	Change in year
	£	£	£
Cash at bank and in hand	(13,290)	(58,679)	45,389
Balances held overseas	195,082	194,997	85
Short term deposits	2,451,245	2,145,245	306,000
	2,633,037	2,281,563	351,474

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 1st 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 14 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 and costs are reflected on a per country basis and amalgamated into the UK accounts.

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 second year (from 2011 to 2014) of our Programme Partnership Arrangement 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

	2013	2012
	£	£
Salaries (UK salaries, social security costs & pensions)	188,425	107,961
Research	742	271
In-country Funding Officers	84,660	71,133
Travel	5,171	5,911
Meetings	128	211
Stationery	260	546
Postage	326	1,126
Design and printing	2,435	2,300
Advertising	774	1,150
Software maintenance	5,172	5,571
Other expenses	421	562
On Purpose Associate	-	12,335
Publicity & Profile	-	14,950
Fundraising initiatives	34,907	27,742
Consultancies	6,979	20,976
Support Costs (see note 7)	23,954	27,863
	<u>354,354</u>	<u>300,608</u>

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

Total direct charitable expenditure of £5,308,475 as shown on page 14, is expended as follows:

	2013 £		2012 £
Programme delivery			
Local allowances and subsistence	121,414		175,348
Training, allowances and materials	86,351		106,090
Vehicles and transport equipment	38,127		40,090
Monitoring and evaluation	50,151		56,020
Observer mission	17,984		15,216
Direct partner support	566,116		723,822
Salaries (UK office, social security costs & pensions)	176,122		158,256
Conferences/workshops/seminars	52,187		71,045
Consultancies and technical assessment	58,121		76,560
Travel	67,124		86,966
Advocacy capacity partner development	32,765		41,261
Publications	20,615		17,764
ICS (UK office, social security costs & pensions)	150,599		61,921
ICS programme	<u>1,189,814</u>		<u>574,093</u>
		2,627,490	2,204,452
Development workers			
Pre-departure grant	10,625		16,487
Travel	230,248		161,834
Advertising	20,442		-
Insurance, social security and medical expenses	82,360		80,324
Training	107,836		92,350
Overseas local costs	790,301		840,596
Accommodation	<u>312,684</u>		<u>253,758</u>
		1,554,496	1,445,349
Programme support			
Recruitment and selection	37,214		38,946
Programme administration	278,004		325,172
Salaries (UK office, social security costs & pensions)	193,041		187,190
Publications	3,411		3,418
Travel	64,121		57,219
Conferences and meetings	12,148		15,217
Consultancies	<u>63,168</u>		<u>34,168</u>
		651,107	661,330
Communications			
Salaries (UK salaries, social security costs & pensions)	97,665		96,846
Freelances	3,613		2,860
Authors fees	200		-
Electronic media	1,434		1,787
Publications	8,513		8,144
Books marketing	324		647
Postage and stationery	2,367		1,128
Projects & campaigns	2,235		2,300
Web development	1,386		956
Media relations	200		-
Other expenses	1,790		967
Travel	<u>7,459</u>		<u>7,925</u>
		127,186	123,560
Support costs (see note 7)	<u>348,196</u>		390,093
		348,196	390,093
		<u>5,308,475</u>	<u>4,824,784</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.

	2013 £	2012 £
External Audit fees	18,756	18,300
Professional fees	2,450	2,341
Meetings	3,377	3,533
Annual General Meeting	1,774	1,951
Restructuring	-	-
Support costs (see note 7)	39,925	46,440
	66,282	72,565

No remuneration was paid to Board of Trustees members for their services. A total of £1,415 was reimbursed to trustees for their general travel expenses.

7. Support Costs

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.

	2013			2012	
	Fundraising activity	Charitable activity	Governance activity	Total Cost	Total Cost
	£	£	£	£	£
UK salaries (salary, social security & pensions)	15,498	216,963	25,829	258,290	261,228
ICS salaries (salary, social security & pensions)	-	12,834	-	12,834	34,308
Office repairs and maintenance	525	7,347	875	8,747	7,344
Depreciation	155	2,169	258	2,582	9,176
Insurance	707	9,909	1,180	11,796	13,753
Travel	811	11,369	1,354	13,534	14,712
Telephone, fax and e-mail	595	8,345	994	9,934	13,510
Postage, printing and stationery	867	12,139	1,445	14,451	17,472
Professional fees	211	2,950	351	3,512	2,004
Rent, rates and heating	1,350	18,893	2,249	22,492	43,716
Training	60	840	100	1,000	1,000
Freelances	-	-	-	-	2,258
Other expenses	235	3,285	391	3,911	3,185
Provision	240	3,360	400	4,000	4,000
Computer consultancies	1,042	14,595	1,738	17,375	20,010
House maintenance & consumables	1,186	16,592	1,975	19,753	4,293
Meetings	-	-	-	-	-
Computer maintenance & development	472	6,606	786	7,864	9,086
Corporate identity	-	-	-	-	3,341
	23,954	348,196	39,925	412,075	464,396

