



An Rialálaí
Carthanas

Charities
Regulator

Compliance Report 2020





Table of Contents

CEO Foreword	05
1. Executive summary	06
2. Background to the Charities Regulator	07
3. Common issues identified	08
4. Charities Governance Code	09
5. Compliance and Enforcement developments in 2020	11
6. Statutory actions	12
7. Notifications under section 59 of the Charities Act 2009	13
8. Concerns analysis 2020	14
9. Conclusion	24
10. Reference	25



CEO Foreword

In March 2020, the Irish public faced one of the greatest challenges of modern times as citizens and organisations across the country struggled to react and adjust to the global pandemic. There is no doubt that registered charities stepped up over the last year and have played and continue to play a vital role in supporting the most vulnerable in our society. This Report, which is the Charities Regulator's fourth compliance report, should be viewed against this backdrop.

While the office moved to remote working during 2020 in response to public health restrictions, our compliance work nevertheless continued. This included the development of additional guidance materials and templates for charities, the progression of compliance inquiries and the closing of 510 concerns. We also carried out a programme of engagement on the Charities Governance Code which included providing online training on the Code to over 1,000 charity trustees and liaising with and seeking feedback directly from individual registered charities on their experience with implementing the Code. Three statutory investigations were also commenced in 2020.

Reflecting the reduced level of activity by registered charities due to lockdowns and other restrictions associated with the pandemic, the number of individual concerns raised with the Charities Regulator fell by 28% compared to the number of concerns that were received in 2019. While concerns relating to the legitimacy of an organisation as a charity fell from 46% to 38% in 2020, it nevertheless remained the most common type of concern received and the majority of these concerns related to clothing collections. With the support of our colleagues in An Garda

Síochána, for the second year running, we ran a national radio campaign. The campaign urged members of the public to check the Register of Charities before donating by way of clothing collection bags and labels to ensure that much needed donations were not diverted away from registered charities.

Concern regarding the control of charities was raised as an issue on a number of occasions during the course of 2020 and concerns relating to financial controls and transparency accounted for 26% of all concerns received in 2020, up from 21% in 2019.

From our interactions with registered charities, the public and other stakeholders, there is no doubt that the role of good governance took on particular significance during 2020, when registered charities and their boards were faced with difficult decisions associated with service restrictions and falling levels of income.

We recognise that like all parts of our society and economy, registered charities will face significant challenges as they seek to move beyond the current pandemic. A strong governance framework will be essential for charities seeking to navigate the months and years ahead. We are therefore committed to supporting registered charities to strengthen standards of governance within their organisations and will continue to hold charities to account where those standards are not met.

Helen Martin
Chief Executive

1. Executive summary

In 2020, 466 individual concerns were raised with the Charities Regulator, a drop of 28% on the 649 individual concerns that were received in 2019, which likely reflects the reduced level of activity by charities brought about by the effects of the COVID-19 pandemic.

The number of concerns raised by organisation decreased by 23% from 521 organisations in 2019 to 399 organisations in 2020.

During 2020 a total of 510 individual concerns were closed. This figure represents a decrease of 15% on the 597 individual concerns that were closed in 2019.

Legitimacy of charities remained the most common type of concern received in 2020, with 38% of all concerns received falling into this category, down from 46% of all concerns in 2019. Financial controls and transparency accounted for 26% of all concerns received in 2020, up from 21% of all concerns in 2019.

Common issues identified in previous years continued to appear throughout 2020 such as trustees' duties and responsibilities, managing conflicts of interest and unregistered charitable organisations. Concerns regarding the control of charities was raised as an issue on a number of occasions during the course of 2020.

In 2020 the Charities Regulator received 13 reports under section 59 of the Charities Act 2009. Section 59 requires charity trustees and other relevant persons to report when information comes into their possession that causes them to form the opinion that there are reasonable grounds for believing that an offence under the Criminal Justice (Theft and Fraud Offences) Act 2001 has been, or is being, committed.

During 2020, statutory inspectors were appointed to investigate and prepare a report into the affairs of the following three charities:

- Cabhru Housing Association Services CLG (Registered Charity Number 20008543)
- ChildFund Ireland CLG (Registered Charity Number 20032913)
- Bóthar CLG (Registered Charity Number 20026592)

The statutory investigation in relation to Bóthar CLG has been temporarily paused at the request of An Garda Síochána until such time as their criminal investigation has been completed, at which time the Regulator's investigation will resume.

The rollout of the Charities Governance Code continued during 2020, and free online training was provided by the Charities Regulator to over 1,000 charity trustees. A number of guidance notes were added to the Charities Governance Code Toolkit, including a sample completed Compliance Record Form for non-complex charities, and an information note on Reporting on Compliance with the Charities Governance Code in 2021. The Compliance Unit also published a Guidance on Charity Reserves as part of the Charities Regulator's response to issues facing charities brought about by the COVID-19 pandemic.

2. Background to the Charities Regulator

The Charities Regulatory Authority or ‘Charities Regulator’ as it is known, was established as an independent statutory body in October 2014 in accordance with the Charities Act 2009.

The Charities Regulator has a number of statutory functions, such as setting up and maintaining the Register of Charities, ensuring that charities comply with their legal obligations, investigating the affairs of charities and, where appropriate, issuing guidance to charities and charity trustees. Charities are independent organisations run by charity trustees. They play a vital role in our society and provide public benefit in diverse ways to communities in Ireland and across the world.

Alleged breaches of the Charities Act 2009 (referred to as “concerns” in this report) may come to the Charities Regulator’s attention in a number of different ways, for example, through the Charities Regulator’s online concerns form which can be completed by members of the public, through media reports and through monitoring or other work carried out by the Charities Regulator.

