

Misean Cara
Company limited by Guarantee

CONTENTS

COMPANY INFORMATION	I
Misean Cara Member Organisations, 2021	III
2021 DIRECTORS' REPORT	1
Strategic developments, achievements and challenges in 2021	1
Structure, governance and management	2
Networking with other Organisations	5
Safeguarding	6
PRINCIPAL OBJECTIVES AND ACTIVITIES IN 2017-2021 STRATEGY	6
Project funding	6
Overview of project funding by sector	9
Learning and Development	13
FUNDING DIVERSIFICATION	16
COMMUNICATIONS	16
Public profile	16
Communication and engagement with Members	17
FINANCIAL REVIEW 2021	17
Income and Expenditure	17
Reserves Policy	19
Restricted Funds	19
Unrestricted Funds	19
Grants Policy	19
PRIORITIES FOR 2022	20

COMPANY INFORMATION

Board of Directors

Mr. Justin Kilcullen – Chairperson (retired 23 June 2021)
Mr. Kevin Carroll – Chairperson (appointed 23 June 2021)
Fr. Brendan Carr C.S.Sp – Vice-Chairperson (retired 23 June 2021)
Sr. Josephine McCarthy PVBM – Vice-Chairperson (appointed 23 June 2021)
Sr. Elizabeth Fletcher RSM (retired 23 June 2021)
Mr. Colin Wrafter – (resigned 15 December 2021)
Fr. David Kenneally SSC – (resigned 12 May 2021)
Mr. Larry O’Loughlin
Dr. Pauline Faughnan
Ms. Marie Mulvey
Mr. Charlie Lamson
Judge. Patrick McMahon – (appointed 22 September 2021)
Fr. Seamus O’Neill, SPS – (appointed 23 June 2021)
Ms. Sandra Neville – (appointed 23 June 2021)
Sr. Franca Onyibor, MHSR - (appointed 23 June 2021)
Dr. Lancelot O’Brien (appointed 15 December 2021)

Chief Executive Officer

Mr John Moffett

Company Secretary

L&P Trustee Services, 75 St. Stephen's Green, Dublin 2.

Registered Office

563 South Circular Road, Kilmainham, Dublin 8, D08 EP8E.

Auditors

Russell Brennan Keane, Park View House, Beech Hill Office Campus, Beech Hill Road, Clonskeagh, Dublin 4.

Bankers

Bank of Ireland, Terenure, Dublin 6.

Solicitors

Board Committees

Financial Oversight, Risk & Audit Committee

Mr. Kevin Carroll – Chairperson (resigned 14 July 2021)
Fr. Seamus O’Neill, SPS – Chairperson (appointed 14 July 2021)
Mr. Charlie Lansom – Vice Chairperson (appointed 14 July 2021)
Mr. Donal Murray
Mr. John Gavigan
Mr. Paolo Camisassa (appointed 12 May 2021)
Ms. Vanessa Duffy (appointed 12 May 2021)
Fr. Gerry O'Connor C.Ss.R (retired 12 May 2021)
Fr. David Kenneally SSC (resigned 12 May 2021)

Governance Committee

Judge Patrick McMahon (appointed 22 September 2021 – Chairperson 15 December 2021)
Mr. Colin Wrafter – Chairperson – resigned 15 December 2021)
Mr. Kevin Carroll (appointed 14 July 2021)
Prof. Gerry Whyte
Ms. Marie Mulvey
Sr. Josephine McCarthy PVBM
Mr. Justin Kilcullen (retired 23 June 2021)
Sr. Elizabeth Fletcher RSM (retired 23 June 2021)
Mr. Ciaran Connolly (retired 4 February 2021)

Programmes Oversight Committee

Dr. Pauline Faughnan – Chairperson (appointed 15 December 2021)
Mr. Larry O’Loughlin (resigned as Chairperson 15 December 2021)
Dr. Lancelot O’Brien
Ms. Helen Breen
Sr. Maura Clerkin SSL
Ms. Sulagna Mitra
Ms. Pauline Conway (retired 28 April 2021)

Charity Registration Number

20055325

Charitable Tax Exemption Number

CHY15772

Company Registration Number

381117

Byrne Wallace, 88 Harcourt St, Saint Kevin's,
Dublin 2.

MISEAN CARA MEMBER ORGANISATIONS, 2021

Augustinian Fathers	Missionary Sisters of the Assumption
Capuchin Order	Missionary Sisters of the Holy Rosary
Carmelites (OCD)	Missionary Sisters Servants of the Holy Spirit
Church Mission Society Ireland	Missionary Society of Saint Columban (Columban Fathers)
Cistercians	Notre Dame des Missions
Comboni Missionaries of The Sacred Heart of Jesus	Order of Carmelites
Congregation of the Holy Spirit (Spiritans)	Order of Saint Camillus
Congregation of the Passion	Pallottine Fathers
Congregation of the Most Holy Redeemer (Redemptorists)	Patrician Brothers
Congregation of the Sisters of Mercy	Poor Servants of the Mother of God
Daughters of Charity of Saint Vincent de Paul	Presbyterian Church in Ireland
Daughters of Mary and Joseph	Presentation Brothers
Daughters of Our Lady of the Sacred Heart	Presentation Sisters of the Blessed Virgin Mary
Daughters of the Holy Spirit	Religious of Jesus and Mary
De La Salle Brothers	Religious of the Sacred Heart of Mary
Dominican Fathers	Religious Sisters of Charity (RSC)
Edmund Rice Development	Rosminian Fathers
Faithful Companions of Jesus	Saint John of God Sisters
Franciscan Brothers	Saint Patrick's Missionary Society
Franciscan Missionaries of Mary	Salesians of Don Bosco Ireland
Franciscan Missionaries of Saint Joseph	Salesian Sisters
Franciscan Missionaries of the Divine Motherhood	Servites
Franciscan Missionary Sisters for Africa	Sisters of Bon Secours of Paris
Franciscan Missionary Union	Sisters of Charity of Our Lady of the Incarnate Word
Franciscan Sisters of the Immaculate Conception	Sisters of Nazareth
Good Shepherd Sisters	Sisters of Our Lady of Sion
Holy Faith Sisters	Sisters of Our Lady of the Apostles
Holy Family Sisters of Bordeaux	Sisters of Saint Clare
Hospitaller Order of Saint John of God	Sisters of Saint Joseph of Annecy
Institute of the Blessed Virgin Mary (Loreto)	Sisters of Saint Joseph of Chambery
Irish Jesuits International	Sisters of Saint Joseph of Cluny
Irish Ursuline Union	Sisters of Saint Louis
La Sainte Union	Sisters of the Cross and Passion
Little Company of Mary	Sisters of the Holy Cross
Little Sisters of the Assumption	Sisters of the Infant Jesus
Marie Auxiliatrice Sisters	Sisters of the Sacred Hearts of Jesus and Mary (Chigwell)
Marist Brothers	Society of African Missions
Marist Fathers	Society of the Divine Saviour
Marist Sisters	Society of the Divine Word
Medical Missionaries of Mary	Society of the Sacred Heart
Mill Hill Missionaries	The Congregation of Dominican Sisters
Missionaries of Africa	The Congregation of the Mission (Vincentian Fathers)
Missionaries of the Sacred Heart	Viatores Christi
Missionary Oblates of Mary Immaculate	
Missionary Sisters of Saint Columban (International)	

2021 DIRECTORS' REPORT

The Directors of Misesan Cara present their annual report and audited financial statements for the period 1 January to 31 December 2021.

