



Ard Reachtaire Cuntas agus Ciste Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Charities Regulatory Authority

Opinion on the financial statements

I have audited the financial statements of the Charities Regulatory Authority for the year ending 31 December 2022 as required under the provisions of section 30 (2) of the Charities Act 2009. The financial statements comprise

- the statement of income and expenditure and retained revenue reserves
- the statement of financial position
- the statement of cash flows, and
- the related notes, including a summary of significant accounting policies.

In my opinion, the financial statements give a true and fair view of the assets, liabilities and financial position of the Charities Regulatory Authority at 31 December 2022 and of its income and expenditure for 2022 in accordance with Financial Reporting Standard (FRS) 102 — *The Financial Reporting Standard applicable in the UK and the Republic of Ireland*.

Basis of opinion

I conducted my audit of the financial statements in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the appendix to this report. I am independent of the Charities Regulatory Authority and have fulfilled my other ethical responsibilities in accordance with the standards.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Report on information other than the financial statements, and on other matters

The Charities Regulatory Authority has presented certain other information together with the financial statements. This comprises the governance statement and Authority members' report, and the statement on internal control. My responsibilities to report in relation to such information, and on certain other matters upon which I report by exception, are described in the appendix to this report.

I have nothing to report in that regard.

Leonard McKeown
For and on behalf of the
Comptroller and Auditor General

29 May 2023

Appendix to the report

Responsibilities of Authority members

The governance statement and Authority members' report sets out the Authority members' responsibilities. The Authority board members are responsible for

- the preparation of annual financial statements in the form prescribed under section 30 (1) of the Charities Act 2009
- ensuring that the financial statements give a true and fair view in accordance with FRS 102
- ensuring the regularity of transactions
- assessing whether the use of the going concern basis of accounting is appropriate, and
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibilities of the Comptroller and Auditor General

I am required under section 30 (2) of the Charities Act 2009 to audit the financial statements of the Charities Regulatory Authority and to report thereon to the Houses of the Oireachtas.

My objective in carrying out the audit is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement due to fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. In doing so,

- I identify and assess the risks of material misstatement of the financial statements whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- I obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.
- I evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures.
- I conclude on the appropriateness of the use of the going concern basis of accounting and, based on the audit evidence obtained, on whether a material uncertainty exists related to events or conditions that may cast significant

doubt on the Charities Regulatory Authority's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause the Charities Regulatory Authority to cease to continue as a going concern.

- I evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I report by exception if, in my opinion,

- I have not received all the information and explanations I required for my audit, or
- the accounting records were not sufficient to permit the financial statements to be readily and properly audited, or
- the financial statements are not in agreement with the accounting records.

Information other than the financial statements

My opinion on the financial statements does not cover the other information presented with those statements, and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, I am required under the ISAs to read the other information presented and, in doing so, consider whether the other information is materially inconsistent with the financial statements or with knowledge obtained during the audit, or if it otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

Reporting on other matters

My audit is conducted by reference to the special considerations which attach to State bodies in relation to their management and operation. I report if I identify material matters relating to the manner in which public business has been conducted.

I seek to obtain evidence about the regularity of financial transactions in the course of audit. I report if I identify any material instance where public money has not been applied for the purposes intended or where transactions did not conform to the authorities governing them.

Financial Statements

Charities Regulatory Authority

For the year ended 31 December 2022

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ADMINISTRATION

For the year ended 31 December 2022

The Charities Regulatory Authority

Board Members

Patrick Hopkins (Chairperson)
David Brady (Retired 15 October 2022)
Tom Costello (Retired 15 October 2022)
Patricia Cronin (Retired 15 October 2022)
Máire McMahon
Ercus Stewart
Martin Sisk
Rosemary Keogh
Cathy Holahan (Appointed 27 April 2022)
Geraldine Smith (Appointed 27 April 2022)
Lorraine Lally (Appointed 27 April 2022)
Nicola Keogh (Appointed 27 April 2022)
Tony Ward (Appointed 27 April 2022)
Stephen Keogh (Appointed 26 October 2022)
Darren Lehane (Appointed 26 October 2022)
Michael O'Sullivan (Appointed 26 October 2022)

Chief Executive Officer (CEO)

Helen Martin

OFFICE:

3 George's Dock, IFSC, Dublin 1, D01 X5X0

CHARITIES REGULATORY AUTHORITY

GOVERNANCE STATEMENT AND BOARD MEMBERS' REPORT

Governance

The Charities Regulatory Authority (“Authority”) was established on the 16 October 2014 under the Charities Act 2009. The general functions of the Authority are set out in section 14 of the Act. The Board of the Authority is accountable to the Minister for Rural and Community Development and is responsible for ensuring good governance by setting strategic objectives and targets and taking strategic decisions on all key business issues. The regular day-to-day management, control and direction of the Authority are the responsibility of the CEO and senior management. The CEO and senior management must follow the broad strategic direction set by the Board, and must ensure that all Board members have a clear understanding of the key activities and decisions, and of any significant risks likely to arise. The CEO acts as a direct liaison between the Board and senior management of the Authority.