As part its compliance and enforcement function, the Charities Regulator may open an inquiry case into any concern relating to a registered charity or any other organisation to determine whether or not there has been a breach of the Charities Act 2009.



3. Common issues identified

During the course of managing concerns raised about charities and organisations throughout 2020, the Charities Regulator observed that the common issues identified in previous years continued throughout 2020. The recurring themes listed in the 2020 report are stated in the table below, along with relevant guidance that is available to download from our website.

Common Issues Identified	Guidance Available on Website
Lack of awareness of trustee duties and responsibilities	Guidance for Charity Trustees
Conflicts of interest	Managing Conflicts of Interest Guidance
Inadequate financial controls and lack of procedures	Internal Financial Control Guidelines for Charities
Lack of financial transparency	SORP (Statement of Recommended Practice)
Fundraising issues	Guidelines for Charitable Organisations on Fundraising from the Public
Financial reserves – restricted and unrestricted funds	Guidance on Charity Reserves
Unregistered charitable organisations	What is a Charity Guidance

Control of charities arose as an issue on a number of occasions during the course of 2020. Charity trustees are reminded that all trustees of a charity are equally responsible for controlling all aspects of the operation of the charity and any decisions taken by that charity, whilst employees and volunteers are answerable to the trustees of the charity.

4. Charities Governance Code

Good governance is essential for the success of any charity and with the challenges thrown up by the public health crisis in 2020, good governance is now more important than ever. By law, charity trustees (e.g. anyone serving on the Board or a Committee of a charity) have individual and joint responsibility for what happens within their charity. Charity trustees must ensure that their charity achieves its charitable objectives with integrity and is managed in an effective, efficient, accountable and transparent way.

In November 2018, the Charities Regulator launched the Charities Governance Code, which sets the minimum standards which charity trustees should ensure their charity meets, in order to effectively manage and control their organisations. During 2020, all charity trustees were expected to implement the Charities Governance Code in their charity. In October 2020, an Information Note was published explaining what charities and charity trustees should expect in 2021. The information note included details regarding the declaration that registered charities would be asked to complete in relation to the Charities Governance Code when submitting their Annual Report to the Charities Regulator.

A 'comply or explain' model has been adopted in relation to the Charities Governance Code declaration which provides registered charities with an opportunity to confirm if and to what extent they have implemented the standards in the Code. This approach recognises the considerable diversity that exists among registered charities. This means that a charity that finds for whatever reason that it cannot implement a particular standard specified in the Charities Governance Code, can record those specific reasons and provide them as an explanation if requested. A reasoned

explanation will be considered sufficient if the charity can show that it is meeting the main principle to which the standard relates or can show that it has put in place a realistic timetable for doing so. It may be the case that not all standards may be applicable to a given charity and where this is the case, the charity can evidence this by reference to the minutes of the meeting where the particular standard was discussed by the trustees and where the reason why it was not implemented is recorded.

The Register of Charities currently indicates whether a charity has confirmed that it has implemented the Charities Governance Code in full. For charities who declare that they have implemented the Code in part, there is an option for them to have the reason as to why the Code has yet to be fully implemented displayed in their entry on the Register of Charities.

The Charities Regulator is monitoring declarations made by registered charities in relation to the Charities Governance Code. This is done by contacting registered charities who have declared on their Annual Report that they are in compliance with the Charities Governance Code and asking them to submit their Compliance Record Forms for review. The reasons provided by charities for not being in compliance with the Charities Governance Code are also being monitored, which provides valuable feedback for the Charities Regulator in relation to the parts of the Charities Governance Code that charities may be finding challenging. This enables the Charities Regulator to provide guidance and update our Frequently Asked Questions section to address any common issues that are raised.

Charity trustees should note that the purpose of enabling charities to declare whether or not they have implemented the Charities Governance Code and to have this published on the Register of Charities is to provide greater transparency for the public. It is for this reason, that the Charities Regulator is closely monitoring declarations regarding the Code made by registered charities when submitting their annual reports. As part of our monitoring work, individual charities are asked to demonstrate that their charity has implemented the Charities Governance Code by furnishing a completed Compliance Record Form. A declaration by a registered charity that it has fully implemented the Charities Governance Code when it is not in a position to demonstrate that it has done so, is considered a very serious matter.

Any registered charity that is found to have made an incorrect declaration or a declaration which it is unable to support by reference to Board minutes and other documentary evidence recorded in a Compliance Record Form, will be required to amend its declaration and will be subject to further regulatory scrutiny by the Charities Regulator.

Charities Governance Code Toolkit & Training

A large suite of guidance documents, sample completed Compliance Record Forms and Frequently Asked Questions specifically in relation to the Charities Governance Code are available on our website.

During 2020, the Charities Regulator provided online training in relation to the Charities Governance Code to over 1,000 charity trustees. This is all part of the efforts made by the Charities Regulator to assist charities to implement the standards set out in the

Charities Governance Code. The feedback from this training has allowed us to add to the guidance documents in the Charities Governance Code Toolkit and Frequently Asked Questions section on our website. In November 2019, we hosted two webinars as part of Charity Trustees' Week 2020 focusing on the topic of the Charities Governance Code: Road to Compliance. Videos of the online training and one of the Road to Compliance webinars are available on our website, www.charitiesregulator.ie.

Our dedicated Charities Governance Code email which is governancecode@charitiesregulator.ie dealt with 480 email queries during 2020.