Strategic developments, achievements and challenges in 2021

1. Overview

Misesan Cara's work throughout 2021 continued to be impacted by the COVID-19 pandemic due to ongoing restrictions on international travel and national curfews and lockdowns. Yet, members contributed to positive and lasting change in the lives of just under 1.9 million people in the Global South, implementing 361 projects with Misesan Cara funding of €14,426,082 across 51 countries. The following were the most significant developments during the year.

2. COVID-19 Pandemic

In the second year of the pandemic, Misesan Cara continued to provide remote support to project teams, fully implementing the distance monitoring approach developed in 2020. Additionally, frontline staff received specific training on infection, prevention and control measures, provided by US-based Americares. A co-design approach to streamline COVID-19 interventions and learn from international best practice was developed and rolled out.

3. Strategy 2022-2026

Misesan Cara started preparing its new strategy in the second half of 2021. In the period 2022-2026, support will continue to the key sectors of education, health, livelihoods and human rights, with an enhanced focus on the climate crisis and the specific challenges faced by disadvantaged groups such as women and girls. There will also be an emphasis on capacity development in support of localisation. Funding diversification will continue to be a priority in the new plan, as well as revised workflows to ensure effective and efficient project funding and oversight by Misesan Cara.

4. Governance and Policies

An evaluation of the effectiveness of Misesan Cara's Board was facilitated by Boardmatch in November 2021. The review suggested overall satisfaction with the operations of the Board (89%), and provided a number of recommendations which have been accepted. These included further streamlining board papers, reviewing policies on succession and diversity, and providing training for new members on understanding finance reports to the Board.

Throughout 2021, 16 policy or guidance documents were presented to the Board for first-time approval or review, including new policies on gender equality and disability inclusion. An updated Finance Manual was also approved. Policies that are reviewed annually include safeguarding, safety & security, the governance manual, the organisational risk register and the risk policy.

5. Innovation Fund

Building on the positive findings of the first innovation projects, implemented in 2019-2020, the 2021 Innovation Fund renewed its focus on climate action and girls' education. Across both themes, 27 projects worth €390,604 were approved. The Innovation Fund was reviewed by an external consultant, who found it to be a very positive initiative, and worth continuing.

6. Evaluations

Two external evaluations were conducted, one on the effectiveness of projects targeting women's empowerment in agricultural settings and one the impact of projects supporting girls' education. Both evaluations concluded that projects supported by Misean Cara create lasting, positive change in the lives of participants and the wider communities.

7. Research

The 2020 research into how the Missionary Approach enables reaching those furthest behind was widely disseminated in 2021, including through a public learning event and participation in conferences. Misean Cara published an additional four Learning Briefs and one Policy Brief. A paper on how Misean Cara members contribute to achieving SDG 4 (Quality Education) was approved for publication in the peer-reviewed journal *Environmental Science Proceedings*.

8. Diversification of funding

In 2021, Misean Cara continued to diversify its funding streams. Under different funding agreements with trusts, foundations, and philanthropies, as well as through private donations, Misean Cara raised €319,520 in addition to €15.5m in funding received from Irish Aid.

The newly established Fundraising Advisory Group supports Misean Cara in further strengthening fundraising efforts. Following a recommendation from the Boardmatch review, this group will become a sub-committee of the Board in 2022. In late 2021, members were informed of a new Membership Contribution Scheme to commence in early 2022. See *Funding Diversification*, page 16 for more information.

Structure, governance and management

1. Constitution and objects

Misean Cara is a company limited by guarantee not having a share capital. It is a registered charity, the object of which is to provide for the relief of poverty and the advancement of education by the accessing, securing and administering of funds for poverty relief development projects and the training of personnel to carry out such projects to high standards in accordance with good development practice.

2. Structure and purpose

Missionaries from Ireland, both religious and lay, have a long and inspiring tradition of working in developing countries. Misean Cara was set up in 2004 to distribute public funding in support of their work amongst the poor and the marginalised. It is a membership organisation consisting of 88 missionary congregations and lay missionary volunteer-sending organisations. It is governed by an eleven-person Board of Directors. The Directors who held office during 2021 are listed on Page I of this report. The list of Misean Cara member organisations in 2021 is set out on Page III of this report.

3. The Board of Directors

Membership of the Board of Directors is open to individuals who have the requisite competencies, including:

- An appropriate range of skills, experience and expertise in the governance of corporate entities;
- A good understanding of, and competence to deal with, current and emerging issues relating to Misean Cara's vision and mission; and

- An ability to effectively conduct oversight of the performance of Misesan Cara’s management, and to exercise independent judgement.

Directors are also required

- To be independent of management;
- To be free of any significant business or other relationship that could be detrimental to the exercise of their duties at Misesan Cara, i.e., to act personally and not as the representative of any group or organisation.

Directors are elected by the membership at the Annual General Meeting for a term of three years. To be eligible for election, a candidate must be nominated by a member organisation, indicate their willingness to serve and outline the skills and experience they would bring to the Board. The nomination and election procedure is set out in the organisation’s Constitution. The CEO is not a Board member.

In the event of a Director retiring before the expiry of their tenure, a substitute can be co-opted by the Board in accordance with the Constitution who will then be eligible for election at the next AGM.

Directors may serve up to two consecutive three-year terms. The Board Chairperson and Vice-Chairperson may serve no more than two consecutive two year terms in those positions.

Board renewal is based on skills, experience, knowledge and independence, supported by the recommendations of the Governance sub-committee.

The role of the Board of Directors is to set the organisation’s strategic aims, to ensure that the necessary financial and human resources are in place, and to conduct oversight of management performance. It does this within a framework of prudent and effective controls which enables risk to be assessed and managed. The Board of Directors met on six occasions during 2021, with the attendance of individual Directors as shown below.

