Our Mission is:
To regulate the charity sector in the public interest so as to ensure compliance with the law and support best practice in the governance, management and administration of charities.

Our Vision is:
A vibrant, trusted charity sector that is valued for the public benefit it provides.
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Charities Regulator

The Charities Regulatory Authority was established on 16 October 2014 and is responsible for the regulation and protection of charitable trusts and organisations (charities). It has a number of general functions under the Charities Act 2009 (‘the Act’) which are to -
Our Values

FAIRNESS
We operate fairly and impartially. We apply our procedures consistently and give reasons for our actions and decisions.

PROPORTIONALITY
We recognise the diversity of size and capacity among the organisations which we regulate. We regulate in a proportionate way and target the resources available to us at areas of greatest risk.

INDEPENDENCE
We take decisions independently and in the public interest. We stand over our actions and decisions and take responsibility for them.

OPENNESS
We take an open and transparent approach to our work. We make information available about how we operate and about the sector we regulate.

LEARNING
Our actions and decisions are informed by evidence and embedded in a learning culture. We continually seek ways to improve how we do our work and strive to be authoritative in our field.

ENGAGEMENT
We communicate with and listen to our stakeholders. We seek to anticipate and address regulatory issues of concern to them.
Chairperson’s Statement

Patrick Hopkins
Chairperson

The 2018 Annual Report sets out how the Charities Regulatory Authority and its staff continued to deliver on the final year of its first statement of strategy. The increase in activity highlights our sustained commitment to regulate charities in the public interest, improve their management and administration, and ensure compliance with the law.

We gained valuable insight and a deeper understanding of the charity sector through research that we commissioned Indecon to carry out in relation to the size, economic and social impact of the charity sector. We published this important evidence-based research in mid-2018 which confirmed that charities in Ireland play a vital role in our society - the research highlighted the significant economic and social impact and the huge public benefit to communities across Ireland and globally.

In addition to its contribution to the development of evidence-based public policy to support charities in Ireland, this research will assist the Charities Regulator to regulate in a proportionate manner, and was important input in the development of our next three-year strategic plan.

This public trust and confidence is essential to charities, as many raise funds from the public to help meet the cost of their charitable work. The Authority is committed to supporting charities to implement the Charities Governance Code through the provision of practical guidance, template documents and training.

A key strategic goal under our Statement of Strategy 2016-2018 was to develop the Authority as an efficient and effective organisation providing value for money for the citizen.

Another key achievement for the Charities Regulator was the delivery of the Charities Governance Code which will play a key role in building public trust and confidence in Irish charities now and into the future.
Significant progress towards this goal was made in 2018 through the roll out of the first phase of our new Digital Platform System. This involved the launch of a new online portal, known as ‘MyAccount’ for registered charities and those wishing to register as a charity. The new Platform also included an enhanced Register of Charities and a modern, interactive website.

The process of developing the second Statement of Strategy for the period 2019 to 2021 commenced in 2018 following a consultation with external and internal stakeholders. The second statement will focus on embedding and developing the achievements of the first strategy. We will continue to carry out our mandate to increase public trust and confidence in charities through effective and proportionate regulation. To fulfil this role, we will continue to work to support charity trustees in complying with their legal obligations, and take steps to address non-compliance where necessary.

In October 2018, three members of the Authority retired on expiry of their warrants of appointment, and four, including myself as Chairman, were re-appointed. I would like to thank the retired members for their considerable dedication and commitment in bringing the Authority to its current stage of development.

Our CEO John Farrelly resigned in October 2018 following his appointment as CEO of the Mental Health Commission. I would like to thank John for his work in getting the Authority established. In late 2018 two senior managers resigned from the Authority moving on promotion to new positions in the Public Service. Working with our parent Department it is critical that staffing levels are maintained at our approved establishment level in 2019.

The Authority continues to work with the Department of Rural and Community Development to support vibrant, inclusive and sustainable charities throughout Ireland. I would like to acknowledge and thank Michael Ring TD, Minister for Rural and Community Development (DRCD), and his predecessor Minister Kyne, Seán Canney TD, Minister of State for Community Development, Natural Resources and Digital Development and officials of the Department for their assistance and for their continuing support for the Authority.

I would like to thank the staff of the Authority for their hard work and commitment during 2018 and to the members of the Board for the advice and direction that they provide. As we move into the period of our second statement strategy, I am confident that we will continue to build on our achievements over the last three years as we move closer to our vision of a vibrant trusted charity sector that is valued for the public benefit that it provides.

Patrick Hopkins
Chairperson
Interim Chief Executive’s Statement

Helen Martin
Interim Chief Executive

The final year of our first Statement of Strategy was an important year for the Charities Regulator as we undertook an ambitious work programme designed to build on achievements in previous years. Working in collaboration with our stakeholders, we developed a Charities Governance Code, which was launched in November 2018. As part of that launch, we committed to assisting charities over the coming years to implement the Code by the provision of practical guidance documents, templates and training.

During the year we also commissioned research into and published a report on the social and economic impact of registered charities. This research was the first of its kind and it is hoped that it can be built on over the coming years to gain ever-greater insight into the important role that charities play in the day-to-day lives of our citizens.

Further progress was also made in relation to increased transparency of charity finances as staff of the Charities Regulator worked with external consultants to prepare draft Accounting and Reporting Regulations in anticipation of amendments being made to provisions of the Charities Act 2009.

The guidance available to charity trustees and potential registration applicants was expanded through the publication of key materials including ‘What is a Charity?’, ‘Registration Guidelines’ and ‘Guidance on Charities and the Promotion of Political Causes.’ Such materials provide an important point of reference for charity trustees and those considering setting up a charity or volunteering as a charity trustee.

Work on registering charities continued apace in 2018 with the total number of charities on the Public Register of Charities by year-end reaching 9,799.

An increase in annual reports submitted on time was noted on the new portal along with a 28% reduction in contacts and queries received by the Charities Regulator. These positive developments are attributed in large part to the new Digital Platform, which gives charities and other interested parties easier access to available guidance and other information relevant to charities in Ireland.

From an operational perspective our new Digital Platform has also delivered greater internal reporting capabilities, data analysis and insight, which facilitates better targeting of resources and identification of key trends. It is intended that the new Platform, when fully implemented, will lead to further efficiency gains in other areas of the organisation including compliance and enforcement and applications made under the older Charities Act. Significant efforts were made by staff on implementing the second phase of the project during 2018.

The number of concerns raised with the Charities Regulator increased significantly in 2018. By analysing the concerns raised, we were able to identify a number of recurring issues, which enabled us to issue key guidance in areas such as managing conflicts of interest along with public notices on matters such as clothing collections by unregistered organisations. Statutory investigations into the affairs of two charities were also concluded and two inspectors’ reports were published. The reports highlighted governance issues of relevance to charity trustees more generally and therefore are an important source of learning for the charities sector as a whole.
We also continued to highlight key messages through our communications and stakeholder engagement work, which sought to reach out to the 60,866 charity trustees on the Register of Charities and the wider public using a number of channels including the launch of our eZine and holding and participating in seminars and speaking engagements including ‘Meet the Charities Regulator’ and ‘Charities Trustee Week’. We also continued to highlight who is covered by the term “charity trustee” so that members of the public understand that anyone involved in a board or other committee of a charity including directors of companies that are charities, are “charity trustees” for the purposes of the Charities Act 2009.

Developing and implementing a new Digital Platform while at the same time continuing to deliver on important regulatory work such as the Charities Governance Code and the day-to-day work of registering charities and dealing with concerns from the public was a considerable challenge. Meeting this challenge would not have been possible without the support of our Board and the significant efforts of the staff of the Charities Regulator who are to be commended for their commitment, diligence and professionalism. I also would like to take this opportunity to thank those involved in charities and the public for their positive engagement with the staff of the Charities Regulator on issues relating to charities.

Like other public bodies, attracting and retaining appropriately skilled and experienced staff at a senior level was particularly challenging in 2018. However, as a regulator, our ability to attract senior staff and regulatory experts is key to growing the organisation’s capabilities in order to ensure standards of regulatory excellence are achieved.

It is therefore in the public interest that we continue to focus on securing required resources so that we can deliver on our mission to ensure compliance with the law and support best practice in the governance, management and administration of charities.

Helen Martin
Interim Chief Executive
2018 Highlights

9,799 Charities on the Register of Charities at the end of 2018

1,321 organisations gained charitable status

579 charities had their details removed from the Register of Charities

Net Increase of 742 in number of charities from previous year on the Register of Charities

2 Inspection Reports published

686 concerns received

UP 29% on 2017

32% of concerns related to governance issues

7 public engagement meetings

118,673 visitors to our website

Launch a new website

Charity Services Committee considered 326 matters

UP 18% from 2017

4 and published ezines
Organisational Overview

The Charities Regulator is made up of the following business units:

1. **Registration and Reporting** – Key functions include assessing and processing registration and associated applications, maintaining the Register of Charities, managing the annual reporting systems and providing guidance to organisations on registration and annual reporting matters.