Board Responsibilities

The work and responsibilities of the Board are set out in the Code of Business Conduct and the Scheme of Delegation, which also contains the matters specifically reserved for Board decision. Standing items considered by the Board at its meetings include:

- declaration of interests;
- reports from committees;
- financial reports/management accounts;
- performance reports; and
- reserved matters.

Section 30 of the Charities Act 2009 requires the Board of the Authority to keep, in such form as may be approved by the Minister for Department for Rural and Community Development with consent of the Minister for Public Expenditure, NDP Delivery and Reform, all proper and usual accounts of money received and expended by it.

In preparing these financial statements, the Board of the Authority is required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that it will continue in operation; and
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Board is responsible for keeping adequate accounting records, which disclose, with reasonable accuracy at any time, its financial position and enables it to ensure that the financial statements comply with Section 30 of the Charities Act 2009. The maintenance and integrity of corporate and financial information on the Authority website is the responsibility of the Board.

The Board is responsible for approving the annual plan and budget. The annual business plan and annual budget were reviewed and approved at a meeting of the Board in January 2022. The Board and Sub Committees underwent an external evaluation of their performance in December 2022.

The Board is also responsible for safeguarding its assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board also has responsibility for ensuring that the current statement of strategy is at the forefront of the activities of the Charities Regulator. The Board monitors the progress of the statement of strategy through the business plan tracker.

The Board considers that the financial statements of the Authority give a true and fair view of the financial performance and the financial position of the Authority at 31 December 2022.

Board Structure

At 31 December 2022, the Board consisted of a Chairperson and twelve ordinary members. Board members appointed before 26 July 2017 were appointed by the Minister for Justice and Equality. Those appointed after that date were appointed by the Minister for Rural and Community Development, and the Minister of State for Rural and Community Development. The table below details the appointment date for current members. The Board met nine times in 2022.

Board Member	Role	Date Appointed	Date Reappointed
Patrick Hopkins	Chairperson	16 October 2014	15 October 2018
Máire McMahon	Ordinary Member	16 January 2018	
Ercus Stewart	Ordinary Member	17 January 2018	
Martin Sisk	Ordinary Member	01 March 2019	
Rosemary Keogh	Ordinary Member	01 March 2019	
Cathy Holahan	Ordinary Member	27 April 2022	
Geraldine Smith	Ordinary Member	27 April 2022	
Lorraine Lally	Ordinary Member	27 April 2022	
Nicola Keogh	Ordinary Member	27 April 2022	
Tony Ward	Ordinary Member	27 April 2022	
Stephen Keogh	Ordinary Member	26 October 2022	
Darren Lehane	Ordinary Member	26 October 2022	
Michael O'Sullivan	Ordinary Member	26 October 2022	

Patricia Cronin retired from the Board on 15 October 2022.

David Brady retired from the Board on 15 October 2022.

Tom Costello retired from the Board on 15 October 2022.

The Board has established four committees, as follows:

- 1. Finance, Audit, Risk and Governance Committee (FARG):** comprises three Board members and two independent members. The role of the FARG is to oversee the implementation of the Code of Practice for the Governance of State Bodies and to support the Board in relation to its responsibilities for issues of risk management, internal audit, control and governance and associated assurance. The FARG is independent from the financial management of the organisation. In particular, the Committee ensures that the internal control systems including audit activities are monitored actively and independently. The FARG reports to the Board after each meeting and formally in writing annually.

There were five meetings of the FARG in 2022. Members of the FARG at 31 December 2022 were Rosemary Keogh (Chairperson), Geraldine Smith (Committee Member), Cathy Holahan (Committee Member), Martin Corboy (External Committee Member) and Michelle Walshe (External Committee Member).