Director	Number of Board Meetings		Notes
	Eligible to attend	Attended	
Mr. Justin Kilcullen, Chairperson	2	2	Retired 23 June 2021
Fr. Brendan Carr, C.S.Sp, Vice-Chairperson	2	2	Retired 23 June 2021
Sr. Elizabeth Fletcher, RSM	2	2	Retired 23 June 2021
Dr. Pauline Faughnan	7	7	
Mr. Colin Wrafter	7	7	Resigned 15 December 2021
Mr. Larry O’Loughlin	7	7	
Sr. Josephine McCarthy PBVM, Vice-Chairperson	7	6	Appointed 23 June 2021
Mr. Kevin Carroll, Chairperson	7	7	Appointed 23 June 2021
Fr. David Kenneally SSC	1	1	Retired 12 May 2021
Ms. Marie Mulvey	7	6	
Mr. Charlie Lamson	7	6	
Fr. Seamus O’Neill	5	5	Appointed 23 June 2021
Sr. Franca Onyibor	5	4	Appointed 23 June 2021
Ms. Sandra Neville	5	5	Appointed 23 June 2021
Mr. Patrick McMahon	3	2	Appointed 22 September 2021
Dr. Lancelot O’Brien	0	0	Appointed 15 December 2021

Table 1: Directors’ Board meeting attendance 2021

The Board has delegated some of its specific functions to standing committees which undertake detailed oversight in accordance with agreed terms of reference set out in the Governance Manual. At 31 December 2021, there were three sub-committees of the Board:

- **The Financial Oversight, Risk & Audit Committee** is responsible for monitoring and assessing Misesan Cara's financial position. It assists the Board in verification of expenditure, that funds are utilised and audited according to approved procedures, that financial risk is minimised, that investments are carefully managed and that a complete and accurate record is kept of financial transactions. The committee comprises two Directors and four external experts in finance. The committee meets at least four times per annum but may meet more often if an issue of importance arises upon which the Board requires advice. The Committee met five times during 2021. The Committee oversaw the continuation of the rolling internal audit process with RSM Ireland. Strategic Implementation was the review area in 2021 with the outcome being one of reasonable assurance which was an acceptable result. The Financial Controller presents updates at every meeting and the Finance Officer acts as secretary to the committee.
- **The Governance Committee** is responsible for overseeing that Misesan Cara has sufficient resources and the correct skills and expertise in place to achieve its strategic objectives and mission, as well as risk management, including reviewing the governance arrangements of the organisation, the nominations process for Directors, and for providing the Board with advice on matters related to human resources. The committee comprises four Directors, two of whom are from member organisations, and two external experts in governance and HR. The Committee met on four occasions in 2021. The Company Secretary acts as secretary to the committee.
- **The Programmes Oversight Committee** reviews and provides advice on all matters relating to the programme of funding and other support to members including the funding schemes, capacity development, research, monitoring and evaluation. It comprises three Directors and five external individuals with relevant expertise. The committee met three times during 2021. The Project Funding Manager acts as secretary to the committee.

Each of these committees reports regularly on its delegated activities to meetings of the Board of Directors. This structure provides for effective oversight and increased efficiency at Board level. The inclusion of external individuals with specifically relevant skills and expertise on each of these committees ensures that quality advice and guidance are available to the Board for prudent decision making.

4. Policies for inducting and training new board members

In line with the Governance Manual, Directors are appointed pursuant to formal letters of appointment detailing key terms and conditions and are required to sign a statement of acceptance of these. On appointment, Directors receive the necessary induction, training and ongoing support required to discharge their duties and exercise their responsibilities to maximum effectiveness, facilitated by the Company Secretary.

5. Decision-making and management

The Directors have approved a detailed Governance Manual that sets out the division of responsibilities between the Board and management, and is aligned with the Governance Code for the Community, Voluntary and Charitable Sector. The Directors have appointed the Chief Executive Officer and have delegated operational decision making powers to the CEO and the management team. The CEO provides a management report to the Directors at each meeting of the Board, setting out progress on the achievement of strategic objectives.

6. Directors' responsibilities in relation to the financial statements

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable law, the Statement of Recommended Practice (FRS102) for charities and the Companies Act 2014. Company law requires the Directors 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 surplus or deficit of the company for that period.

The Directors are responsible for keeping proper books of account that disclose with reasonable accuracy at any time the financial position of the company. They are also responsible for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

7. Compliance with Best Practice Guidelines

Misean Cara adheres to the Charities Governance Code from the Charities Regulatory Authority and follows the relevant guidelines for the management of conflicts of interest. The organisation is fully committed to honouring the standards contained within the Charities Institute of Ireland's Fundraising Codes of Good Practice and is also covered by their Triple Lock Standard.

Company secretarial services are provided by L&P Trustee Services who were re-appointed following a tender process in 2021. Their contract will run until July 2024.

8. Risk Management

The organisational risk register was updated in September 2021, using a Red/Amber/Green rating to rate risk. Risks having a Red rating in the latest register relate to:

- the loss, reduction or delay in receipt of Irish Aid funding;
- fraud and misappropriation of funds;
- failure in compliance around safeguarding;
- catastrophic event leading to major disruption in operations

Mitigation plans are in place for all risks.

9. Human Resources

Turnover in 2021 was 20% (4 leavers), which is on a par with the previous two years (20% in 2020 and 18.6% in 2019). One of these leavers was a planned retirement; the vacated roles were filled through recruitment. The absenteeism rate from sick leave in 2021 was 3.2%; higher than in the previous year (1.4% in 2020). This was due in part to COVID-19 related sickness.

In line with government guidance, staff continued to work remotely during 2021. Misean Cara remained focused on supporting employee wellbeing, as well as promoting an Employee Assistance Programme.

Networking with other Organisations

Misean Cara is a member of a number of organisations and networks including:

- Development Studies Association, Ireland (DSAI)
- Dóchas
- Irish Forum for Global Health
- Irish Forum for Global Education
- Irish Forum for International Agricultural Development (IFIAD)
- The Institute for Managers of Community and Voluntary Organisations in Ireland
- The Institute of Directors in Ireland
- The Wheel

- Coalition 2030
- The Irish Refugee & Migrant Coalition
- The Irish Charities Tax Reform Group
- Charities Institute Ireland

Membership of these networks gives Misesan Cara access to accurate and timely information with regard to operational activities, as well as allowing it to share and network with like-minded stakeholders, and contribute to wider national and international development initiatives from a position of recognised expertise and experience. Misesan Cara is a signatory to codes of good practice including the Dóchas Safeguarding Code, the Dóchas Code of Conduct on Images and Messages, the Charities Governance Code and the Irish Charities Tax Reform Group Guiding Principles for Fundraising.

Safeguarding

The organisational safeguarding policy and procedures were reviewed and updated in line with current legislation, the Dóchas Safeguarding Code, and international best practice. Since 2021, members are required to submit a safeguarding report with all annual project reports. Extensive engagement with members around incident reporting included the development of an incident reporting template and a webinar on the importance of incident reporting. In connection with a new organisational policy on the subject, training was held on the prevention of sexual exploitation, abuse and harassment (PSEAH).

A Critical Action Report (CAR) is included in all CEO reports to the Board which includes any safeguarding issues that arise.

In 2021, Misesan Cara received and managed three safeguarding reports from three members. Two of these reports were not in connection with a Misesan Cara funded project but were reported on by members for full transparency. The one direct incident report was managed appropriately by the member and was closed to Misesan Cara's satisfaction in May 2021. At year end there were no open incident reports.