2. **Compliance and Enforcement** – Key functions include monitoring and promoting compliance with the Act, carrying out inquiries and investigations where appropriate, taking enforcement action where necessary and encouraging better administration and management of charities through the provision of information and advice.

3. **Charity Services and Legal Affairs** – Key functions in relation to charity services include assessing and processing applications submitted to the Charities Regulator under the Charities Acts 1961 and 1973 including applications for the appointment of new trustees and applications for authorisation of the disposition of lands held upon charitable trust. Key functions of the legal affairs team is to provide legal advice to each of the business units on day-to-day regulatory issues, corporate affairs matters and other specific projects.

4. **Corporate Affairs** – Key functions include providing internal support services and ensuring compliance with applicable governance obligations, developing and overseeing the implementation of corporate policies and procedures, providing secretarial support to the Board and its committees, overseeing financial, ICT and human resources, dealing with freedom of information and data protection applications and managing the office accommodation.

5. **Communications and Stakeholder Engagement** – Functions include handling media queries and press releases, managing website and social media content and organising public consultation and other stakeholder events.
Charities on the Register of Charities at the end of 2018

Charities had their details removed from the Register of Charities

Net increase of in number of charities from previous year on the Register of Charities

Organisations gained charitable status
The Public Register of Charities

There were 9,799 Charities on the Public Register of Charities at 31 December 2018, a net increase of 742 from the end of 2017.

All charities which operate or wish to operate must apply for inclusion on the Register of Charities regardless of size, legal structure or income. Charities registered by decision under section 39 of the Act represent 32% of the total number of charities on the Register, up from 20% of the total at the end of 2017.

At the end of 2018, 1,811 charities which had been automatically deemed registered in 2014 under section 40 of the Act, were no longer entitled to hold that charitable tax exemption. 579 charities had their details removed from the Register of Charities.

Digital Platform System

Phase One of the new Digital Platform System was launched on 27 July 2018. Phase One entailed the launch of a new online portal, also known as MyAccount, for registered charities and those wishing to register as a charity. The new platform also included an enhanced Register of Charities, a new website, a new back office system for registration and greater internal reporting capabilities and data analysis.

The online portal can also be used by registered charities to upload their Annual Reports on the Register of Charities and to update charity information such as trustee details, as appropriate.

A new online portal, also known as MyAccount, was launched for registered charities and for those wishing to register as a charity.

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2 During 2018 the Charities Regulator migrated its platform to a new Digital Platform. This resulted in a restatement of the Charities Registered at end 2017 of 9,057 previously 9061.
Registered Charities in Ireland

The legal form of Registered Charities

The three main types of legal form are incorporated, unincorporated and charitable trusts. The breakdown of registered charities by legal form as of 31 December 2018 was as follows:

<table>
<thead>
<tr>
<th>General</th>
<th>Type</th>
<th>Charities</th>
<th>% of Total</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Incorporated</td>
<td>Companies</td>
<td>4,413</td>
<td>45.0%</td>
<td>51.1%</td>
</tr>
<tr>
<td>Unincorporated</td>
<td>Association</td>
<td>1,518</td>
<td>15.5%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Board of Management</td>
<td>2,403</td>
<td>24.5%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Other</td>
<td>851</td>
<td>8.7%</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Subtotal</strong></td>
<td><strong>4,772</strong></td>
<td><strong>48.7%</strong></td>
<td><strong>41.4%</strong></td>
</tr>
<tr>
<td>Charitable Trust</td>
<td>Trust</td>
<td>614</td>
<td>6.3%</td>
<td>7.5%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>9,799</strong></td>
<td><strong>100.0%</strong></td>
<td></td>
</tr>
</tbody>
</table>

Charities by Charitable Purpose

The Charities Act 2009 sets out specific categories of charitable purposes.

✓ The prevention or relief of poverty or economic hardship
✓ The advancement of education
✓ The advancement of religion
✓ Any other purpose that is of benefit to the community

‘Any other purpose that is of benefit to the community’ contains specific purposes such as the integration of the disadvantaged, the promotion of health and voluntary work and the advancement of: community welfare and development, environmental protection and sustainability, racial and religious integration, conflict resolution, animal welfare, and the arts. Charities may and often have more than one specific charitable purpose. The table overleaf illustrates the breakdown of registered charities by charitable purpose.
Charitable purpose by category

As set out in the Act there are four categories of charitable purpose. Charities may have more than one charitable purpose. For example a charity that provides grant funding to other charities may support all of the charitable purposes within the Act. Charities are authorised to carry out their charitable purposes for the public benefit. Displayed in the diagram on the right is the breakdown of the 9,799 registered charities by the four categories of charitable purpose.

The diagram below illustrates a further breakdown under the category of ‘other purpose of benefit to the community’ of which there are 12.

The ‘purpose that is of benefit to the community’ broken down by category
Financial information on charities in Ireland

‘Charities by Income’ (see below) is a breakdown of annual reports filed by charities in 2018. Analysis of annual reports for 2018 shows that 2,175 registered charities declared income over €250,000. The chart below shows the percentage of these by income band.

Charities by income in annual reports

Charities by number of employees

Charities are required to provide information on numbers of employees in bands as set out below. For annual reports filed in 2018, 42% of charities have no employees. 85% of charities have under 20 employees with just 7% of charities reported having more than 50 employees.
Charity trustees and geographic location of charities

Charity trustees are the people who are legally responsible for the management of a charity. Although they are volunteers, the role of a charity trustee carries significant responsibility. There were 60,866 charity trustees on the Register of Charities as of 31 December 2018, which may include company directors, committee members and trustees of charitable trusts - see graphic below.

### School Charities and Trustees

<table>
<thead>
<tr>
<th>Charities</th>
<th>Charity Trustees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Schools</td>
<td>2,403</td>
</tr>
<tr>
<td>Other charities</td>
<td>7,396</td>
</tr>
<tr>
<td>Total</td>
<td>9,799</td>
</tr>
</tbody>
</table>

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Charities Regulator | Annual Report 2018
Contact Management Queries

The Registration and Reporting Unit received 21,521 initial contacts and queries from charities, the public, beneficiaries and other stakeholders. Telephone remains the preferred method of communication with 51% of engagement by this method, followed by email (44%) and the website (5%).

The overall number of contacts and queries was down 28% on 2017. A large part of the reduction is likely to be attributable to the successful launch of the new online registration forms, ‘MyAccount’ and the new website.
Compliance and Enforcement

- 686 concerns received, up 29% on 2017
- 32% of concerns related to governance issues
- 57 was the average number of concerns raised each month
Compliance and Enforcement

A key role of the Charities Regulator is to monitor and ensure compliance by charities with the provisions of charities legislation, in particular, the Charities Act 2009. Our concerns process is underpinned by our Concerns Policy, which is publicly available on our website. During 2018 our Concerns Policy was reviewed and updated to reflect operational experience. The amended version of our Concerns Policy was published in April.

Where we receive a concern, we examine the information provided, conduct a risk assessment, and if warranted seek assurances/information from the charity or organisation. Where the Charities Regulator is not assured by the charity, then it may use its powers under the Charities Act 2009 to require information, issue directions, apply sanctions and, where necessary, appoint inspectors to investigate the affairs of the charity.

Concerns raised

In 2018, 686 individual concerns were raised with the Charities Regulator in respect of 423 organisations. The number of individual concerns raised represents an increase of 29% on the number of concerns raised in 2017, when 532 concerns were raised.

Table 1 - Concerns raised by year 2014 to 2018

Note: The figures for concerns raised in 2016 and 2017 have been revised from previously published figures on foot of amendments to how the original information received was recorded.
Concerns raised by month

The average number of concerns raised per month during 2018 was 57, with the highest number of individual concerns raised in any one month being 83 concerns, which were raised in May 2018.

This contrasts with June when the lowest number of concerns were raised, which was 33.

Table 2 - The number of concerns raised each month in 2018

<table>
<thead>
<tr>
<th>Month</th>
<th>Concerns Raised</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan - 18</td>
<td>18</td>
</tr>
<tr>
<td>Feb - 18</td>
<td>20</td>
</tr>
<tr>
<td>Mar - 18</td>
<td>30</td>
</tr>
<tr>
<td>Apr - 18</td>
<td>40</td>
</tr>
<tr>
<td>May - 18</td>
<td>60</td>
</tr>
<tr>
<td>Jun - 18</td>
<td>70</td>
</tr>
<tr>
<td>Jul - 18</td>
<td>80</td>
</tr>
<tr>
<td>Aug - 18</td>
<td>90</td>
</tr>
<tr>
<td>Sep - 18</td>
<td>80</td>
</tr>
<tr>
<td>Oct - 18</td>
<td>70</td>
</tr>
<tr>
<td>Nov - 18</td>
<td>60</td>
</tr>
<tr>
<td>Dec - 18</td>
<td>50</td>
</tr>
</tbody>
</table>

Categories of issues raised

The varied nature of the issues raised with the Charities Regulator, reflects the wide range of organisations, charitable purposes and beneficiaries that make up the charity sector in Ireland. However, from the concerns raised it is possible to discern a number of broad categories.