- 2. Regulatory Committee (RC):** comprises three Board members and one independent member at 31 December 2022. The role of the RC is to oversee the effectiveness and controls around the delivery of the Authority's registration, reporting and regulatory functions. There were five meetings of the RC in 2022. Members of the RC at 31 December 2022 were Martin Sisk (Chairperson), Cathy Holahan (Committee Member), Tony Ward (Committee Member) and Katie Cadden (External Committee Member). The RC reports to the Board after each meeting.

- 3. Charity Services Committee (CSC):** comprises three Board members and three external members. The role of the CSC is to assist the Authority in carrying out the functions previously vested in the Commissioners of Charitable Donations and Bequests. These include authorising the disposal of charity property, appointment of new trustees and vesting of charity property in trustees, framing of Schemes of Incorporation and Cy-Près Schemes and approval of grants and scholarships. There were nine meetings of the CSC in 2022. Members of the CSC at 31 December 2022 were Ercus Stewart (Chairperson), Lorraine Lally (Committee Member), Nicola Keogh (Committee Member), Judge John O'Connor (External Committee Member) and John Gill (External Committee Member) and Graham Richards (External Committee Member). The CSC reports to the Board after each meeting.

- 4. Performance, Resource Planning and Advisory Committee (PRPAC):** comprises three Board members. The purpose of the PRPAC is to review the performance of the CEO and senior management, evaluate the adequacy of resources in place, and advise the CEO and senior management on associated matters. There were three meetings of the PRPAC in 2022. Members of the PRPAC at 31 December 2022 were Patrick Hopkins (Chairperson), Máire McMahon (Committee Member) and Geraldine Smith (Committee Member). The PRPAC reports to the Board after each meeting.

Schedule of Attendance, Fees and Expenses

There were nine Board meetings in the period 1 January 2022 to 31 December 2022 and the related Board fees were €90,036 (2021: €81,826) and the expenses were €248 (2021: €200). Details of attendance and amounts paid to the Board Members are outlined below. Fees were paid to Board members and the Chairperson at the approved standard rate set by the Department of Public Expenditure, NDP Delivery and Reform during the period.

	Board	Sub-Committees			Fees	Expenses	
	FARG	RC	CSC	PRPAC	2022 €	2022 €	
Number of Meetings	9	5	5	9	3		
Patrick Hopkins	9/9				3/3	11,970	211
David Brady ¹	6/7		4/4	5/5		6,072	-
Tom Costello ¹	7/7		4/4		1/1	6,072	-
Patricia Cronin ¹	6/7			5/5	1/1	6,072	-
Máire McMahon	8/9	3/3			2/2	7,695	-
Ercus Stewart	8/9			9/9		7,695	-
Rosemary Keogh	7/9	5/5				7,695	-
Martin Sisk	7/9	3/3	5/5			7,695	-
Cathy Holahan ²	5/6	1/2	1/1			-	-
Nicola Keogh ²	6/6			4/4		5,249	-
Geraldine Smith ²	6/6	2/2			2/2	5,249	-
Lorraine Lally ²	6/6			4/4		5,249	-
Tony Ward ²	6/6		2/2			5,249	-
Stephen Keogh ³	1/1					1,413	-
Darren Lehane ³	1/1					1,413	-
Michael O'Sullivan ³	1/1					1,413	-
Judge John O'Connor (External)				7/9		-	-
Martin Corboy (External)		4/5				1,180	-
Michelle Walshe (External)		4/5				1,180	-
John Gill (External)				9/9		-	-
Graham Richards (External)				8/9		-	-
Katie Cadden (External)			5/5			1,475	37
						90,036	248

¹Board Member retired on 15 October 2022.

²Board Member appointed 27 April 2022.

³Board Member appointed 26 October 2022.

Key Personnel Changes

Geraldine McCarthy was appointed Head of Communications and Stakeholder Engagement on 21 March 2022. James Kelly was appointed Head of Investigations and Enforcement on 13 June 2022.

No key staff members resigned from the organisation in 2022.

Disclosures Required by Code of Practice for the Governance of State Bodies (2016)

The Board is responsible for ensuring that the Authority has complied with the requirements of the Code of Practice for the Governance of State Bodies (“the Code”), as published by the Department of Public Expenditure, NDP Delivery and Reform in August 2016.

The following disclosures are required by the Code:

Employee short term benefits breakdown

A table showing the breakdown of employee short term benefits is included below;

Range of total employee benefits		Number of employees	
From	To	2022	2021
€60,000	- €69,999	4	3
€70,000	- €79,999	3	2
€80,000	- €89,999	3	1
€90,000	- €99,999	-	1
€100,000	- €109,999	1	-
€110,000	- €119,999	1	-
€120,000	- €129,999	-	1
€130,000	- €139,999	1	-

Note: For the purposes of this disclosure, short-term employee benefits in relation to services rendered during the reporting period include salary, overtime allowances and other payments made on behalf of the employee, excluding employer’s PRSI.