Other Guidance Issued

During 2020 in response to queries raised by charities seeking to utilise their financial reserves due to the fall off in donations as a result of the COVID-19 pandemic, the Charities Regulator published a 'Guidance on Charity Reserves'. This document provides guidance to charities on how to put a reserves policy in place, how to determine an appropriate level of reserves, how to monitor reserves on an ongoing basis, and how to use reserves during a crisis.

5. Compliance and Enforcement developments in 2020

During 2020, our case management system was further developed to enhance the risk indication capability within the Charities Regulator. This has allowed the Charities Regulator to enhance its process for identifying and risk assessing areas of interest within the charity sector.

This will assist the Charities Regulator in focusing its resources on those organisations and parts of the sector which represent the greatest risk in terms of compliance thereby affording us an opportunity to engage with charities at an early stage to provide guidance and advice as appropriate.

The benefits of this process are already being felt with initial targeted interventions now taking place with charities that have been identified as part of this process.



6. Statutory actions

The number of statutory actions taken by the Charities Regulator in 2020 is set out in Table 1 below. It should be noted that most concerns raised with the Charities Regulator are initially dealt with by the Compliance and Enforcement Unit on an administrative basis as non-statutory inquiries. If information is required from a charity or other organisation

for the purposes of processing a concern, the Compliance Unit will generally request the information on a voluntary basis, before a statutory instruction to provide the information is considered. In the vast majority of cases, information requested by the Charities Regulator is provided on a voluntary basis.

Table 1: Statutory Actions taken by the Charities Regulator in 2020

Section of the Charities Act 2009	2019	2020
Section 28 - Disclosure of information relating to offences	NIL	1
Section 32 - Provision of information to relevant persons	NIL	14
Section 53 - Requirement to provide information	3	NIL
Section 64 - Appointment of inspectors re. investigation	NIL	3
Section 68 - Requirement to produce books, documents or other records	10	1
Section 73 - Imposition of intermediate sanctions	NIL	NIL
Total	13	19

In addition to the above, statutory actions may also be taken by inspectors appointed by the Charities Regulator pursuant to section 64 of the Charities Act 2009 e.g. under section 65 which deals with the requirement to produce books, documents and other records and, to attend before or to give assistance to an inspector.

These actions are not reflected in figures relating to statutory actions taken by the Charities Regulator as inspectors carry out their functions independently as part of their investigations.

During 2020, statutory inspectors were appointed to investigate and prepare a report into the affairs of the following three charities:

- Cabhru Housing Association Services CLG (Registered Charity Number 20008543)
- ChildFund Ireland CLG (Registered Charity Number 20032913)
- Bóthar CLG (Registered Charity Number 20026592)

The statutory investigation in relation to Bóthar CLG has been temporarily paused until such time as the criminal investigation by An Garda Síochána has been completed, at which time the Regulator's investigation will resume.

7. Notifications under section 59 of the Charities Act 2009

Section 59 of the Charities Act 2009 requires charity trustees, and other relevant persons, to report to the Charities Regulator where information comes into their possession that causes them to form the opinion that there are reasonable grounds for believing that an offence under the Criminal Justice (Theft and Fraud Offences) Act 2001 has been, or is being, committed.

During 2020, 13 reports (2019, 16 reports) were made to the Charities Regulator pursuant to section 59 of the Charities Act 2009.



8. Concerns Analysis 2020

8.1 Introduction to Concerns Analysis

To facilitate the processing of concerns and to reflect how concerns are raised with the Charities Regulator, concerns are recorded and reported on in two ways:

1. By individual concern raised

Concerns raised with the Charities Regulator are assessed, processed and recorded on the basis of the issues raised in the concern.

2. By reference to the organisation in respect of which a concern is raised

Individual concerns raised about an organisation are considered in the context of any other concerns raised about the same organisation.

Source of concerns

- Concerns are raised with the Charities Regulator through a variety of sources, both external and internal, and include the following:
 - members of the public (including charity trustees, volunteers and employees)
 - other government bodies/regulators, and
 - through proactive monitoring by the Charities Regulator.

Multiple issues in a single concern raised

A concern raised may include a number of issues in respect of a single organisation. As the different issues raised may fall into different categories, the number of categories of issues raised and recorded will be higher than the number of concerns raised.

For example, a single concern could raise issues about an organisation's financial controls as well as issues about the appointment of a trustee. In this instance, the concern would be recorded as a concern received and the two individual issues will be recorded under two separate categories of issues raised.