PRINCIPAL OBJECTIVES AND ACTIVITIES IN 2017-2021 STRATEGY

Project funding

Misesan Cara supports its 88 members in their humanitarian and development work by raising, administering and distributing funds, as well as increasing members' capacity to deliver high quality projects. In 2021, the organisation supported members' work in over 50 countries in the global south to the benefit of nearly 1.9 million people.

Funding is provided to projects in five priority sectors established as strategic goals for the period 2017-2021, and confirmed by the Directors as operational goals for 2021:

- Goal 1: Uphold the right to quality education
- Goal 2: Uphold the right to better health, clean water and sanitation
- Goal 3: Uphold the right to sustainable livelihoods
- Goal 4: Uphold and advocate for human rights
- Goal 5: Enhance and promote the missionary approach to development.

In addition, funding is made available for humanitarian and emergency response initiatives and for the Innovation Fund, which supports innovative approaches to selected thematic areas. The two topics of the 2021 Innovation Fund were girls' education and climate action.

In 2021, Misesan Cara operated six funding schemes to address the five Strategic Goals:

- **Large grants:** to fund single-year projects up to €90,000; and multi-annual projects (2-3 years) up to €115,000/year.
- **Medium grants:** to fund projects of 1 to 3 years, with up to €25,000/year.
- **Small grants:** to fund single-year projects with under €10,000.
- **Members' Capacity Development (MCD) grants:** to support capacity development within member organizations with up to €30,000/year for a duration of 1 to 3 years.
- **Emergency and humanitarian response grants (including responses to COVID-19):** to support sudden-onset interventions with up to €15,000 over a usual duration of 3 months.
- **Innovation Fund:** to fund single-year projects up to €15,000.

Project grants under the Small, Medium and Large schemes are allocated to the four thematic sectors identified in Goals 1-4. The MCD scheme relates primarily to Goal 5. Emergency/humanitarian grants may relate to any sector, while the Innovation Fund has a different topic or topics every year.

Project proposals are submitted by members and, within its budget constraints, Misesan Cara provides funding to those that meet the required criteria. The allocation of funding in any year is determined partly by existing commitments to multi-annual projects approved in previous years, and partly by new project approvals for the year in question. A portion of the annual budget is set aside each year for small grants, MCD, Innovation Fund and emergency/humanitarian grants.

The 2021 allocation of funds across thematic sectors is shown in Table 2 below. While members are required to provide co-funding of at least 25% for their projects, this is not a requirement for emergency/humanitarian projects or the Innovation Fund.

Project funding in 2021 (€)

Sector	No. of Projects	Misesan Cara funding	Co-funding sourced by members	Total project funding
Education	111	5,137,485	6,645,247	11,496,258
Health	74	2,968,169	3,869,869	6,620,996
Sustainable Livelihoods	69	2,631,307	2,065,085	4,696,392
Human Rights	44	2,653,144	1,891,215	4,474,359
Humanitarian response	37	506,556	129,426	635,982
MCD	26	529,421	557,547	1,086,968
Total	361	14,426,082	15,158,389	29,010,955
%		49.7%	52.3%	100%
Out of the above: Innovation Fund	27	390,604	126,052	516,656

Table 2: Overview of project funding in 2021

(Source: MissionLinks & Member financial reports for Co-Funding)

Table 3 below shows the breakdown of this funding by sub-sector.

Sub-sector	€	€
Education		
Early Childhood Care and Education (ECCE)	445,895	
Non-Formal/ Alternative Education	1,353,618	
Primary Education	1,196,993	
Secondary Education	1,170,956	
Technical, Vocational Education and Training (TVET)	970,023	
Sub-total		5,137,485
Health		
Communicable Diseases	1,571,571	
Maternal and Child Health	639,803	
Non-Communicable Diseases	495,019	
Water, Sanitation and Hygiene	261,776	
Sub-total		2,968,169
Sustainable Livelihoods		
Natural Resource Manage and Conservation	80,234	
Savings, Loans and Microfinance	165,560	
Small and medium scale enterprises and cooperatives	594,191	
Sustainable Agriculture	1,791,322	
Sub-total		2,631,307
Human Rights		
Children's Rights	1,499,912	
Governance, civil society and peacebuilding	446,391	
Human Trafficking	44,000	
Natural Resources, including land rights	137,500	
Women's Rights	525,341	
Sub-total		2,653,144
Member Capacity Development (MCD)		
Human Resource Skills Development	219,177	
Institutional Change and Systems Development	161,558	
Organisational Strengthening	148,686	
Sub-total		529,421
Emergencies/Humanitarian response		
Sudden-Onset Emergencies	506,556	
Sub-total		506,556
GRAND TOTAL		14,426,082
<i>Includes Innovation funding of €390,604</i>		

Table 3: Allocation of 2021 funding by sector and sub-sector (Source: MissionLinks)

Overview of project funding by sector

1. Education

Overview

After two years of the COVID-19 pandemic, many schools still remain closed for millions of learners. It is feared that in addition to the 258 out-of-school children worldwide, another 10 to 16 million students will never return to education, moving the targets of SDG 4 far out of reach. Even though most countries found opportunities to offer remote education to mitigate the effects of school closures, the quality and reach of these remote opportunities varied greatly and could only partially substitute for classroom-based learning.

The world was experiencing a learning crisis even before the pandemic hit, with an estimated 53% of all ten-year-old children in low- and middle-income countries being unable to read and understand a simple age-appropriate text¹. The education systems in one quarter of the world's countries are at extreme or high risk of collapsing. Factors such as climate change, displacement, attacks on schools, and lack of digital connectivity are jeopardising access to education for hundreds of millions of children.

Allocation of 2021 funds

In 2021, a total of over €5.1m was allocated to 111 education projects implemented by 38 members in 35 countries, targeting 259,690 children and adults. Misesan Cara members delivered education across all levels from pre-primary through primary and secondary, catering also for vocational, alternative and non-formal education, as well as pre-service and in-service teacher training.

Example

The De La Salle Brothers and the Sisters of Saint Joseph of Cluny jointly run the San Isidro Labrador School in the sparsely populated Chaco region of Paraguay. The school is the only opportunity for many of the children of local farmers to access education. Due to its very remote location, this boarding school is not only an education facility, but also a home to students, teachers and support staff for most of the year. After the teachers' on-site housing was badly damaged through recent flooding, funding from Misesan Cara helped refurbish four buildings on the school grounds. In addition, a capacity building initiative was carried out for all staff, increasing their skills in innovative pedagogy and school administration, and enhancing their knowledge of children's rights and the safeguarding of vulnerable people.

2. Health

Overview

The COVID-19 pandemic has had detrimental effects on global health, particularly in relation to infectious disease control, primary healthcare and maternal and infant health. The second year of the pandemic challenged healthcare systems worldwide and brought some already weakened systems to collapse.