Of the concerns raised with the Charities Regulator in 2018, approximately 83% raised issues in the combined categories of ‘Governance Issues’, ‘Legitimacy of a Charity’ and ‘Financial Control and Transparency’. The full breakdown of the categories of issues raised in 2018 is set out in Table 3.

It should also be noted that a single concern might include a number of issues about a single organisation, some or all of which may be categorised separately, giving rise to a difference between the number of concerns raised and the number of issues raised.
Table 3 - Categories of issues raised in 2018

<table>
<thead>
<tr>
<th>Category</th>
<th>No. of Concerns</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governance Issues</td>
<td>309</td>
<td>32.0%</td>
</tr>
<tr>
<td>Legitimacy of Charity</td>
<td>287</td>
<td>29.7%</td>
</tr>
<tr>
<td>Financial Control and Transparency</td>
<td>205</td>
<td>21.2%</td>
</tr>
<tr>
<td>Inappropriate Political Campaigning</td>
<td>61</td>
<td>6.3%</td>
</tr>
<tr>
<td>Misdirected Concerns - Issues outside of Charities Regulator’s remit</td>
<td>55</td>
<td>5.7%</td>
</tr>
<tr>
<td>Private Benefit</td>
<td>29</td>
<td>3.0%</td>
</tr>
<tr>
<td>Harm to Beneficiaries</td>
<td>19</td>
<td>1.9%</td>
</tr>
</tbody>
</table>

During 2018, as a result of enhanced processes and investment in the training and development of staff in the Compliance and Enforcement Unit, a total of 722 concerns were closed. This figure represents an increase of 57% on the overall number of concerns that were closed in 2017, which was 461.

As of 31 December 2018, the number of open concerns stood at 294 in respect of 158 organisations.

Table 4 - Categories of Concerns 2018

<table>
<thead>
<tr>
<th>Category</th>
<th>2018</th>
<th>2017</th>
<th>% variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of concerns received</td>
<td>686</td>
<td>532</td>
<td>28.9% increase</td>
</tr>
<tr>
<td>Number of concerns closed</td>
<td>722</td>
<td>461</td>
<td>56.6% increase</td>
</tr>
</tbody>
</table>

**Number of concerns open at year end**

| by individual concern | 294  | 328  | 10.4% increase |
| by organisation       | 158  | 187  | 15.5% decrease |

Concern processing targets

The targets set for 2018 and the corresponding actual performance from 1 January 2018 to 31 December 2018 are set out in the table below.

Table 5 - Targets and corresponding actual performance from 1 January 2018 to 31 December 2018

<table>
<thead>
<tr>
<th>Key Action / Milestone from day of receipt</th>
<th>Performance Indicators</th>
<th>Actual Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Concerns recorded</td>
<td>85% within 5 days 100% within 10 days</td>
<td>99% within 5 days 100% within 10 days</td>
</tr>
<tr>
<td>Acknowledgement of concerns issued</td>
<td>85% within 5 days 100% within 10 days</td>
<td>98% within 5 days 100% within 10 days</td>
</tr>
<tr>
<td>Initial risk assessment conducted</td>
<td>75% within 15 days 100% within 20 days</td>
<td>89% within 15 days 99% within 20 days</td>
</tr>
<tr>
<td>Concern cases allocated</td>
<td>75% within 20 days 100% within 30 days</td>
<td>97% within 20 days 100% within 30 days</td>
</tr>
<tr>
<td>Concerns closed</td>
<td>75% within 180 days</td>
<td>91% within 180 days</td>
</tr>
</tbody>
</table>
Part 4 Powers – Protection of Charitable Organisations

In September 2016, Part 4 of the Charities Act 2009 was enacted, providing investigative and protective powers for the Regulator. This includes the capability to impose sanctions if a charity breaches certain obligations such as the requirement to keep proper accounts or to submit its annual report. It also gives the Charities Regulator the authority to appoint inspectors to conduct statutory investigations into the affairs of charities.

During 2018, the Charities Regulator exercised its powers under Part 4 in a number of instances, which included:

- Publication of inspectors’ reports into:
  - Solas - Galway Picture Palace CLG\(^4\), and
  - G.L.E.N. CLG Report\(^5\);
- Imposition of intermediate sanctions on one charity in respect of a failure to keep proper books of account;
- Directions to charity trustees under section 53 of the Charities Act 2009 to provide information to the Charities Regulator;
- Directions to charity trustees under section 68 of the Charities Act 2009 to produce books, documents and other records.

Compliance Report 2017

During 2018, the Charities Regulator carried out and published a Compliance Report 2017\(^6\), that included an analysis of its compliance activities in 2017, which was the first full year that powers under Part 4 of the Charities Act 2009 were available to it.

The Report included an analysis of the concerns raised during 2017 and reported on other compliance activities during the year, including public notices on compliance matters, statutory actions taken and thematic reports.

The Report highlighted that during the course of managing concerns raised about charities and organisations during 2017, the Charities Regulator identified a number of recurring issues affecting the ability of charity trustees to meet their legal duties to effectively manage and control their charities in the following categories:

- Trustee duties and responsibilities;
- Managing conflicts of interest;
- Internal financial controls;
- Transparency;
- Unregistered charitable organisations.

The Report also set out some of the guidance and support available to charities to help address issues in the categories identified.

‘Review of Registered Charities’ Compliance Rates with Annual Reporting Requirements 2017

Once a charity has completed its details on the Register of Charities, it must file an annual report within ten months of the end of its financial year. In December 2018, the Charities Regulator published its ‘Review of Registered Charities’ Compliance Rates with Annual Reporting Requirements 2017’\(^7\).
The main finding of the review was that that 98% of registered charities submitted their annual report for 2017 (54% filed on time, 28% filed within three months of the filing deadline and the remainder filed more than three months late). The total number of annual reports outstanding for 2017 stood at 95. This represents 2% of the total number of annual reports due in that period.

While the Charities Regulator welcomed the high level (98%) of registered charities that completed the registration process and submitted an annual report to the Charities Regulator, it notes that a significant number of charities continue to file their annual reports late, despite the fact that under section 52(1) of the Act, charities are required to submit their annual reports to the Charities Regulator not later than 10 months after the end of the charities’ financial year end. Failure to submit an annual report when it is due is an offence under section 52(8) of the Charities Act 2009. A key function of the Charities Regulator is to monitor compliance with the Act and it will take appropriate action to ensure that the requirements of the Act are observed. The Charities Regulator will therefore continue to engage with charities with a view to ensuring that the numbers of charities filing their annual reports on time increases.

**Guidance issued**

One of the key functions of the Charities Regulator is to promote compliance by charity trustees with their duties in the control and management of charities. During 2018, the Charities Regulator developed and published the following guidance documents, which added to our existing guidance for charities:

- Guidance on Charities and the Promotion of Political Causes [8];
- What is a Charity? [9];
- Registration Guidelines [10];

**Governance Code**

In March 2017, the Charities Regulator established a Statutory Consultative Panel on the Governance of Charitable Organisations. The ‘Report of the Consultative Panel on the Governance of Charitable Organisations’ [12] was published in May 2018 and it made a number of proposals, including that there should be a new Governance Code for charities issued by the Charities Regulator to facilitate the better administration, management and governance of charitable organisations.

In November 2018, the Charities Regulator launched the Charities Governance Code [13], which sets the minimum standards which charity trustees (e.g. anyone serving on the Board or a Committee of a charity), should ensure their charity meets in order to effectively manage and control their organisations.

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The Charities Governance Code consists of six principles of governance. These are:

<table>
<thead>
<tr>
<th></th>
<th>Principle</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>advancing its charitable purpose</td>
</tr>
<tr>
<td>2</td>
<td>behaving with integrity</td>
</tr>
<tr>
<td>3</td>
<td>leading people</td>
</tr>
<tr>
<td>4</td>
<td>exercising control</td>
</tr>
<tr>
<td>5</td>
<td>working effectively</td>
</tr>
<tr>
<td>6</td>
<td>being accountable and transparent</td>
</tr>
</tbody>
</table>

The Charities Governance Code recognises the huge diversity which exists within Irish charities, ranging from organisations with millions of Euro in turnover and hundreds of staff, to charities that are volunteer-led with very low incomes. The Charities Governance Code aims to be proportionate and it is written with volunteer-only charities and charities with small numbers of paid staff in mind.

The Code sets out the 32 core standards that all charities should meet when putting the principles into action. It also contains 17 additional standards that reflect best practice for charities with high levels of income and/or complex organisational and funding structures and/or significant numbers of employees.