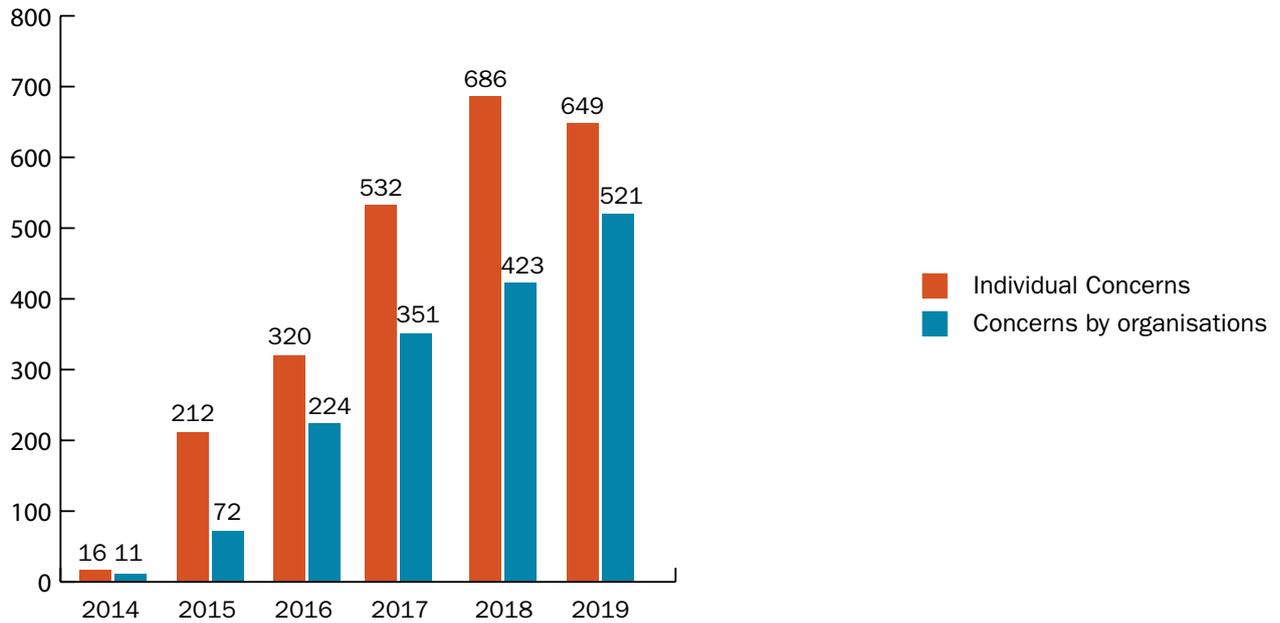
Concerns about multiple organisations

A single piece of correspondence received from a member of the public may raise issues about a number of different organisations. In this instance, the single piece of correspondence will be recorded as a concern raised about each of the organisations referred to in the correspondence. For example, a concernee could raise a concern about similar policies being adopted by a specified group of charities with the same charitable purpose carrying out similar charitable activities e.g. charities focused on relieving poverty or economic hardship by providing services for those who are homeless.

8.2 Concerns Raised

In 2020, 466 individual concerns were raised with the Charities Regulator in respect of 399 organisations. The number of individual concerns raised represents a decrease of 28% on the number of concerns raised in 2019, when 649 concerns were raised. The number of concerns by organisation has decreased by 23% from 521 in 2019 to 399 in 2020. These figures likely reflect the decrease in activity by charities in 2020 due to the effects of the COVID-19 pandemic.

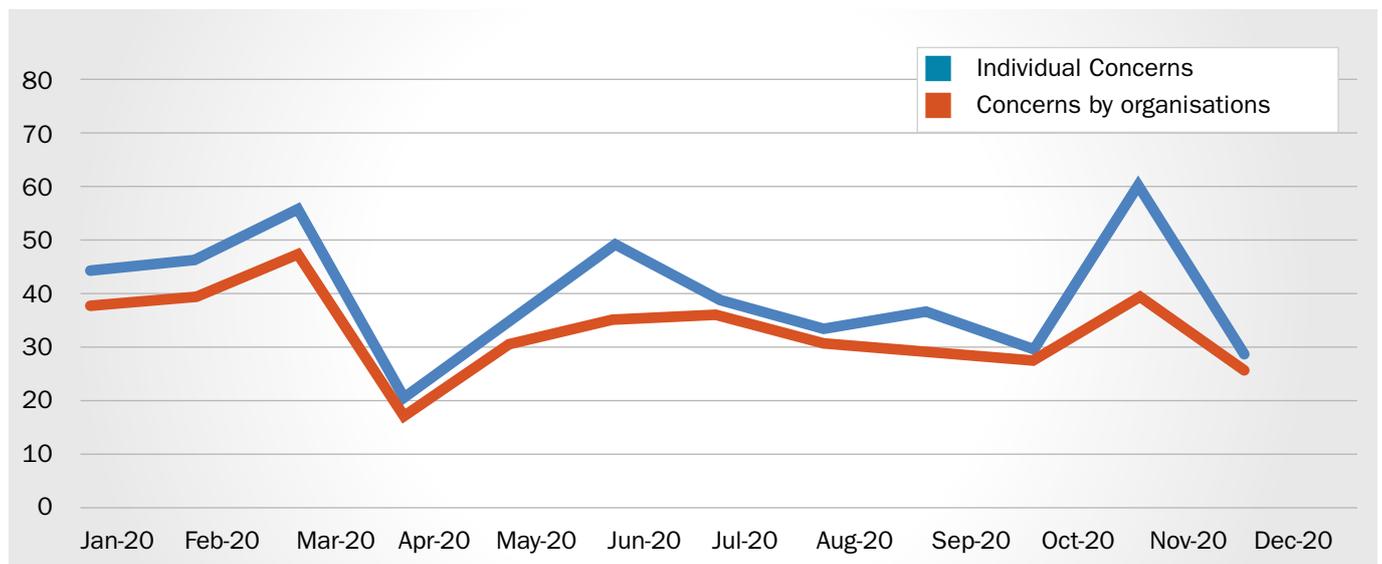
Table 2: Concerns raised from 16 October 2014 to 31 December 2020



The average number of concerns raised per month during 2020 was 39, with the highest number of individual concerns raised in any one month being 58 concerns in November 2020. This contrasts with April 2020 when the lowest number of concerns were raised, which was 20.

The chart below sets out the number of concerns raised each month in 2020.

Table 3: The number of concerns raised each month in 2020



8.3 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 2020, approximately 86% raised issues in the combined categories of 'Legitimacy of Charity', 'Governance Issues' and 'Financial Control and Transparency'.

The 'Legitimacy of Charity' category on its own represents 38% of all concerns received. This reflects public awareness of unregistered organisations seeking donations, particularly in the clothing collection sector.