With Misesan Cara funding, project teams in countries like Ghana, Ecuador and the Lebanon helped strengthen these systems to keep them operational. Members also supported national efforts to combat the pandemic by establishing isolation and quarantine centres, contributing to vaccination rollouts, and refuting dangerous misinformation. Being aware of the numerous

¹ <https://documents.worldbank.org/en/publication/documents-reports/documentdetail/184161638768635066/executive-summary>

challenges to global health in addition to COVID-19, project teams worldwide also continued to provide basic services, including health screenings, maternal and infant care, and maintaining a strong uptake of antiretroviral treatments.

Allocation of 2021 funds

In 2021, a total of over €2.96m was allocated to 74 health projects implemented by 32 members in 15 countries, targeting 1,120,725 people. While the COVID-19 pandemic continued to demand significant attention and resources, project teams also addressed other key concerns, including cancer, diabetes, heart disease, mental health (especially of frontline workers), preventable maternal and child deaths and gender-based violence.

Recognising the additional challenges healthcare professionals worldwide are facing due to the COVID-19 pandemic, US-based Americares offered three training sessions to frontline staff worldwide, upskilling them in infection, prevention and control measures, and providing crucial information when COVID-19 vaccines first became available. Additionally, Misan Cara worked with MDOs and frontline staff to co-design a targeted COVID-19 response, providing guidance on project design, and facilitating the sharing of best practice while streamlining responses with national efforts and reporting.

Example

Through their HIV & AIDS Health Project, the Marist Fathers started working with Burmese migrants in Thailand in 2007. Ranong, where the project is located, is the second largest Burmese community in Thailand, and has an HIV+rate of 17%. With Misan Cara funding, the project team provided community-based support to people living with HIV & AIDS, health education to the wider migrant community, and training pathways for health workers. Through these interventions, the team strengthened the self-esteem of participants and empowered them to live an independent life.

3. Livelihoods and Income Generation

Overview

Even though the adverse effects of the pandemic on people's livelihoods were still felt in 2021, the climate crisis moved to the centre of global attention. Throughout the year, high-level international conferences and summits discussed strategies to mitigate the impact of climate change on areas such as biodiversity, food and income security, and inequality.

Allocation of 2021 funds

In 2021, a total of over €2.63m was allocated to 69 sustainable livelihoods projects implemented by 30 members in 15 countries, targeting 105,702 people. Misan Cara members around the world particularly focussed on supporting people's income security and access to decent work opportunities by providing skills training and establishing savings and internal lending communities. Projects also improved food security, nutrition and an affordable healthy diet for all by creating equitable, net-zero and nature-positive food systems, while preserving and improving their environment.

Misan Cara's Climate Action Award in 2021 recognised Lucien Diarra (Burkina Faso) and Fr. Tim Galvin (South Sudan) for their leadership in championing climate action, as well as the work of the Salesian Missions of Ireland/Don Bosco Aid, who used grassroots community-based surveys in India, Nepal, the Philippines, Mexico, Haiti, Kenya and Senegal to gather data on the efficacy of the Convention on Biological Diversity's Action Agenda..

Example

The Columban Fathers in Peru worked towards strengthening local communities' sustainable environmental practices to face the effects of climate change by recovering unproductive land and installing micro-gardens for the cultivation of vegetables, aromatic and medicinal plants to improve and diversify diets, while also training community members in urban agriculture. The project team provided an alternative solution to the increased food insecurity in the country due to the COVID-19 pandemic, enabling marginalised families to grow their own quality food.

4. Human Rights

Overview

The impact of the COVID-19 pandemic continued to be felt by human rights activists throughout 2021, with some governments using it as a pretext to restrict personal freedoms and public speech. The pandemic had particularly severe negative effects on the rights of those already furthest behind, including migrants and forcibly displaced persons, women, ethnic minorities, people whose education has been disrupted and people with disabilities.

Allocation of 2021 funds

In 2021, a total of over €2.65m was allocated to 44 human rights projects implemented by 23 members in 28 countries, targeting 311,412 people. Misesan Cara members around the world supported human rights defenders of all backgrounds and ages to stand up for their rights and to strengthen civil society space and meaningful involvement in development and human rights processes. This includes their work within the UN system, particularly at the Human Rights Council, where project teams advocated in support of a resolution recognising the right to a clean, healthy and sustainable environment.

Example

The Salesians of Don Bosco in India brought together municipalities, business forums, children's groups and other civil society actors to create a child-friendly city concept. In Vadodara, the project worked with the District Child Protection Office to roll out child rights campaign on buses and rickshaws, established child-friendly spaces in city police stations, and promoted girls' education. It also set up street schools in two locations to reach lower-income children unable to access digital education when schools shut down. In Salem, the project promoted self-defence martial arts as an alternative to gambling and anti-social activities, and raised awareness of child labour through drama. Working with the State Legal Services Authority in Chandigarh, the project organised a sensitisation campaign against substance abuse, highlighting its dangers to children, and carried out rallies and a petition in market areas against Child Labour.

5. Emergency and Humanitarian Response

Overview

In 2021, the health and non-health effects of the pandemic merged with other shocks, leading to the highest ever number of people requiring humanitarian assistance – over 235 million according to OCHA². Misesan Cara members responded to numerous crises, including violent conflicts, hunger, and the effects of climate change.

² United Nations Office for the Coordination of Humanitarian Affairs (OCHA); <https://2021.gho.unocha.org/>

Allocation of 2021 funds

In 2021, over €0.5m was allocated to 37 emergency and humanitarian projects implemented by 18 members in 16 countries, with a target population of 97,655 people. Members provided emergency relief following floods and storms in Mozambique, the Philippines, India, South Sudan and Kenya, and the devastating earthquake in Haiti. They also responded to the immediate needs of the local population due to political instability in Myanmar, the needs of internally displaced persons in India, Ethiopia and South Sudan, as well as the humanitarian crisis in Gaza following the escalation of hostilities between Israel and Palestine in May 2021.

Example

Syria remains one of the world's most complex humanitarian emergencies. The Marist Brothers have been supporting displaced and marginalised families in Aleppo since conflict broke out in 2012. After a decade of war and western sanctions, the economic situation was already dire for most people when the COVID-19 pandemic caused food prices to rise 20-fold. In 2021, 13.4 million people in Syria were in need of humanitarian assistance. With Misesan Cara emergency funding, the religious brothers and lay Marists have been supporting 4,800 people with food baskets, providing 1,000 families with much needed support to maintain a balanced diet.