The Charities Regulator has committed to working with charities and charity trustees to help them implement the Code, including through the provision of guidance materials and template documents on its dedicated website page. The year 2019 will be a year of learning and preparation for charities. Charities will be expected to comply with the Code in 2020. From 2021 charities will be expected to report to the Charities Regulator on their compliance with the Code.

The Charities Regulator will monitor compliance with the new Code, with charities expected to ‘comply or explain’ why they are not complying. Charities will be expected to keep ‘compliance record forms’ on file, which the Charities Regulator may request to see at any time. In the coming years, it is the intention of the Charities Regulator that each charity’s entry on the Register of Charities will indicate whether or not a charity complies with the Code.

**Charity Trustees’ Week 2018**

During Charity Trustees’ Week in November 2018, the Charities Regulator held public meetings in Dublin and Cork featuring presentations on the Code and Question and Answer sessions, giving trustees an opportunity to learn about the Code prior to the rollout of the suite of guidance and training sessions which are planned for 2019.

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3 Charity and Legal Affairs
On the date of its establishment, the Charities Regulator assumed the roles and functions previously carried out by the Commissioners of Charitable Donations and Bequests. The charity services team is headed by the legal advisor for regulation and charity services. Its responsibilities include processing requests from charities and their legal advisors arising under the Charities Acts 1961 and 1973, and supporting the Charities Regulator in respect of other functions previously carried out by the Commissioners.

The charity services team supports the work of the Charity Services Committee, which considers applications under the 1961 and 1973 Acts.

Requests and applications which are processed by the charity services team include the following:

- **Authorisation of disposition of lands held upon charitable trust**
  The Charities Regulator may authorise the sale or disposition of lands held upon charitable trusts where the charity trustees do not otherwise have such a power.

- **Appointment of new trustees**
  Upon the application of a trustee (or any person having an interest) by way of a statutory declaration, the Charities Regulator may, on application to it and where there are no surviving trustees of a charitable trust or where the personal representative of the last surviving trustee cannot be located, appoint a new trustee or trustees.

- **Framing of schemes applying charitable property Cy-près**
  The Charities Regulator has the power to settle schemes for applying charity property Cy-près (as near as possible to the intentions of the original donor), where the original objects have failed or are not possible to implement.

- **Compromise of claims by or against a charity**
  Upon the application of the charity trustees of a charity, the Charities Regulator may sanction a compromise in relation to a claim made by or against a charity.

- **Advice to charity trustees experiencing difficulty in administering a charitable trust**
  The Charities Regulator may advise charity trustees who have a difficulty in relation to the administration of a charitable trust, or executors of a will experiencing difficulty in administering a charitable devise or bequest.

- **Making of vesting orders in relation to leases**
  The Charities Regulator may make vesting orders freeing charity property from the operation of onerous covenants in leases made pursuant to the Leases for Schools (Ireland) Act 1881 and other leases for charitable purposes, where the person entitled to the lessor’s interest is unknown or cannot be found.

- **Examination of forms received from Probate Office**
  The Charities Regulator examines summary forms received from the Probate Office, which supplies details of all charitable bequests, for the purpose of establishing if receipts for such bequests were received.

During 2018, the Charity Services Committee considered 326 matters. The matters dealt with can be broken down as follows:

<table>
<thead>
<tr>
<th>Type of Matter</th>
<th>Number of matters dealt with in 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-routine applications (miscellaneous matters e.g. where the Charity Regulator’s opinion or advice is sought; Cy-Près applications)</td>
<td>93</td>
</tr>
<tr>
<td>Litigation</td>
<td>8</td>
</tr>
<tr>
<td>Routine applications - property disposals (e.g. sanction of mortgages, sales, transfers, leases)</td>
<td>140</td>
</tr>
<tr>
<td>Appointment of new trustees</td>
<td>52</td>
</tr>
<tr>
<td>Formal items</td>
<td>33</td>
</tr>
</tbody>
</table>
During 2018, the Charity Services Committee considered 326 matters.

During 2018, the Charity Services Committee considered 326 matters.

Legal Affairs

The legal affairs team provides in-house legal support across the organisation.

In 2018, the legal services team provided legal advice on day-to-day regulatory issues and specific advice in the context of a number of projects and other corporate affairs matters.

Common Investment Fund

The Charities Regulator has responsibility for oversight of a Common Investment Fund, managed by Davy Asset Management Ltd, which was valued at circa €34,568,751.06 on 31 December 2018.

The Common Investment Fund (“Fund”) was established in April 1985 by the Commissioners of Charitable Donations and Bequests for Ireland by way of Scheme under section 46 of the Charities Act 1961. By virtue of section 82 of the Charities Act 2009, all functions of the Commissioners of Charitable Donations and Bequests for Ireland were transferred to the Charities Regulator.

There are currently approximately 334 accounts in the Fund. Investors in the Fund are charities with a valid charitable tax exemption from the Revenue Commissioners or such Charitable Trusts as the Charities Regulatory Authority admits at its discretion. No additional charities are currently being admitted to the Fund.

A dividend reinvestment scheme is in place allowing unit holders the choice of receiving dividend income in cash twice a year or reinvesting back into the Fund, which is reflected in additional units at the end of June and December. Investment is by way of purchase of units based on unit prices struck on 30 June and 31 December, or at such time as the Charities Regulator deems appropriate.

There are currently approximately 334 accounts in the Common Investment Fund.
Communications and Stakeholder Engagement

Ran 7 public engagement meetings

A new website and 4 ezines launched

118,673 visitors to our website UP 18% from 2017
One of the strategic objectives of the Charities Regulator is to engage and communicate effectively with all stakeholders in support of its regulatory role. The Communications and Stakeholder Engagement unit made progress in achieving this through a number of activities and developments during 2018. These included the launch of a new user-friendly website, the launch of a new ezine (an electronic newsletter), the hosting of a series of regional ‘Meet the Charities Regulator’ meetings and significant expansion of the audiences for its social media platforms.

Media

The Charities Regulator published 35 press releases issued during the year (a 40% increase on 2017). It received extensive coverage in the national and regional media for a number of specific announcements.

The Charities Regulator’s work to establish the scale of the impact of the liquidation of Pembroke Dynamic Internet Services Ltd also generated considerable media coverage.

Other issues which received coverage included the launch of the Charities Governance Code in November, the publication of the 2017 Annual Report in June, the launch of our ‘Guidance on Charities and the Promotion of Political Causes’ in February.

Website and social media

There were 118,673 users of the website in 2018 (up 18% on 2017). They visited 230,082 times (up 18% on 2017) and viewed 689,559 pages (down 11% on 2017). The average visit lasted 3:22 minutes (down 9% on 2017). The reduction in pages viewed and the duration of visits is likely to be attributable to the launch of the new website in July 2018. In addition to providing a new online portal to the upgraded registration system, it was designed to make it easier for the two largest user groups of the site (charities and potential charities, and members of the public) to access the sections they needed.

Our social media platforms played a growing role in our communications during 2018. Overall, our combined Twitter and LinkedIn following grew by 50% during 2018.

The Charities Regulator’s new mobile responsive website – www.charitiesregulator.ie
Publications

The Charities Regulator launched and publicised four guidance documents during the year. They were ‘What is a Charity?’ in January; ‘Guidance on Charities and the Promotion of Political Causes’ in February; ‘Registration Guidelines’ and ‘Managing Conflicts of Interest’ in May17.


Charity Checklist to help charities decide whether their organisation will meet the registration requirements – an extract from page 15 of ‘What is a Charity?’ guidance document.


Early in 2018, the Charities Regulator commissioned Indecon International Economic Consultants to produce the ‘Registered Irish Charities Social and Economic Impact Report 2018’22. The report’s analysis used data from the Public Register of Charities at the end of 2017, including information from annual reports provided to the Charities Regulator. Financial information regarding 5,746 charities was analysed as well as data from the Central Statistics Office.

Charities Regulator’s new ezine

The Charities Regulator launched its ezine ‘Charities Regulator News’23 in September. Four editions were published during the year. It is delivered to charities and charity trustees whose details are on the Register of Charities, as well as members of the public who can subscribe online through the Charities Regulator’s website24.

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24 Ibid
Stakeholder and Engagement Meetings

We hosted a series of ‘Meet the Charities Regulator’ meetings in September and October in Waterford, Athlone, Sligo and Limerick. Other meetings were held during the year in Wicklow (in conjunction with Wicklow PPN (Public Participation Network) and Dublin for charities and their charity trustees.

“Very helpful and it helped me to have confidence in my administration responsibility.”

“The supportive role of the Charities Regulator is very re-assuring and welcome. The website and documents also appear to be very clear and informative. Many thanks.”

Feedback from charity trustees attending a seminar in St Andrews Resource Centre.