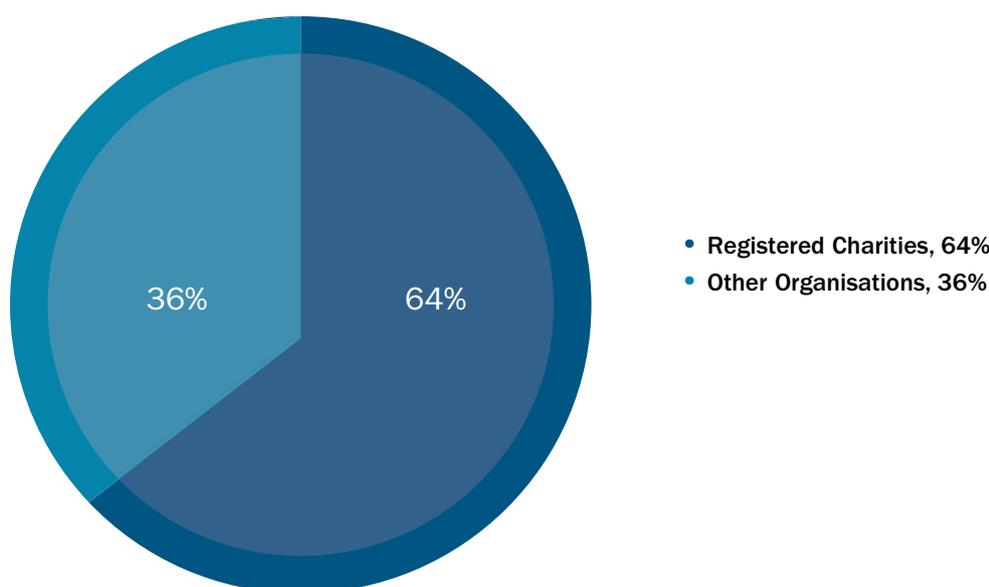
Table 4: Breakdown and comparison of concerns raised in 2020 – Category of issue raised

Category	No. of Concerns 2019	% 2019	No. of Concerns 2020	% 2020	2019 - 2020 % Comparison
• Legitimacy of Charity	297	46%	277	38%	-8%
• Financial Control and Transparency	136	21%	121	26%	+5%
• Governance Issues	157	24%	103	22%	-2%
• Harm to Beneficiaries	17	3%	21	5%	+2%
• Private Benefit	17	3%	20	4%	+1%
• Misdirected Concerns - issues outside of Charities Regulator's remit	16	2%	18	4%	+2%
• Inappropriate Political Campaigning	9	1%	6	1%	0%

8.4 Status of Organisation

In addition to its role in respect of registered charities, the Charities Regulator has a role in ensuring that other organisations comply with certain provisions of the Charities Act 2009. Figure 1 below shows that whilst the majority of concerns raised were in respect of registered charitable organisations, a significant portion of concerns related to organisations that are not registered charities.

Of the 466 individual concerns that were raised in 2020, 296 (64%) related to registered charities and 170 (36%) related to other organisations. This is in contrast to 2019 when 52% of concerns raised related to registered charities and 48% of concerns related to other organisations, which would indicate that the activity of unregistered organisations was significantly reduced in 2020, most likely due to the effects of the COVID-19 pandemic.

Figure 1: Individual Concerns Raised in 2020 - Registered Charities/Other Organisations

The types of concerns raised about organisations that are not registered charities in Figure 1 above includes:

- concerns about organisations that are not charities within the meaning of the 2009 Act in respect of which the Charities Regulator has no role e.g. fundraisers for the benefit of a single individual where the requirement for public benefit is not met or fundraising by an organisation that is not advancing a charitable purpose within the meaning of the Charities Act 2009; and
- concerns about organisations that are not registered charities in respect of which the Charities Regulator does have a role e.g. charitable organisations carrying out activities in the State while not registered and organisations misrepresenting themselves as charitable organisations. In relation to this category, much of the work of the Compliance and Enforcement Unit entails ensuring that such unregistered entities are brought into compliance with the 2009 Act, which may entail the organisation ceasing particular activities or submitting an application to the Charities Regulator for inclusion in the Register of Charities where appropriate.

8.5 Charitable purpose

The Charities Act 2009 outlines 4 charitable purposes:

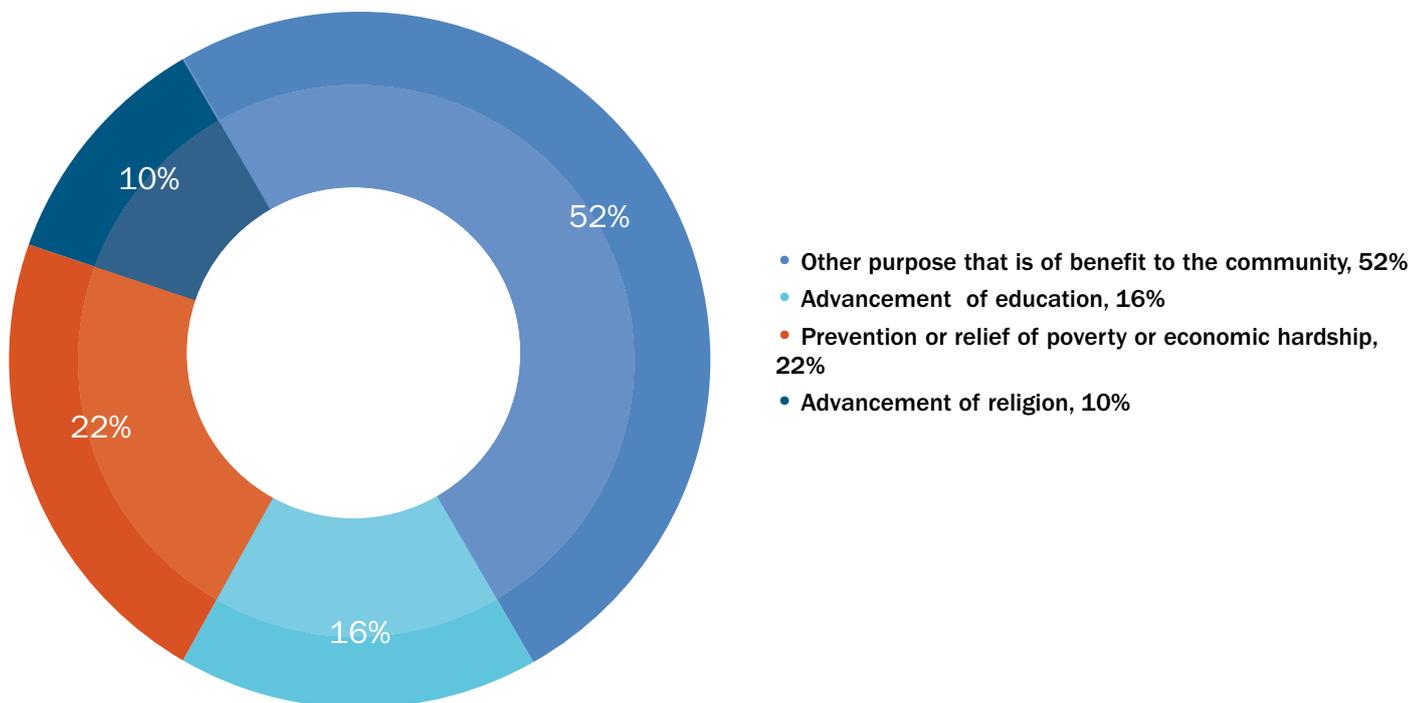
- the prevention or relief of poverty or economic hardship
- the advancement of education
- the advancement of religion and
- any other purpose that is of benefit to the community.

The Act goes on to list 12 further charitable purposes that fall into the 'any other purpose that is of benefit to the community' category. A charity may have a number of charitable purposes.

Information was compiled regarding the main charitable purpose of the organisations about whom concerns were raised in 2020 and whose details were recorded by the Charities Regulator. Of the 399 concerns raised in respect of organisations with the Charities Regulator in 2020, 209 (52%) were registered charities.

As set out in Figure 2, the majority of concerns were raised regarding organisations that included ‘any other purpose that is of benefit to the community’ as a charitable purpose (52%).

Figure 2 - Breakdown of Concerns Raised in 2020 by reference to Charitable Purpose



The Charities Act 2009 provides further detail on the subdivisions that constitute a charitable purpose under ‘any other purpose that is of benefit to the community’. An analysis of the charitable purpose of registered charities by these subdivisions in relation to concerns received in 2020 is set out in Table 5.



Table 5: Breakdown of concerns in 2020 – ‘Any Other Purpose that is of Benefit to the Community’

Charitable Purpose	%
• The advancement of community welfare including the relief of those in need by reason of youth, age, ill-health, or disability	44%
• The prevention or relief of suffering of animals	15%
• The promotion of health, including the prevention or relief of sickness, disease or human suffering	14%
• The advancement of community development, including rural or urban regeneration	8%
• The integration of those who are disadvantaged, and the promotion of their full participation, in	7%
• The promotion of civic responsibility or voluntary work	6%
• The advancement of the arts, culture, heritage or sciences	3%
• The protection of the natural environment	2%
• The promotion of religious or racial harmony and harmonious community relations	1%

Charities may, and often do, have more than one charitable purpose. The table below provides the breakdown of registered charities on the Register of Charities by reference to the main charitable purpose of registered charities and shows the percentage of concerns received by reference to each charitable purpose.

Table 6: Breakdown of registered charities with concerns raised against them in 2020 by charitable purpose(s).

Charitable Purpose	% Breakdown of Register by Charitable Purposes	% of Registered Charities with Concerns by Charitable Purpose
• Advancement of religion	8%	10%
• Advancement of education	33%	16%
• Prevention or relief of poverty or economic hardship	8%	22%
Any Purpose that is of Benefit to the Community		
• The advancement of community welfare including the relief of those in need by reason of youth, age, ill-health, or disability	12%	23%
• The promotion of health, including the prevention or relief of sickness, disease or human suffering	7%	7%
• The integration of those who are disadvantaged, and the promotion of their full participation, in society	9%	4%
• The promotion of civic responsibility or voluntary work	6%	3%
• The prevention or relief of suffering of animals	1%	8%
• The advancement of community development, including rural or urban regeneration	7%	5%
• The promotion of religious or racial harmony and harmonious community relations	1%	0%
• The advancement of the arts, culture, heritage or sciences	5%	1%
• The protection of the natural environment	2%	1%
• The advancement of the efficient and effective use of the	1%	0%

8.6 Relationship of Concernee with Organisation

Any person raising a concern about an organisation using the Charity Regulator's online concerns form, is requested to indicate what the nature of their relationship is with the organisation that they are raising a concern about. In addition, for any concerns received other than through the concerns form e.g. by post, email etc., staff of the Compliance and Enforcement Unit will, where possible, record what a person's relationship with the charity is based on the information they provide. This information can be helpful to the team in terms of following up with the concernee (assuming they have not chosen to remain anonymous) as it can indicate the kind of information that

the person raising the concern might be basing their concern on. A charity trustee should for example be able to provide documentary evidence to support concerns raised that would not be available to a beneficiary or a member of the public.