6. Member Capacity Development (MCD)

Overview

Misesan Cara's support to missionaries in the delivery of effective development work includes capacity development initiatives that strengthen the capabilities of the organisations and people who deliver the development work, as well as the systems and structures within which they work. Strengthening the capacity of non-state actors, including faith-based organisations, is in line with renewed calls from the UN and donor communities to address priorities including sustainable financing and localisation

Allocation of 2021 funds

In 2021, Misesan Cara allocated €529,421 to support 21 members in the implementation of 26 capacity development projects. MCD funding supports capacity development at all levels, including the upskilling of individual project staff, for example in project-cycle management, financial best practice, or child safeguarding, as well as improvements at the project or organisational level. With Misesan Cara funding, project teams continued strengthening their approaches, procedures and systems to address changes and developments in the environment they work in.

Example

The Society of the Divine Saviour accessed MCD funding to develop and implement a unified financial management system across all Salvatorian Missions worldwide. Recognising that their global reach had outgrown their operational structure, and to increase the effectiveness and sustainability of their interventions, the Salvatorian central office in Rome introduced a single accounting software system for all projects. With Misesan Cara funding, local finance officers and treasurers are trained in the use of the software and receive remote support in its rollout at the project level.

7. Innovation Fund

Overview

The Innovation Fund provides members and project teams with the opportunity to share innovative practices or to replicate and adapt other members' successful approaches. Acknowledging the strong achievements of the first Innovation Fund in 2019, the themes of girls' education and climate action were chosen again in 2021, to further enhance cross-organisational learning and to build on the strengths of members. An external review of the Fund, as well as learning from the previous three years, informed changes to the Fund and the overall engagement with members for 2022 onwards. This includes a renaming of the fund to Innovation and Learning Fund, and an enhanced focus on adopting a co-design approach with members.

Allocation of funding to the 2021 Innovation Fund

In 2021, Misesan Cara approved 27 proposals, submitted by 18 members, worth €390,604. The 13 climate action proposals focussed on topics such as alternative growing techniques, increasing access to green energy and energy saving measures, sustainable and local food systems, biodiversity, climate advocacy and collaboration. The 14 girls' education proposals focussed on the establishment of girls' empowerment clubs and mothers' groups, the use of commitment forms between schools and families, community sensitisation to address social and cultural barriers, providing supports to end period poverty, and addressing school related GBV.

Example

The Franciscan Missionary Sisters for Africa in Zambia addressed the issues of inadequate farming knowledge and skills, environmental degradation, and poor quality of life faced by small-scale farmers in Chibombo. Through the Innovation Fund, the project produced domestic biogas, using bio waste from food, animal manure, waste water and crop residue. The project team also trained community members in eco-friendly farming practices and the production of nutritious vegetables at household level to enhance the nutrition of family members, especially that of pregnant women and children with stunted growth.

Learning and Development

1. Mentorship

In 2021, Misesan Cara's four regionally based Development Mentors provided support to 178 projects across 33 countries, working with a total of 50 members. Over half of the projects (52%) received two or more days of support. Due to the continued pandemic-related travel restrictions, the mentors used a hybrid approach, providing on-site and remote support to 727 individual team members.

The mentorship programme has had a positive impact on the quality of project proposals and reports, as well as on overall project cycle management. In a survey conducted amongst members in 2021, 92% of the respondents indicated that they were 'satisfied' or 'very satisfied' with the support mentors provide at project level.

2. Project monitoring

With continuous disruption to international travel due to the COVID-19 pandemic, Misesan Cara adopted a remote approach to project monitoring. After a successful pilot in 2020, the distance monitoring process was again used in 2021, monitoring a total of 51 projects implemented by 32 members in 22 countries. The total Misesan Cara funding of these projects amounted to €8,232,528.

Project teams worldwide welcomed the continued support and accompaniment provided through these in-depth virtual engagements. The vast majority of projects were found to have strong and suitable safeguarding mechanisms in place, while those with weaker systems were supported by Misesan Cara's Safeguarding Advisor to strengthen their approaches. Financial management systems were equally found to be robust, but financial sustainability of projects often remains a challenge due to the poverty of project participants and wider communities and a lack of government support for marginalised people in many countries. Despite the need to adapt many project activities to the new reality of the pandemic, it was found that most projects monitored were on track to reach their objectives.

3. Evaluation

In 2021, three external evaluations were commissioned, as outlined below. A hybrid model of online and physical visits to project sites was adopted, safeguarding the health and safety of both project participants and consultants.

Women in Agricultural Settings

Lebanon-based Out of the Box conducted an effectiveness review of projects supporting women in agricultural settings. The evaluation measured the empowerment, agency, and inclusion of women to identify ways to overcome obstacles and constraints. The consultants concluded that projects increased the skills and knowledge of participants, and enhanced their income and nutrition. An important consideration for the future was to carefully assess whether projects target women as participants or actually empower them.

Girls' Education

Ireland-based Education and Development Solutions conducted an impact evaluation of projects supporting girls' education. The seven selected schools supported by four members in four countries had first been visited as part of an effectiveness review in 2017. Returning to these projects, the evaluation examined the long-term impact of the interventions on the learners, their families, and wider communities. The evaluation found that projects contribute to above-average school enrolment, attendance and completion rates of girls, and to a positive attitude towards girls' education within the community. Recommendations included the appointment of Girls' Education Focal Points, the further strengthening of alumni associations, and supporting graduates in their further education.

Innovation Fund Review

An external review of the Innovation Fund was commissioned to examine the effectiveness of this scheme. The review concluded that the Fund very successfully supported members in applying innovative approaches to their projects, while also providing great potential for piloting, learning, research and advocacy development. The Fund was also successful in facilitating cross-learning among members, though it was less effective in promoting collaboration among member organisations.

4. Research

Reaching those Furthest Behind

A public learning event was held in April 2021 to disseminate the findings of the 2020 research into how the Missionary Approach to Development contributes to reaching those furthest behind. The event comprised two presentations on the MADI Framework and the specific research findings, followed by a panel discussion with member representatives in the field and external stakeholders. The event was attended by representatives from the Irish Embassy in Nigeria,

USAID, UNICEF, the GHR Foundation, different Irish and international NGOs, and Misesan Cara member organisations.

Conference participation

In September 2021, Misesan Cara presented the unique way in which missionaries promote the right to quality education at the International Conference on Sustainable Development (ICSD). A research paper entitled *The Missionary Approach to Development: Ensuring inclusive and equitable quality education for the most marginalized* was accepted for publication in the peer-reviewed scientific journal *Environmental Science Proceedings*.

In November, Misesan Cara participated in the Development Studies Association (DSAI) Annual Conference on *Climates off/for Development*, presenting its Climate Action Awards under the title *Promoting positive change to combat the devastating consequences for livelihoods in climate vulnerable countries*.

5. Capacity Development and Learning Resources

Misesan Cara's Resource Hub continues to grow, with a total of 345 registered users in December 2021. A redesign of the Resource Hub will be completed in March 2022, with the new Hub being more user-friendly and mirroring the new layout of the main Misesan Cara website.

In 2021, Misesan Cara published four new Learning Briefs, one research report, and one Policy Brief. The full list of learning resources is publicly available from Misesan Cara's website.