‘Meet the Charities Regulator’ stakeholder engagement regional and ‘Charity Trustees’ Week 2018’ meetings

Sarah Taylor Diocese of Kilmore, Elphin and Ardagh Church of Ireland and Andrew Elliott, Killinagh Parish Church of Ireland, attend the Sligo meeting on 10 October 2018.

Ann Breen Friends, Oncology Portiuncula Hospital and Tadhg Furlong, Cumann na Sagart attend ‘Meet the Charities Regulator’ event in Athlone on 4 October 2018.

Tom Malone, Head of Compliance and Enforcement, gives a talk at ‘Meet the Charities Regulator’ event in Limerick on 24 October 2018.

Participating in the Q&A Panel at the Charity Trustees’ Week 2018 event in Dublin were charity trustees guest speakers Padraig McKeown, Dublin Simon Community, Sarah Watson, Aware and Margaret Foley, ‘Conor Foley Neuroblastoma Cancer Research Foundation’.

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Attending the Charities Seminar in the St Andrew’s Resource Centre in Dublin on 27 June 2018 were L-R Melanie Crocy and Evelyn Byrne from Seal Rescue Ireland; Lisa Kelleher, St Andrew’s Resource Centre and Lisa Kelleher from Shannon’s Hope Line.

Kevin Mitchell and Kay Murphy, Wexford Festival attend the ‘Meet the Charities Regulator’ event in Waterford on 26 September 2018.

Participating in the Q&A Panel at the Charity Trustees’ Week 2018 event in Cork were charity trustees guest speakers L-R: Denis Healy, The Donkey Sanctuary, Tom Butler, Ballincollig Tidy Towns and Mark Nolan, the Cope Foundation.

“Learnt a lot. A Director … 6 years and learnt more in the last two hours than at all the meetings. Keep up the presentations. Thanks.”

“An informative presentation. Heightened my awareness of issues that could be potential problems. Thank you.”

Feedback from charity trustees attending ‘Meet the Charities Regulator’ in Limerick.

Attending the launch of the Consultative Panel report were L-R Stephanie Manahan, CEO, Central Remedial Clinic, Chairperson of the Charities Regulatory Authority, Patrick Hopkins, Senan Turnbull, Chairperson of the Consultative Panel and former member of the Charities Regulatory Authority, Minister of State at the Department of Rural and Community Development, Seán Kyne, Charities Regulator Chief Executive, John Farrelly and Authority Member Patricia Cronin.

Chairperson of the Charities Regulator, Patrick Hopkins, Minister Seán Kyne and Chief Executive John Farrelly attend the launch of the Indecon ‘Registered Irish Charities Social and Economic Impact Report’.

Minister of State at the Department of Rural and Community Development Seán Kyne officially launching the Indecon ‘Registered Irish Charities Social and Economic Impact Report’.
Charity Trustees’ Week 2018

The second Charity Trustees’ Week took place from 12-16 November. The Charities Regulator chaired a steering committee which also included Boardmatch, Charities Institute Ireland, the Carmichael Centre, Dóchas, Volunteer Ireland and The Wheel.

The aims of the week were:

› To celebrate and thank charity trustees for the key role which they play in the governance and leadership of Ireland’s charities;

› To highlight the importance of good governance of boards, promote the need for a thorough knowledge of trustees’ roles and responsibilities, education and upskilling of trustees;

› To highlight the need for new trustees to come forward, and highlight the means by which new trustees can be connected with charities that need trustees;

› To create a greater understanding and awareness among the general public of the role of trustees, and the awareness that trustees are members of the public.

A week-long series of events was organised by the groups represented on the steering committee. For its part, the Charities Regulator organised public meetings for charity trustees in Dublin and Cork during the week.

The Charities Regulator ran a week-long national radio advertising campaign to highlight the week. It also hosted a page of resources for charity trustees on its website.

Public information campaigns were undertaken regarding clothing collections and donations to charities at Christmas along with a further campaign designed to raise awareness of ‘who is a charity trustee?’ for the purposes of charity law.

As a follow up to Charities Trustees’ Week 2018, the Charities Regulator ran a ‘Who is a Charity Trustee?’ advertising campaign during December to raise awareness of the definition of a charity trustee and their legal duties. This included radio and newspaper advertisements and a dedicated page25 on the Charities Regulator’s website.

25 The dedicated website page ‘Who is a Charity Trustee?’ contains relevant resources - available from: https://www.charitiesregulator.ie/en/information-for-charities/who-is-a-charity-trustee
Parliamentary Questions

The Charities Regulator received 30 Parliamentary Questions during 2018 including queries relating to the Charities Regulator’s expenditure and budget. Queries were also received in relation to the status of applications and governance issues concerning individual organisations.

Public facing meetings

The Chief Executive and staff from the Charities Regulator spoke at a number of conferences and meetings during the year.

Chief Executive of the Charities Regulator, John Farrelly attends as a speaker at ‘Charities Working Across the Borders’ conference in Armagh on 6 February 2018.
These included the Northern Ireland Council for Voluntary Action (NICVA): Cross Border Charities event; the Voluntary Assistance Scheme of The Bar of Ireland’s charity seminar; Institute of Chartered Secretaries and Administrators Annual Conference; the Community Connect Conference 2018 in Kilkenny in October; the Wheel Summit and the Tilman Brewin Dolphin – Charities/Not for Profit Conference.

![Image of the Charities Regulator team](image)

*Singapore’s Commissioner of Charities, Dr Ang Hak Seng (centre seated) and Nadia Lajam (centre standing) met with Chief Executive of the Charities Regulator John Farrelly (front right) and members of his executive management team in Dublin on 30 July 2018.*
Developing an efficient and effective organisation

- Commenced the process of developing the second Statement of Strategy 2019-2021
- Changes made to the configuration and management of the Charities Regulator’s telephone system
- Launched the first phase of the new Digital Platform System and commenced work on the second phase
In line with the Authority’s first Statement of Strategy, a key strategic objective was to develop the Charities Regulator as an effective and efficient independent regulatory Authority.

An Oversight and Assurance Agreement was agreed between the Charities Regulator and the Department of Rural and Community Development. The document outlined an agreed level of service to be provided to the Charities Regulator. It also outlined requirements on the part of the Charities Regulatory Authority regarding the delivery of ongoing improvements in efficiency and effectiveness and the Authority’s compliance with the relevant requirements of the ‘Code of Practice for the Governance of State Bodies’ (2016).

In the latter part of 2018, the Charities Regulator commenced the process of developing its second Statement of Strategy for 2019 to 2021.

In order to facilitate the delivery of this Statement of Strategy, an external service provider was engaged by the Charities Regulator to support the strategic planning process. A crucial element of the strategic planning process involved capturing the views of internal stakeholders (staff) within the Charities Regulator and external stakeholders.

Authority members and development

In January 2018, three new members were appointed to the Authority. In October 2018, the terms of office of three members of the Authority concluded and four members were re-appointed to the Authority.

The members of the Authority completed a self-evaluation survey in relation to 2018 and a number of actions were identified. These actions will be considered as part of the Authority’s work in 2019.

Organisational and financial resource review

The Authority continued to put in place the human and financial resources and structures required to implement the Charities Regulator’s statutory remit and achieve its strategic objectives during 2018. The Charities Regulator worked closely with the Department of Rural and Community Development to identify suitably skilled and experienced staff to fill vacancies within the organisation.

At the end of 2018, the Charities Regulator had 39 members of staff.

Quality Management System

The development of a Quality Management System (QMS) commenced in 2016. While work on QMS implementation continued during 2018, plans to seek certification to ISO 9001:2015 were deferred due to resource constraints and the need to devote available resources to the implementation of the new Digital Platform System.

The Charities Regulator intends to revisit its QMS project during 2019.

Stakeholder service

The Charities Regulator published its ‘Public Service Charter’ in August 2018.

Five complaints were managed under the Charities Regulator’s Customer Complaints Policy in 2018.

Facilities

The Corporate Affairs unit is responsible for maintaining a fit-for-purpose and safe premises, and for facilitating arrangements for internal meetings, stakeholder meetings and other events.

The Charities Regulator continues to operate from offices at 3 Georges Dock, IFSC, Dublin 1, for which it has a 10-year lease. The offices are open-plan and designed to accommodate both independent and team working. There remains sufficient space to accommodate new staff members as required.
Digital platform

The availability of a new Digital Platform is a key resource for staff and those seeking to interact with the Charities Regulator. The rollout of the Charities Regulator’s new Digital Platform System continued in 2018.

Work commenced on Phase Two of the Digital Platform System in Quarter 3 of 2018 and substantial progress was made in developing the Platform to include a modern case management system and a new online application facility to accommodate applications under the Charities Acts 1961 and 1973.

The Digital Platform System is unifying the various business units and in addition to introducing greater efficiencies in regulatory processes, is delivering on-demand management reporting and analysis capability that in turn, will ultimately support compliance, monitoring and other key regulatory activities.