8. Information regarding employees

	2013 £	2012 £
UK employee costs during the year		
Salaries	924,826	777,746
Social security costs	95,081	78,080
Pensions	57,069	51,884
	1,076,976	907,710

Costs for Overseas Personnel are charged directly to Programme costs.

	2013	2012
	Number	Number
Number of persons employed		
UK	27	25
Overseas country representatives	8	8
Local staff employed in country	51	48
	<u>86</u>	<u>81</u>
Development workers employed by projects at 31 March	<u>69</u>	<u>83</u>

No employee earned £60,000 or more in the year

9. Fixed assets

	Office improvements, furniture & equipment	Total
	2013	2013
	£	£
Cost		
At beginning of year	12,636	12,636
Additions	-	-
Disposals	(5,735)	(5,735)
At end of year	<u>6,901</u>	<u>6,901</u>
Depreciation		
At beginning of year	7,987	7,987
Disposals	(5,735)	(5,735)
Charge for year	2,582	2,582
At end of year	<u>4,834</u>	<u>4,834</u>
Net book value at 31 March 2013	<u>2,067</u>	<u>2,067</u>
Net book value at 31 March 2012	<u>4,649</u>	<u>4,649</u>

10. Debtors

	2013	2012
	£	£
Grants receivable 2012/13	192,207	135,170
Pre-payments	4,379	8,000
Other Debtors	1,375	-
	<u>197,961</u>	<u>143,170</u>

11. Cash at bank and in hand

	2013	2012
	£	£
Cash on current accounts and in hand	(13,290)	(58,679)
Balances held overseas	195,082	194,997
Short term deposits	2,451,245	2,145,245
	<u>2,633,037</u>	<u>2,281,563</u>

12. Other creditors: amounts falling due within one year

	2013	2012
	£	£
Other creditors	40,746	32,200
Accruals	122,802	95,128
	<u>163,548</u>	<u>127,328</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 2013 and held on trust to be applied for specific purposes thereafter:

	Brought forward at 31 March 2012 £	Incoming resources 2012/13 £	Grants receivable 2012/13 £	Expended in year 2012/13 £	Carried forward at 31 March 2013 £
European Union	128,545	393,987	160,215	(542,409)	140,338
Catholic Fund for Overseas Development (CAFOD)	115,418	86,110	-	(111,791)	89,737
Comic Relief	138,776	163,729	-	(160,094)	142,411
Big Lottery Fund Malawi and Zimbabwe	-	157,290	-	(91,374)	65,916
Progressio Ireland	53,842	-	-	(53,842)	-
British Embassy Central America	19,925	-	-	(19,925)	-
British Embassy Small Grants Scheme (BESGS)	8,181	165,000	-	(162,548)	10,633
Christian Aid (Peru)	60,990	-	-	(19,655)	41,335
Irish Aid	72,758	73,308	-	(107,947)	38,119
Development and Peace/ Canadian International Development Agency (CIDA)	-	46,897	-	(46,897)	-
Restless Development	-	3,043	-	(3,043)	-
Tearfund	-	1,393	-	(1,393)	-
Digicel	11,985	7,906	-	(19,891)	-
Electric Aid	-	8,290	-	(8,290)	-
Fedomu	-	9,840	-	(9,840)	-
Fundasaun Timor Hari	-	11,332	-	(11,332)	-
Christian Aid	3,179	42,451	-	(36,244)	9,386
The Global Fund to fight AIDS, Tuberculosis and Malaria	-	117,777	23,012	(140,789)	-
Caritas Australia	5,897	-	-	(5,897)	-
Anonymous	-	73,568	-	(35,413)	38,155
International Humanist Institute for Cooperation with Developing Countries (HIVOS)	-	2,507	-	(2,507)	-
Ayuntamiento De Comendador	-	6,513	-	(6,513)	-
Muslim Aid	-	2,793	-	(2,793)	-
International Republican Institute (IRI)	-	32,500	8,980	(41,480)	-
Asia Pacific Network	1,221	2,917	-	(4,138)	-
United Nations Development Programme Art Gold	-	19,842	-	(19,842)	-
Progressio Ireland/FYFESS	6,196	-	-	(6,196)	-
United Nations Population Fund (UNFPA)	-	21,307	-	(20,025)	1,282
United Nations Democracy Fund (UNDEF)	-	36,050	-	(13,591)	22,459
United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA)	-	124,405	-	(102,358)	22,047
Waterloo Foundation	2,600	-	-	(2,600)	-
Unicef	-	2,884	-	(2,884)	-
Ford Foundation	85,732	109,968	-	(97,825)	97,875
Haiti Advocacy Platform for Ireland and the UK (HAPI UK)	2,807	-	-	(2,807)	-
International Citizen Service (ICS) – voluntary contributions/donations	-	164,316	-	(129,931)	34,385
Voluntary Services Overseas (VSO)	14,386	1,481,917	-	(1,223,316)	272,987
Dublin City Council	-	12,192	-	(2,765)	9,427
Somaliland Women Lawyers Association (SWLA)	-	9,647	-	(7,797)	1,850
Naagad	-	46,964	-	-	46,964
The Vodafone Foundation	2,126	2,750	-	(4,876)	-
Others	18,362	61,478	-	(74,724)	5,116
	<u>752,926</u>	<u>3,502,871</u>	<u>192,207</u>	<u>(3,357,582)</u>	<u>1,090,422</u>
		<u>3,502,871</u>	<u>192,207</u>		
Total restricted funding during year			3,695,078		