Of the concerns raised with the Charities Regulator in 2019 and 2020, the majority of people who raised concerns indicated that they had no relationship with the charity that was the subject of their concern.

A further breakdown is set out in table 7 below.

Table 7: Breakdown of concerns raised in 2020 – Relationship of concernee with Organisation

Relationship with Organisation	Number 2019	%	Number 2020	%
None	263	41%	180	39%
Not Specified	200	31%	72	15%
Internal CRA Staff	11	2%	55	12%
Other	51	8%	33	7%
Employee/Former Employee	18	3%	31	7%
Director/Trustee, or Former Director/Trustee	33	5%	26	6%
Beneficiary/Service User	27	4%	18	4%
Member	20	3%	18	4%
Volunteer/Former Volunteer	10	2%	17	4%
Donor/Supporter	16	2%	16	2%
Total	649	100%	466	100%

1. Online Concern Form – available from <https://www.charitiesregulator.ie/en/information-for-the-public/raise-a-concern>

8.7 Concerns closed

During 2020, a total of 510 individual concerns were closed. This figure represents a decrease of 15% on the overall number of individual concerns that were closed in 2019, which was 597. The decrease in the number of individual concerns that were closed during 2020 likely reflected the lower number of concerns received as a result of the reduced level of activity within charities due to the effects of the COVID-19 pandemic, and also the impact on staff of the adjustment to working remotely.

Table 8: Concerns closed in 2020

■ Individual concerns closed
■ Concerns closed by organisations

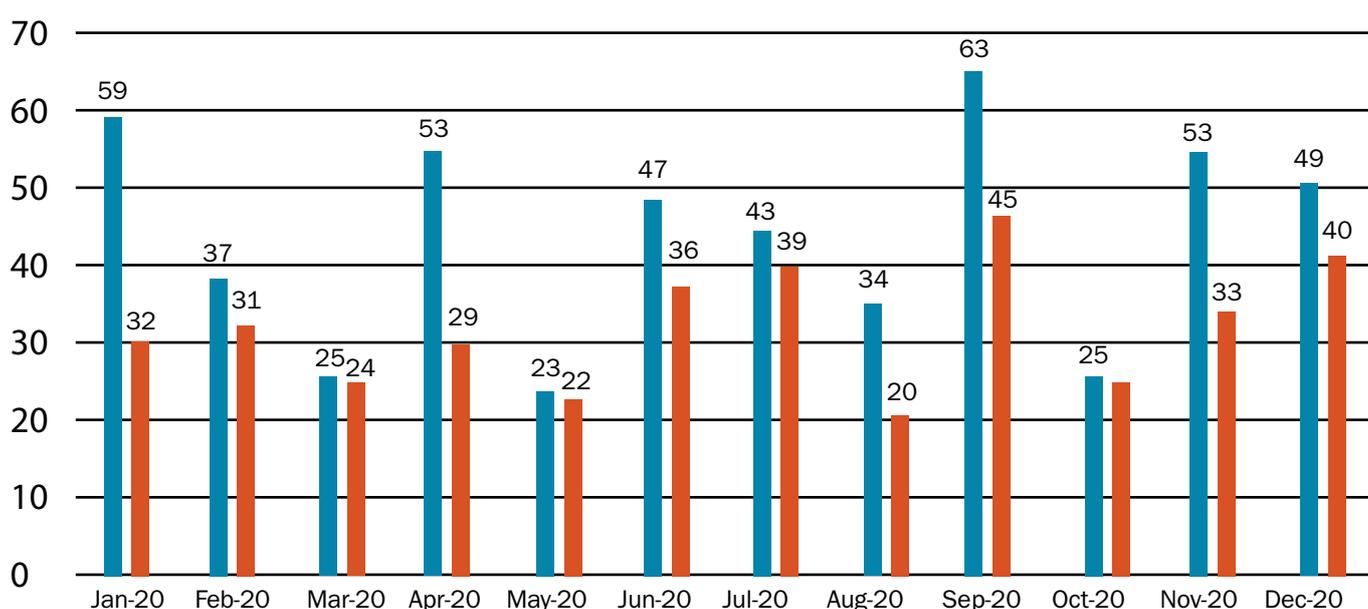


Table 9: Breakdown of reasons concerns were closed in 2020

Reason for Closing Concern	No. 2020	% 2020
• Case cannot be progressed – see below	135	26%
• No breach of act or best practice apparent following assessment	93	18%
• Case manager satisfied based on assurances provided by entity	85	17%
• Issues are outside the Charities Regulator's remit	66	13%
• Unregistered organisation is engaging with registration process	36	7%
• Issues already addressed/being addressed by entity	34	7%
• Entity complied with actions requested by case manager	29	6%
• Entity now in compliance with the Charities Act 2009	23	4%
• Relevant advice/guidance issued to entity	9	2%
Total	510	

The main reasons why cases cannot be progressed are that the concernee did not provide enough information regarding the concern raised and they did not provide any contact details for follow up, or that insufficient information is available to identify the persons or organisations – this is quite often the case in relation to clothing collections which are the subject of concerns from the public but there are no means available to the Charities Regulator of making contact with the clothing collection organisers. A Public Notice on Clothing Label Collections and Clothing Bank Collections for Donors, available from our website at www.charitiesregulator.ie was issued in March 2021 to address this issue.

As at 31 December 2020, the number of open concerns stood at 315 in respect of 222 organisations, down from 359 open concerns in respect of 237 organisations as at 31 December 2019.