Telephone System

To coincide with the launch of the new Digital Platform System at the end of July 2018, a number of changes were made to the configuration and management of the Charities Regulator’s telephone system as it relates to the handling of inbound calls:

- The hours of coverage were extended from 12:30 – 17:00 to 10:00 – 17:00 Monday to Friday;
- A specific helpdesk to assist users of the new Digital Platform System was established;
- New analytic tools were employed to measure call handling activities and performance to improve response times and the overall caller experience;
- Data captured in the first three months following the launch of the Digital Platform System was used to refine the User Guides and FAQ sections that are provided for users of the Digital Platform System and the associated training materials and guidance for staff of the Charities Regulator responsible for operating the new system.

Risk management

Risk and control functions are under the oversight of the Finance, Audit, Risk and Governance Committee.

The Charities Regulator has a Corporate Risk Register and its Risk Management Framework is aligned with the Department of Public Expenditure Reform’s guidelines on Risk Management.

Charity Trustees testing the new website and digital platform before its launch.
Strategic Corporate Risks identified in 2018 included the following:

1. Insufficient staff with the appropriate competencies and skill sets in key posts, which affects the Charities Regulator’s capability to develop and provide effective service;

2. A major ‘event’ occurs in the charity sector, which the Charities Regulator cannot respond to effectively due to shortage of suitably skilled staff resources;

3. Failure to engage with stakeholders effectively thereby affecting the ability of the Charities Regulator to provide acceptable service delivery.

Plans and actions were put in place to mitigate risks identified in 2018.

**Procurement**

A number of procurement competitions were successfully completed by the Corporate Affairs Unit in 2018. Access to the Office of Government Procurement (OGP) contracts and frameworks provided additional support to implementation of the Charities Regulator’s procurement schedule. Public procurement competitions completed in 2018 included the following:

- Framework for the Provision of Legal Services to Public Sector Bodies;
- Irish Language Translation of Website Content Services;
- Service to deliver a Governance Code for Charities;
- Service for the provision of a suite of guidance documents relating to the Charities Code of Governance;
- Research Service to produce a report into the potential for a ‘Charity Passport’ Scheme in Ireland.

**Financial reporting**

Financial narrative and reports showing details of expenditure against budget were presented to, and considered by, the Charities Regulatory Authority at all of its meetings during 2018.

The Charities Regulator continued to adhere to the relevant aspects of the Public Spending Code published by the Department of Public Expenditure and Reform throughout 2018. Draft accounts were submitted to the Department of Rural and Community Development in accordance with the timescale set out in the Code of Practice for the Governance of State Bodies (2016).

The Financial Statements of the Charities Regulatory Authority for the year ended 31 December 2018 were prepared under FRS102, the Financial Reporting Standard applicable to the UK and Ireland issued by the Financial Reporting Council (FRC) and promulgated by Chartered Accountants Ireland. These are the Charities Regulatory Authority’s third set of financial statements prepared in accordance with FRS102.

The Charities Regulator’s annual accounts for 2018 have been submitted to the Comptroller and Auditor General in accordance with section 30 of the Charities Act 2009.

**Internal audit**

An audit of the Charities Regulator’s internal controls was carried out in 2018 during which no material issues were identified.

The Charities Regulator also received a report on a Registration and Reporting Audit Review, which had been carried out at the end of 2017. The Report included two priority recommendations, which were duly addressed during 2018.

**Disclosure of interests**

In accordance with the Code of Practice for the Governance of State Bodies (2016), the Charities Regulator has a Code of Business Conduct, which includes guidance in relation to the disclosure of interests by Authority members.
Authority members are designated directors for the purpose of the Ethics in Public Office Acts 1995 and 2003, and have obligations in relation to disclosure of material interest and an annual statement of interest under the terms of the Acts.

**Health and safety**

The Charities Regulator is committed to providing a safe place to work in accordance with the Safety, Health and Welfare at Work Act 2005. One fire drill took place at the Charities Regulators Offices in 2018. There were no reportable accidents in 2018.

**Protected disclosures**

In accordance with section 21(1) of the Protected Disclosures Act 2014, the Authority adopted a Protected Disclosures Policy, which provides the Authority with a process for handling matters of concern disclosed to it by staff.

No disclosure as defined by the Protected Disclosures Act 2014 was made by staff to the Authority during 2018.

**Access to Information**

The Charities Regulator is committed to being an open and accessible organisation. The Freedom of Information (FoI) Act 2014 is one method through which a member of the public can request access to information where they have been unable to access information under alternative routes.

We resolved a total of 50 non-personal FoI requests, one personal and four mixed (a combination of personal and non-personal) during 2018. Of these 55 requests, we received 8 subsequent requests for an internal review. No requests remained open at the end of the year.

**Table 6 - Freedom of Information requests**

<table>
<thead>
<tr>
<th>Total Requests received in 2018</th>
<th>Total</th>
<th>Granted</th>
<th>Part Granted</th>
<th>Refused</th>
<th>Withdrawn</th>
<th>Internal Review</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-Personal</td>
<td>50</td>
<td>7</td>
<td>15</td>
<td>19</td>
<td>14</td>
<td>8</td>
</tr>
<tr>
<td>Mixed</td>
<td>4</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Open</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>55</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>
Data Protection requests

The Charities Regulator received two requests for information under the Data Protection Act in 2018. One set of records were released and the other set was withheld.

Table 7 - Data Protection requests

<table>
<thead>
<tr>
<th>Total Requests received in 2018</th>
<th>Total</th>
<th>Released</th>
<th>Granted and some Withheld</th>
<th>Withheld</th>
<th>ID not provided</th>
<th>Submitted incorrectly</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Information</td>
<td>2</td>
<td>1</td>
<td></td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The Charities Regulatory Authority is an independent statutory authority, which was established in 2014.

The Charities Regulatory Authority comprises of an Authority (which as of 31 December 2018 had 10 members), four sub-committees, an Interim Chief Executive, an executive management team and individual business units.
Membership and Meetings

The Charities Regulatory Authority ("The Authority").

Patrick Hopkins (Chairperson)
(Re-appointed 16 October 2018)

Patrick was Company Secretary and manager – Corporate Services Division at Enterprise Ireland (EI) prior to his retirement in November 2013.

Katie Cadden
(Re-appointed 16 October 2018)

Katie is a solicitor experienced in advising in matters of charity law, public law and litigation. She also has specialist knowledge in corporate governance and has advised a range of organisations on various governance issues. Katie regularly lectures in charity law at the Law Society of Ireland.

Niamh Cahill
(Appointed 17 January 2018)

Niamh Cahill is a barrister with extensive legal experience and a keen interest in corporate governance.

She is a member of the Mental Health Commission.

Patricia Cronin

Patricia is a solicitor who has worked in both the private and public sectors, including over 25 years in various roles with IDA Ireland.

Tom Costello

Tom has held leadership positions in philanthropy, in the non-profit and public sectors, and in management development. He currently advises on policy and practice in the children’s and ageing sectors in particular.

Fergus Finlay
(Re-appointed 16 October 2018)

Fergus Finlay retired as Chief Executive of Barnardos in October 2018.
Máire McMahon
(Appointed 17 January 2018)
Máire McMahon is a solicitor in Tipperary, trustee of a small charity, and active volunteer and former trustee of the SVP.

Graham Richards
(Re-appointed 16 October 2018)
Graham is a Notary Public and a retired solicitor. He was a Commissioner of Charitable Donations and Bequests for Ireland from 2004 to the dissolution of the Commissioners and transfer of their functions to the Charities Regulator in 2014.

Ercus Stewart SC
(Appointed 17 January 2018)
Ercus Stewart SC has practised at the Bar for over 40 years and practises also as an arbitrator and mediator.

David Brady
David Brady is a Chartered Accountant, consultant and advisor to the charity sector.

Noel Wardick
(Term ended 15 October 2018)
Noel worked as a senior professional in the overseas aid sector for 16 years. He is currently the CEO of Dublin City Community Cooperative.

Sandra Chambers
(Term ended 15 October 2018)
Sandra is a company director and chartered tax advisor.