Responding to government recommendations in spring 2021, Missionary Development Officer (MDO) inductions were held remotely, building on the online course layout designed and piloted in 2020. Thanks to the virtual nature of the course, MDOs and Assistant MDOs were able to participate in the inductions despite the existing travel restrictions.

6. Collaboration for learning

Misesan Cara published a Policy Brief, entitled *Valuing faith-based non-profits as non-state education actors*, contributing to the Global Education Monitoring (GEM) Report dialogue. The brief was well received by UNESCO/GEM Report and the Irish Forum for Global Education. In response to the publication, Misesan Cara was invited to speak at the Irish launch of the 2021/2 GEM Report in February 2022. Separately, Misesan Cara was invited to address the Oireachtas Committee on Foreign Affairs and Defence as part of a Dóchas briefing on Education.

The Development Studies Association of Ireland (DSAI) appreciated the above mentioned publications, especially the policy brief, the ICSD paper, and a Learning Brief on women in peacebuilding, which shares experiences from Latin America. DSAI has also shared amongst its network the report *Protection with Dignity – A humane response to Global forced displacement*, which was developed by the Irish Jesuits International as one output of an innovation fund grant.

7. Project Audits

In 2021, project-level audits of members' internal controls were conducted, involving two members in two countries in relation to projects funded in 2017. Three projects were reviewed during the two audits which were done via distance engagements due to ongoing international travel restrictions.

All the audits undertaken reviewed the financial systems and controls of members at project level, including oversight that members in Ireland have over grant income at project level, as well as auditing project expenditure. The total value of funding audited was €0.15 million or approximately 1% of annual project funding. The main findings of the audits were the need for finance manuals to be enhanced and project reports to be submitted in a more timely manner.

Country	Date	Code	Member	Value of Projects (€)
Liberia	May-21	M10	Missionary Sisters of Holy Rosary	57,550
Zambia	Jun-21	C04	Edmund Rice Development	90,000
Total value of projects audited				147,550

Table 4: Details of project audit visits 2021

FUNDING DIVERSIFICATION

In 2021, a Fundraising Advisory Group was established to further strengthen Misean Cara's fundraising efforts. Following a recommendation from the Boardmatch review, this group will become a sub-committee of the Board in 2022.

Misean Cara developed a three year fundraising diversification strategy in 2021 with a particular focus on increasing funding from Trusts and Foundations and the introduction of a Membership Contribution Scheme which was notified to members in late 2021. A marketing plan was developed to accompany the fundraising diversification strategy focused on raising the profile of Misean Cara and its members through online and print media.

The successful building of relationships over recent years allowed Misean Cara to further enhance and diversify its funding streams. Under a three-year funding agreement, the US-based GHR Foundation provides US\$675,000 (US\$225,000 per year) for the care of children in Zambia, Kenya and India. In 2021 GHR provided an additional US\$100,000 for Misean Cara's COVID-19 response. The Raskob Foundation supported technical education for marginalised adolescent girls from small villages in South Sudan with US\$47,000 over two years, while the Brigidine Sisters provided €18,000 in funding for the Ruben Maternal Child Health and Nutrition Programme in Kenya. Furthermore, ESB Electric Aid provided funding to purchase vital equipment for paediatric services in the Mutito Health Dispensary in Kenya.

Misean Cara has further strengthened its relationship with Americares, who provided healthcare trainings for frontline staff in member projects. Discussions for funding opportunities through Americares in 2022 are ongoing.

COMMUNICATIONS

Public profile

Misean Cara continues promoting the work and impact of its members through publications on its website, a steady social media presence, and conference presentations. Important communication campaigns in 2021 included posts about the Climate Action Awards, Girls' Education, the continuing COVID-19 response, a 2022 pre-budget ODA support campaign, and publicising the Missionary Approach.

For World Mission Sunday, 24th October, Misean Cara, MISSIO Ireland and the Association of Leaders of Missionaries and Religious of Ireland (AMRI) collaborated in the preparation of the Sunday Mass broadcast by RTÉ Television. Misean Cara's work was recognised in print and online publications of different media, contributing to the strengthening of Misean Cara's public profile to support fundraising efforts. In December, two Misean Cara members were honoured with Presidential Distinguished Service Awards by the Irish Government for their service and

contributions abroad. Sr. Orla Treacy received the Award in 2021, while Fr. Kevin O’Hara was presented with his 2020 award (delayed due to COVID-19 restrictions).

Misean Cara is committed to upholding the highest standards in all its publications and continues to adhere to the *Dóchas Code of Conduct on Images and Messages*.

Communication and engagement with Members

Misean Cara maintains important streams of communication with its members, including through a bi-monthly newsletter and regular email updates, as well as through thematic members’ meetings and workshops, and the AGM. In addition to sharing practical information, these engagements encourage members to engage in collective initiatives that directly and indirectly support their development work. In 2021, this included a writing letters to Ministers and TDs, urging increased ODA funding ahead of the 2022 Budget announcement, and to request support for climate advocacy ahead of the two COP summits.

Overall, 26 online member meetings were held with an average attendance of almost 50 people (with over 100 attending individual events). The launch of the Child and Vulnerable Adults Safeguarding Policy was attended by over 160 people. The AGM was also held online and was attended by 121 participants.

FINANCIAL REVIEW 2021

Income and Expenditure

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (effective 1 January 2015) – (Charities SORP (FRS102)), and the Companies Act 2014. Misean Cara received the majority of its income in 2021 from Irish Aid with the remainder coming from fundraising (€319,520). The funding received from Irish Aid for 2021 was €15.5 million, which is the same as that received in 2020. Income is analysed as restricted and unrestricted in accordance with donor funding terms.

The financial results for the year ending 31st December 2021 are set out in the Statement of Financial Activities on page 25. Total expenditure for the year was greater than total income received by €14,901, driven mainly by the planned utilisation of restricted reserves brought forward resulting in restricted expenditure exceeding restricted income by €143,942 which in turn was offset by savings in unrestricted expenditure against unrestricted income of €129,041.

For 2021, €14.570 million (€14.570 million; 2020) was restricted for use on charitable activities in addition to €317,595 fundraising income. Unrestricted income amounted to €930,000 (€930,000; 2020) plus fundraising income of €1,925. This was for use on support costs attributable to charitable activities, costs of generating funds and governance costs.

In the 2021 Statement of Financial Activities, the resources expended are classified under the heading of charitable activities. The costs include grants, direct costs and allocated indirect support costs.