14. Reserves

Reserves at 31 March were as follows:

	2013	2012
	£	£
Unrestricted charitable funds	1,420,114	1,413,889
Restricted funds	1,090,422	752,926
Total reserves	<u>2,510,536</u>	<u>2,166,815</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 thirteen 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 £57,069 in 2012/13 (£51,884 in 2011/12).

16. Analysis of net assets between funds

	Unrestricted Reserves £	Restricted Reserves £	Total £
Tangible fixed assets	2,067	-	2,067
Current assets	1,741,576	1,090,422	2,831,998
Current liabilities	(271,159)	-	(271,159)
Long term liabilities	(52,370)	-	(52,370)
Net assets at 31st March 2013	<u>1,420,114</u>	<u>1,090,422</u>	<u>2,510,536</u>

17. Financial Commitments

As at 31st March 2013, the charity had no annual commitments under non-cancellable leases or any other financial commitments.

Acknowledgements

Progressio wishes to thank the individuals and organisations that made donations to its work in 2012/2013.

The following agencies and individuals donated more than £1,000 in the year 2012/2013

Asia Pacific Network
Ayuntamiento De Comendador
P J Black
Fr Ray Collier
Daughters of Jesus
Digicel
Diocese of Plymouth
Dublin City Council
Electric Aid
Fedomu
Franciscan Friary
Fundasaun Timor Hari
Prof Mary Grey
Margaret Guye
Ann Harrison
International Humanist Institute for Cooperation
with Developing Countries (HIVOS)
Kulika Charitable Trust
Rt Rev Vincent Malone
Martin McEnery
Muslim Aid
Annette O’Gorman
Restless Development
Sisters of St Joseph of the Apparition
Society of the Sacred Heart
Somaliland Women Lawyers Association (SWLA)
Bishop Taylor
Tearfund
Unicef
Vodafone Foundation
Margaret Williams

The following agencies donated more than £20,000 in the year 2012/2013

Big Lottery Fund
British Embassy Small Grants Scheme
(BESGS)
Catholic Fund for Overseas Development
(CAFOD)
Christian Aid
Comic Relief
Department For International Development
(DFID)
Development and Peace
European Union
The Ford Foundation
The Global Fund to fight AIDS, Tuberculosis
and Malaria
International Citizen Service (ICS) voluntary
contributions
International Republican Institute (IRI)
Irish Aid
Nagaad
United Nations Development Programme ART
GOLD
United Nations Population Fund (UNFPA)
United Nations Democracy Fund (UNDEF)
United Nations Office for the Coordination of
Humanitarian Affairs (UNOCHA)
Voluntary Services Overseas (VSO)

Progressio would also like to thank the agencies and individuals who have donated but who wish to remain anonymous and Appleby and Wood, our auditors, for providing consulting advice as pro bono services to Progressio.

Trustees’ Report

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.