Cynthia Clampett
(Term ended 15 October 2018)
Cynthia (former Chief Executive, Mayo Roscommon Hospice Foundation) has over 20 years’ experience of charitable fundraising, management and development.
## Board Meeting Attendance
### January to November 2018

<table>
<thead>
<tr>
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<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Patrick Hopkins***</td>
<td>10 out of 10</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Sandra Chambers*</td>
<td>7 out of 8</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
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</tr>
<tr>
<td>Patricia Cronin</td>
<td>9 out of 10</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
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<tr>
<td>Graham Richards***</td>
<td>9 out of 10</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>David Brady</td>
<td>9 out of 10</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Noel Wardick*</td>
<td>7 out of 8</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Tom Costello</td>
<td>9 out of 10</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Katie Cadden***</td>
<td>9 out of 10</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Fergus Finlay***</td>
<td>9 out of 10</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Cynthia Clampett*</td>
<td>6 out of 8</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
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</tr>
<tr>
<td>Máire McMahon****</td>
<td>9 out of 10</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Ercus Stewart****</td>
<td>9 out of 10</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Niamh Cahill****</td>
<td>9 out of 10</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
</tbody>
</table>

* Board members term of office ended 15 October 2018

** Board meeting held electronically

*** Patrick Hopkins, Graham Richards, Katie Cadden and Fergus Finlay were re-appointed on 16 October 2018.

**** Niamh Cahill, Máire McMahon and Ercus Stewart were appointed to the Board on 17 January 2018
Authority Members' Fees and Expenses

There were 10 meetings of the Authority in the period 1 January 2018 to 31 December 2018 and the related fees were €60,846 in 2018. Details of attendance and amounts paid to the members are outlined below. Fees were paid at the approved standard rate set by the Department of Public Expenditure and Reform.

<table>
<thead>
<tr>
<th>Board Members</th>
<th>Board Fees in 2018</th>
<th>Travel and Subsistence in 2018</th>
<th>Board Meetings Attended in 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Patrick Hopkins</td>
<td>€8,978.00</td>
<td>€3,260.00</td>
<td>10 out of 10</td>
</tr>
<tr>
<td>Sandra Chambers</td>
<td>€4,733.00</td>
<td>-</td>
<td>7 out of 8</td>
</tr>
<tr>
<td>Patricia Cronin</td>
<td>€5,985.00</td>
<td>-</td>
<td>9 out of 10</td>
</tr>
<tr>
<td>Graham Richards*</td>
<td>-</td>
<td>-</td>
<td>9 out of 10</td>
</tr>
<tr>
<td>David Brady</td>
<td>€5,985.00</td>
<td>-</td>
<td>9 out of 10</td>
</tr>
<tr>
<td>Noel Wardick*</td>
<td>-</td>
<td>-</td>
<td>7 out of 8</td>
</tr>
<tr>
<td>Tom Costello</td>
<td>€5,985.00</td>
<td>-</td>
<td>9 out of 10</td>
</tr>
<tr>
<td>Katie Cadden</td>
<td>€5,985.00</td>
<td>€583.00</td>
<td>9 out of 10</td>
</tr>
<tr>
<td>Fergus Finlay**</td>
<td>€1,251.00</td>
<td>-</td>
<td>9 out of 10</td>
</tr>
<tr>
<td>Cynthia Clampett</td>
<td>€4,733.00</td>
<td>€649.00</td>
<td>6 out of 8</td>
</tr>
<tr>
<td>Máire McMahon</td>
<td>€5,737.00</td>
<td>-</td>
<td>9 out of 10</td>
</tr>
<tr>
<td>Ercus Stewart</td>
<td>€5,737.00</td>
<td>-</td>
<td>9 out of 10</td>
</tr>
<tr>
<td>Niamh Cahill</td>
<td>€5,737.00</td>
<td>-</td>
<td>9 out of 10</td>
</tr>
</tbody>
</table>

* Members who waived their fees in 2018

** ‘One Person, One Salary’ principle 2016 for a portion of 2018
The Authority has established four committees:

**Finance, Audit and Risk Committee***

The Finance, Audit, Risk & Governance Committee is responsible for advising the Board of the Authority on whether an appropriate regime of internal control, financial and other, is in operation but not for the formulation or implementation of such a regime, which is the responsibility of the Executive of the Authority.

*The Finance, Audit and Risk Committee added Governance to its remit in June 2018. Its role was expanded to include overseeing the implementation of the ‘Code of Practice for the Governance of State Bodies’ (2016).*

The Committee met five times during 2018. Its membership consisted of:

- David Brady (Chairperson and Authority member);
- Noel Wardick (Authority Member, term ended 15 October 2018);
- Máire McMahon (Authority Member, joined 2 July 2018);
- Adrian Clements (External Member);
- Nuala Comerford (External Member).

<table>
<thead>
<tr>
<th>Committee Members</th>
<th>Total</th>
<th>15 Jan 2018</th>
<th>16 Mar 2018</th>
<th>11 Jun 2018</th>
<th>02 Jul 2018</th>
<th>03 Dec 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>David Brady</td>
<td>5 out of 5</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Noel Wardick</td>
<td>4 out of 4</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Máire McMahon</td>
<td>2 out of 2</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Adrian Clements</td>
<td>5 out of 5</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Nuala Comerford</td>
<td>5 out of 5</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>
Regulatory Committee*

The Regulatory Committee’s role is to oversee the effectiveness and controls around the delivery of the Authority’s registration, reporting and other regulatory functions.

*The Regulatory and Governance Committee transferred responsibility for the oversight of Governance to the Finance, Audit and Risk Committee in June 2018.

Its membership consisted of:

- Katie Cadden (Chairperson and Authority Member);
- Tom Costello (Authority member);
- Patrick Hopkins (Authority member, resigned from the Committee in June 2018);
- Patricia Cronin (Authority Member, appointed to the Committee in June 2018.

<table>
<thead>
<tr>
<th>Committee Members</th>
<th>Total</th>
<th>22 Feb 2018</th>
<th>26 Apr 2018</th>
<th>28 Jun 2018</th>
<th>23 Aug 2018</th>
<th>29 Nov 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Katie Cadden</td>
<td>5 out of 5</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Tom Costello</td>
<td>4 out of 5</td>
<td>✓</td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Patrick Hopkins</td>
<td>2 out of 2</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Patricia Cronin</td>
<td>3 out of 3</td>
<td></td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>
Performance and Resource Planning Committee

The Committee was established to assist the Authority to manage the recruitment of a Chief Executive, to oversee the performance management process for senior management and to consider the terms and conditions of members of staff of the Charities Regulator including the terms under which staff are assigned/seconded/allocated/transferred to the Charities Regulator. There are four members on the Committee, all of whom are members of the Authority.

The Committee met five times during 2018. Its membership consisted of:

- Patrick Hopkins (Authority member and Chairperson);
- Tom Costello (Authority member);
- Patricia Cronin (Authority member);
- Fergus Finlay (Authority member).

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Patrick Hopkins</td>
<td>5 out of 5</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Tom Costello</td>
<td>5 out of 5</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Patricia Cronin</td>
<td>4 out of 5</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Fergus Finlay</td>
<td>5 out of 5</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>
Charity Services Committee

The Committee was established to assist the Authority in carrying out the functions previously vested in the Commissioners of Charitable Donations and Bequests. These include authorising disposal of charity property, appointment of new charity trustees and vesting of charity property in charity trustees, framing of schemes of incorporation and Cy-près schemes and approval of grants and scholarships.

Its membership consisted of:

- Graham Richards (Authority Member and Chairperson);
- Katie Cadden (Authority Member, resigned from the Committee in May 2018);
- Sandra Chambers (Authority Member, term ended 15 October 2018);
- Patricia Cronin (Authority Member, resigned from the Committee in May 2018);
- Niamh Cahill (Authority Member, appointed to the Committee in May 2018);
- Ercus Stewart (Authority Member, appointed to the Committee in May 2018);
- Judge John O’Connor (External Member).

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Graham Richards</td>
<td>9 out of 9</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Katie Cadden</td>
<td>3 out of 3</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sandra Chambers</td>
<td>7 out of 7</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Patricia Cronin*</td>
<td>3 out of 3</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Niamh Cahill</td>
<td>5 out of 6</td>
<td></td>
<td></td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Ercus Stewart</td>
<td>3 out of 6</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Judge John O’Connor</td>
<td>7 out of 9</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Staffing

The Charities Regulator designed a Human Resources Strategy in 2016 which it continued to roll out in 2018. Recruiting staff with the requisite competencies and skill sets continued to be a challenge in 2018. Additional support services continued to be retained in 2018 in a temporary capacity to assist with the establishment of a number of key operational activities.

The staffing complement in the Charities Regulator increased to 47 early in 2018. However at the end of 2018 the number of staff had reduced to 39.
The executive management team consisted of:

(*John Farrelly, Eamon O’Halloran and Meiread Ashe resigned from their positions on 30 October 2018, 29 May 2018 and 15 November 2018 respectively.)

**John Farrelly***

John was appointed as Chief Executive of the Charities Regulator in May 2016.

Previous to that he was Deputy Chief Inspector of Social Services, where he led on the regulation of nursing homes and services for children.

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**Helen Martin**

Helen joined the Charities Regulator as Director of Regulation in March 2017. She was appointed as Interim CEO of the Charities Regulator in October 2018. Helen is a solicitor and previously worked in the Office of the Attorney General, and as a senior associate in the Regulatory and Competition law unit of a large solicitor’s firm.

Helen also worked in the private sector for over 10 years as an in-house legal and regulatory advisor for a number of telecommunications companies.