Resources expended on charitable activities amounted to €15.7 million in 2021. There were two principal strands of charitable expenditure, which are detailed in note 5 of the financial statements: Large Project grants (Single year and Multi-Annual) were 62.5% of total charitable expenditure in 2021 (63.8%; 2020) and Medium Project grants (Single year and Multi-Annual)

were 19.3% of total charitable expenditure (12.9%; 2020). The schemes can be summarised as follows:

- **Large Projects** – This is Misesan Cara’s principal scheme for supporting projects, offering member organisations the opportunity to apply for support in key sectors, for grants between €25,000 and €90,000. Multi-annual project support schemes allow projects to be funded up to a period of three years at a maximum level of €115,000 per annum. A total of €9,823,820 (€9,810,215; 2020), which includes support costs, was allocated under Large Projects in 2021. A total of 113 project proposals were approved. (See note 6 of the financial statements).
- **Medium Projects** – Through this scheme, members can access grants between €10,000 and €24,999. A total of €3,032,511 (€1,979,597; 2020) in funding, which includes support costs, was allocated under Medium Projects in 2021. A total of 134 project proposals were approved. (See note 7 of the financial statements).

In addition to these two main strands additional funding was provided for Small Projects, Member Capacity Development, Emergencies and Innovation funding, as follows:

- **Small Projects** – Members can access grants of up to €9,999 under this scheme. A total of €214,434 (€265,659; 2020) in funding, which includes support costs, was allocated under Small Projects in 2021, covering 24 projects (see note 8).
- **Member Capacity Development** – Members can access grants in this category ranging from €9,999 up to €90,000 depending on the initiative and its duration (which can be up to three years). A total of €533,895 (€430,799; 2020) in funding including support costs was provided in 2021 covering 26 projects (see note 9).
- **Emergencies** – A total of €526,577 (€1,505,306; 2020) in funding, including support costs, was provided in 2021 for 37 emergency projects (see note 10).
- **Innovation Funding** – A total of €379,440 (€124,979; 2020) in funding, including support costs, was provided in 2021 for 27 innovation projects (see note 11).

Direct expenditure on other grants and development activities amounted to a total of €1,091,363 for the year. This included the cost of organisational development grants and activities, capacity building, research, and monitoring/evaluation/auditing of projects. These were administered outside of the funding schemes.

Support costs represent staff and overhead costs of the organisation and amounted to €665,553 in total for 2021 (see note 17). These costs are apportioned across the three expenditure headings as follows: charitable activities, €593,167; costs of generating funds, €24,129; and governance, €48,257 and are classified under unrestricted funding.

Costs of generating funds were €112,990 (see note 19), being €88,861 in direct costs and €24,129 of support costs. This expenditure category included direct publicity, website, consultancy and allocated support costs. The Directors regard the management of the organisation’s relationship with its main donor as being a key element in ensuring the ongoing funding and sustainability of the work of Misesan Cara.

The governance costs for the year amounted to €119,391 (see note 16) – being €71,134 in direct governance costs and €48,257 of support costs. Governance costs relate to the strategic management of the organisation and compliance with statutory requirements and are an important component in meeting corporate and regulatory responsibilities. These include company secretary, legal and audit costs, as well as allocated support costs with the latter costs classified under unrestricted funding.

Reserves Policy

Misean Cara has a policy of retaining sufficient reserves to safeguard the continuity of its operations whilst at the same time committing the maximum possible resources to its activities and programmes. At the end of 2021 the accounts showed a combined (restricted & unrestricted) reserves total of €1,657,694. The detailed figures relating to the Reserve Account are to be found under note 25 in the notes to the financial statements. Activities and decisions related to the reserves account for 2021 were as follows:

Restricted Funds

Spending on charitable activities during the year amounted to €15,031,537; this was funded from incoming funding of €14,887,595, and the release of reserves of €143,942. This release of reserves when taken from the opening balance in restricted funds of €230,517 leaves a closing balance of €86,575 which will be committed to Misean Cara's activities and programmes in 2022.

Unrestricted Funds

- **Designated Contingency Fund:** The Directors have an agreed policy to hold a contingency reserve amounting to 50% of its budgeted payroll and unrestricted overhead expenditure for the next financial year as a reserve against shortfalls from the charity's principal sources of income, which at 31 December 2021 amounts to €827,112. This represents a reduction of €8,066 all of which has been transferred to the general fund.
- **Designated Fixed Asset Fund:** This fund recognises that a portion of reserves is invested in fixed assets and is not available for other purposes and equates to the net book value of fixed assets at the financial year end which at 31st December 2021 amounts to €53,126. This represents a reduction of €4,974 all of which has been transferred to the general fund.
- **General Fund:** This fund represents an amount, which is expendable at the discretion of the directors for the general purposes of the charity and amounts to €690,881 at the 31 December 2021. The increase in this fund is driven by the underspend in unrestricted funds of €129,041 during the year and the previously referenced transfers from the other funds.

Grants Policy

The Directors apply all the funds designated for grant-making in pursuit of its strategic objectives and allocate these funds against clear criteria which are reviewed regularly. For each funding scheme, Misean Cara issues guidelines on the information to be supplied by members, details of the criteria against which proposals are reviewed, and the process and timescale involved. Proposals are assessed initially for completeness, accuracy and compliance with the established criteria. Those which meet the necessary requirements are then recommended onwards for a final decision.

PRIORITIES FOR 2022

The new five-year Strategy (2022-2026) will be rolled out in 2022 and will guide a series of changes throughout the year. The four strategic themes (education, health, livelihoods and human rights) will largely be maintained in this new Strategy, while an increased focus will be placed on climate resilient practices and decent work, as part of Goal 3. From 2022 onwards, all newly approved projects will be required to report against the relevant indicators of the Standardised Results Framework.

The Board will establish two additional sub-committees in 2022. The Fundraising advisory group and the safeguarding advisory group will become board sub-committees providing governance oversight on the performance of the fundraising diversification strategy and resources needed as well as the oversight of appropriate support to members to fulfill their safeguarding commitments.

Misean Cara's grant management system is currently under review and will be rolled out in its revised version from 2022. The aim of this redesign is to reduce the amount of time spent on administrative tasks, such as the number of project contracts managed by Misean Cara, to free up staff time for programme development. The review of the system will continue throughout 2022, with more significant changes expected to be rolled out from 2023 onwards.

The year will also see the roll-out of the redesigned website (launched in February 2022) and Resource Hub (March 2022), as well as the wide roll-out of new policies on gender equality and disability inclusion. Through its accompaniment model, Misean Cara will ensure to support its members in implementing the new policies in all stages of their project cycles, thus ensuring all projects recognise and respond to the specific needs of all participants, as required and feasible.

After two years of pandemic-related travel restrictions, a hybrid approach to monitoring, evaluation and general engagement is anticipated in 2022. While some project-level engagement will continue to be done remotely, project visits for results monitoring, audits, and safeguarding oversight are expected to resume in the second half of the year.

The recruitment of a new Fundraising and Grants Executive is planned for March/April 2022, to support Misean Cara in further increasing and diversifying its income streams. The new role will focus on relationship building with current and potential supporters, especially philanthropies and corporate entities. Additionally, a new members' contribution scheme will be rolled out.

In late March 2022, the Misean Cara office in Dublin will move to a new office space on Dame Street (Dublin 2).