Table 10: Number of open concerns as at 31st December

Open Concerns	Individuals	By Organisations
• As at 31 December 2019	359	237
• As at 31 December 2020	315	222
• Increase/(Decrease)	-44	-15
• Change %	-12%	-6%

8.8 Meetings with organisations

The Compliance and Enforcement Unit held face-to-face meetings and virtual meetings with a number of organisations in relation to compliance matters during 2020.

Charity trustees are expected to attend at such meetings as they are responsible for all actions and decisions taken by a charity. Where a charity has paid staff including a senior

manager or managers, those staff members may in some cases attend with trustees from the charity's Board. Meetings were also held with representative organisations and other organisations that work closely with registered charities, regulators, An Garda Síochána, the Revenue Commissioners and other government departments and agencies to discuss areas of mutual interest.

8.9 General queries

On an ongoing basis our Compliance and Enforcement Unit will deal with contacts from the public and organisations, which do not reach the threshold of being a concern about potential non-compliance with the Charities Acts. In 2020, the Unit dealt with 222 such queries.

In many instances our expanding body of published guidance documents will serve to address queries received. In other cases, we will analyse the issue raised and provide advice where appropriate.

9. Conclusion

9.1 Advice for Charities and Compliance with the Charities Act 2009

The Charities Regulator recommends that all charity trustees familiarise themselves with our guidance documents, in particular the ‘Guidance for Charity Trustees’ and ‘Internal Financial Controls Guidelines for Charities’. It is also essential that all charity trustees ensure that the charities for which they are responsible have appropriate governance arrangements in place as required by the Charities Governance Code. Practical assistance is available through the Charities Governance Code Toolkit and FAQ’s, which consist of guidance materials and templates. Further information and guidance is also available through videos of training and staff presentations, which can be found on our website and include presentations on the Charities Governance Code and the work of the Charities Regulator’s Compliance Unit.

Based on our direct engagement with registered charities in 2020, it is particularly important that charity trustees and all those working or volunteering with registered charities are aware of the following:

Any correspondence from the Charities Regulator to a registered charity requesting a response from the charity should be brought to the attention of the charity’s Board or committee and should be responded to within the timeline specified in the communication;

Charity trustees should ensure that the evidence required to demonstrate that their charity has implemented the Charities Governance Code, whether in whole or in part, is recorded in their Compliance Record Form which should be retained by the charity. The Compliance Record Form may be requested by the Charities Regulator as part of the checks it carries out to ensure that charities are implementing the standards set out in the Charities Governance Code.

Failure by a registered charity to respond in a timely manner to formal correspondence from the Charities Regulator or failure to provide appropriate evidence to support a written statement or declaration submitted to the Charities Regulator is a serious matter and may lead to further regulatory scrutiny and action.

9.2 Advice for Potential Donors and Volunteers

The Charities Regulator recommends that anyone thinking of donating to, or volunteering with an organisation describing itself as a charity check the Register of Charities on our website to ensure that the organisation is registered.

In addition, potential donors and volunteers should take steps to inform themselves fully about the organisation and its activities and ensure that they are satisfied that the organisation has the appropriate structures, policies and procedures in place to ensure their donation, whether time or money, is put to best use.

As queries in relation to clothing collections have been one of the most common concerns we receive in the Compliance Unit, we recently issued a Public Notice on Clothing Collections which provides advice for members of the public who wish to donate clothing to a charitable organisation. We also published a Guidance Note for Registered Charities on Fundraising through Clothing Label Collections and Clothing Bank Collections. Both documents are available on our website.

10. References

The Public Register of Charities is available at: <https://www.charitiesregulator.ie/en/information-for-the-public/search-the-register-of-charities>

The Charities Act 2009 is available from the eISB website at: <http://www.irishstatutebook.ie/eli/2009/act/6/section/1/enacted/en/index.html>

Guidance for Charity Trustees - available at: <https://www.charitiesregulator.ie/media/1078/guidance-for-charity-trustees-july-2017.pdf>

Managing Conflicts of Interest Guidance - available at: <https://www.charitiesregulator.ie/media/1417/managing-conflicts-of-interest-may-2018.pdf>

Internal Financial Control Guidelines for Charities - available at: <https://www.charitiesregulator.ie/media/1081/financial-controls-guidelines-june-2017.pdf>

SORP (Statement of Recommended Practice) – available at: <http://www.charityorp.org/>

Guidelines for Charitable Organisations on Fundraising from the Public - available at: <https://www.charitiesregulator.ie/media/1083/guidance-for-fundraising-english.pdf>

What is a Charity? - available at: <https://www.charitiesregulator.ie/media/1544/what-is-a-charity-rev-001.pdf>

Concerns Policy – available at: <https://www.charitiesregulator.ie/media/1737/concerns-policy.pdf>

Online Concern Form – available at: <https://www.charitiesregulator.ie/en/information-for-the-public/raise-a-concern>

Charities Governance Code, Toolkit and Guidance Notes & Templates – available at: <https://www.charitiesregulator.ie/en/information-for-charities/charities-governance-code>

Guidance on Charities and the Promotion of Political Causes – available at: <https://www.charitiesregulator.ie/media/1391/guidance-on-charities-and-the-promotion-of-political-causes.pdf>

Guidance on Winding Up a Charity – available at: <https://www.charitiesregulator.ie/media/1670/guidance-on-winding-up-a-charity.pdf>





An Rialálaí
Carthanas

Charities
Regulator

Document Reference No CE REP 9.1 003 Rev 000
September 2021

Charities Regulator
3 Georges Dock
IFSC
Dublin 1
D01 X5X0

Telephone:01-6331500
www.charitiesregulator.ie
© Charities Regulator 2021