---

**Meiread Ashe***

Meiread joined the Charities Regulator in September 2016 as Head of Corporate Affairs and also acted as Secretary to the Authority.

Previous to this Meiread was the Head of the Central Policy unit in the Department of Public Expenditure and Reform and has extensive experience in management of corporate services and finance in a range of organisations in the private and public sectors.

---

**Eamon O’Halloran***

Eamon was appointed Head of Registration and Reporting in June 2015.

Eamon has significant experience in both public and private sectors. Prior to joining the Charities Regulator Eamon held a management role with the Official Assignee in Bankruptcy.
Tom Malone

Tom joined the Charities Regulator in August 2016 as Head of Compliance and Enforcement.

In October 2018 he was appointed as acting Director of Regulation. Prior to joining the Charities Regulator Tom spent 10 years with the Office of the Comptroller and Auditor General conducting financial audits and value for money examinations.

Eamon Timmins

Eamon joined the Charities Regulator as Head of Communications and Stakeholder Development in May 2017. Before that he worked for 11 years with the older people’s charity, Age Action, initially as Head of Communications and later as Chief Executive.

He was a Journalist for 19 years, working for a number of national and regional titles.

Ciara Cahill

Ciara joined the Charities Regulator in August 2015, as legal advisor and she manages the Charity Services function of the Charities Regulator.

Ciara continues to provide legal advice to the Registration, Compliance and Corporate Affairs functions of the Charities Regulator.

Office: 3 George’s Dock, IFSC, Dublin 1 D01 X5X0
Index to Financial Statements
Charities Regulatory Authority

For the year ended 31 December 2018

Administration

For the year ended 31 December 2018

The Charities Regulatory Authority
(“The Authority”)

Patrick Hopkins (Chairperson, re-appointed October 2018)
David Brady
Katie Cadden (re-appointed October 2018)
Niamh Cahill (appointed January 2018)
Sandra Chambers (term ended October 2018)
Cynthia Clampett (term ended October 2018)
Tom Costello
Patricia Cronin
Fergus Finlay (re-appointed October 2018)
Máire McMahon (appointed January 2018)
Graham Richards (re-appointed October 2018)
Ercus Stewart (appointed January 2018)
Noel Wardick (term ended October 2018)

Chief Executive
John Farrelly (16 May 2016 - 29 October 2018)
Helen Martin (appointed Interim CEO 30 October 2018)

Office
3 George’s Dock, IFSC, Dublin 1, D01 X5X0
Financial Statements

The summarised financial information that is set out in this report is derived from the Audited accounts from the Comptroller and Auditor General.

**Summarised Income and Expenditure Account for the Charities Regulator Year ended 31 December 2018.**

<table>
<thead>
<tr>
<th>Income</th>
<th>€’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department of Rural and Community Development</td>
<td>3,960</td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td>3,960</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenditure</th>
<th>€’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff Costs</td>
<td>2,132</td>
</tr>
<tr>
<td>Administration</td>
<td>1,465</td>
</tr>
<tr>
<td>Audit</td>
<td>17</td>
</tr>
<tr>
<td>Depreciation</td>
<td>63</td>
</tr>
<tr>
<td><strong>Total Expenditure</strong></td>
<td>3,677</td>
</tr>
<tr>
<td><strong>Excess of Income over Expenditure</strong></td>
<td>283</td>
</tr>
<tr>
<td>Transfer to Capital Account</td>
<td>(236)</td>
</tr>
<tr>
<td><strong>Surplus for the year</strong></td>
<td>47</td>
</tr>
<tr>
<td><strong>Opening reserves</strong></td>
<td>83</td>
</tr>
<tr>
<td><strong>Closing reserves</strong></td>
<td>130</td>
</tr>
</tbody>
</table>

More detailed information is available in the full accounts for the period ended 31 December 2018 and the Comptroller and Auditor General’s certificate for the accounts. Copies of the accounts can be obtained from our website26.

26 The Charities Regulator’s website - available at: www.charitiesregulator.ie
Financial Statements – Common Investment Fund

The summarised financial information that is set out in this report is derived from the Audited accounts from the Comptroller and Auditor General.

<table>
<thead>
<tr>
<th></th>
<th>€'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Common Investment Fund/Other receipts</td>
<td>2,031</td>
</tr>
<tr>
<td>Interest</td>
<td>3</td>
</tr>
<tr>
<td>New Charity Funds</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td><strong>2,034</strong></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Expenditure</td>
<td></td>
</tr>
<tr>
<td>Common Investment Fund transfers and other payments</td>
<td>(1,930)</td>
</tr>
<tr>
<td><strong>Total Expenditure</strong></td>
<td><strong>(1,930)</strong></td>
</tr>
<tr>
<td><strong>Excess of Income over Expenditure</strong></td>
<td><strong>104</strong></td>
</tr>
<tr>
<td><strong>Opening reserves</strong></td>
<td><strong>1,278</strong></td>
</tr>
<tr>
<td><strong>Closing reserves</strong></td>
<td><strong>1,382</strong></td>
</tr>
</tbody>
</table>

More detailed information is available in the full accounts for the period ended 31 December 2018 and the Comptroller and Auditor General’s certificate for the accounts. Copies of the accounts can be obtained from the website - www.charitiesregulator.ie.
Statement on Internal Control

Scope of responsibility

On behalf of the Charities Regulatory Authority, we hereby acknowledge our responsibility for ensuring that an effective system of internal control is maintained and operated. This responsibility takes account of the requirements of the Code of Practice for the Governance of State Bodies (2016).

Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a tolerable level rather than to eliminate it. The system can therefore only provide reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded and that material errors or irregularities are either prevented or detected in a timely way.

The system of internal control, which accords with guidance issued by the Department of Public Expenditure and Reform has been in place in the Charities Regulatory Authority for the year ended 31 December 2018 and up to the date of approval of the financial statements.

Capacity to Handle Risk

The Charities Regulatory Authority has a Finance, Audit and Risk Committee (FAR) comprising three Board members one of whom is the Chair and two external members, with financial and audit expertise. The FAR met five times in 2018.

The Charities Regulatory Authority has also established its internal audit function through the Department of Justice and Equality, which was adequately resourced and conducted a programme of work agreed with the FAR in 2018.

The FAR has developed a risk management policy, which sets out its risk appetite, the risk management processes in place, and details the roles and responsibilities of staff in relation to risk. The policy has been issued to all staff, who are expected to adhere to it.

Risk and Control Framework

The Charities Regulatory Authority has implemented a risk management system which identifies and reports key risks and the management actions being taken to address and, to the extent possible, to mitigate those risks.

A risk register is in place which identifies the key risks facing the Charities Regulatory Authority and these have been identified, evaluated and graded according to their significance. The register is reviewed and updated by the FAR on a quarterly basis. The outcome of these assessments is used to plan and allocate resources to ensure risks are managed to an acceptable level.

The risk register details the controls and actions needed to mitigate risks and responsibility for operation of controls assigned to specific staff. We confirm that a controlled environment containing the following elements is in place:

- procedures for all key business processes have been documented;
- financial responsibilities have been assigned at management level with corresponding accountability;
- there is an appropriate budgeting system with an annual budget which is kept under review by senior management;
- there are systems aimed at ensuring the security of the information and communication technology systems; and
- there are systems in place to safeguard the assets.
Ongoing Monitoring and Review

Formal procedures have been established for monitoring control processes, and control deficiencies are communicated to those responsible for taking corrective action and to management and the Board, where relevant, in a timely way. We confirm that the following ongoing monitoring systems are in place:

- key risks and related controls have been identified and processes have been put in place to monitor the operation of those key controls and report any identified deficiencies,
- reporting arrangements have been established at all levels where responsibility for financial management has been assigned, and
- there are regular reviews by senior management of periodic and annual performance and financial reports which indicate performance against budgets/forecasts.

Procurement

We confirm that the Charities Regulatory Authority has procedures in place to ensure compliance with current Office of Government Procurement (OGP) rules and guidelines.

Review of Effectiveness

We confirm that the Charities Regulatory Authority has procedures to monitor the effectiveness of its risk management and control procedures. The Charities Regulatory Authority’s monitoring and review of the effectiveness of the system of internal financial control is informed by the work of the internal and external auditors, the Finance, Audit and Risk Committee which oversees their work, and senior management within the Charities Regulatory Authority responsible for the development and maintenance of the internal financial control framework.

We confirm that the Board conducted an annual review of the effectiveness of the internal controls for 2018.

Internal Control Issues

The internal controls were strengthened within the Charities Regulatory Authority to ensure all payments were supported by relevant backup, with evidence of authorisation and approval by the Head of Corporate Affairs/Accountant/Chief Executive to prevent erroneous payments and minimise the risk of financial loss statements.

Employee Benefits

There were no long-term benefits expected to be settled after 12 months of the annual reporting period.