Travel and Subsistence Expenditure

Travel and subsistence expenditure is categorised as follows:

	2022	2021
	€	€
Domestic		
- Board	248	200
- Employees	828	19
Total	1,076	219

There was no international travel and subsistence costs incurred by the Authority in 2022.

Consultancy Costs

Consultancy costs include the cost of external advice to management and exclude outsourced 'business-as-usual' functions.

	2022	2021
	€	€
Digital Platform (IT)	35,916	18,020
Regulation	-	6,150
Public Relations and Communications	29,520	27,020
Governance	36,097	12,414
Strategic Management	3,641	30,719
Procurement	25,979	13,934
Total Consultancy Costs	131,153	108,257
Consultancy costs capitalised	-	-
Consultancy costs charged to Income and Expenditure and Retained Revenue Reserves	131,153	108,257
Total	131,153	108,257

Hospitality Expenditure

There was no hospitality expenditure within the Authority within the year.

Statement of Compliance

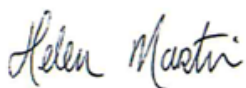
The Board has adopted the Code of Practice for the Governance of State Bodies (2016) and has put procedures in place to ensure compliance with the Code. The Authority was in full compliance with the Code of Practice for the Governance of State Bodies (2016) for 2022.

On behalf of the Authority:



Patrick Hopkins, Chairperson of the Authority

Date: 25 May 2023



Helen Martin, CEO

Date: 25 May 2023

STATEMENT ON INTERNAL CONTROL

Statement on Internal Control

Scope of Responsibility

On behalf of the Authority, I hereby acknowledge the Board's 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).

I confirm this statement has been reviewed by the FARG Committee and the Board to ensure it accurately reflects the control system in operation during the reporting period.

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, NDP Delivery and Reform has been in place in the Authority for the year ended 31 December 2022 and up to the date of approval of the financial statements.

Capacity to Handle Risk

The Authority has a Finance, Audit, Risk and Governance Committee (FARG) comprising three Board members, one of whom is the Chair of the Committee, and two external members with financial and audit expertise. The FARG met five times in 2022.

The Authority has also established its internal audit function, through procuring the services of a third party internal auditor, the service provider conducted a programme of work agreed with the FARG in 2022.

The Authority has developed a risk management policy that is reviewed by the FARG, 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. The Authority has also established a risk management process to alert management on emerging risks and control weaknesses and to assume responsibility for risks and controls within their own area of work.

Risk and Control Framework

The 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 Authority and these have been identified, evaluated and graded according to their significance. The Register is reviewed and updated by senior management and reviewed by the FARG on a quarterly basis. These reviews are 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. I confirm that a control 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.

Certain aspects of the control environment within the organisation have been adapted to mitigate risks arising from the workplace restrictions imposed as a result of Covid-19.

Ongoing Monitoring and Review

Formal procedures have been established for monitoring control processes. Control deficiencies are communicated to those responsible for taking corrective action and to management and the Board, where relevant, in a timely way. I 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

I confirm that the Authority has procedures in place to ensure compliance with current Office of Government Procurement (OGP) rules and guidelines and during 2022 complied with those procedures.

Review of Effectiveness

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

The 2021 annual review of the effectiveness of the internal controls took place in January 2022. The 2022 annual review of the effectiveness of internal controls took place in January 2023.

Internal Control Issues

No weaknesses in internal control were identified in relation to 2022 that require disclosure in the financial statements.

On behalf of the Authority:



Patrick Hopkins, Chairperson of the Authority

Date: 25 May 2023

AUDITOR'S REPORT

CHARITIES REGULATORY AUTHORITY

**STATEMENT OF INCOME AND EXPENDITURE AND RETAINED REVENUE
RESERVES FOR THE YEAR ENDED 31 DECEMBER 2022**

Income	Note	2022	2021
		€	€
Oireachtas Grant	3	4,244,588	4,083,943
Total Income		4,244,588	4,083,943
Expenditure			
Staff costs	4	2,458,126	2,317,339
Administration	5	1,775,287	1,777,323
Audit fee		17,500	17,500
Depreciation	6	186,289	184,975
Total expenditure		4,437,202	4,297,137
Deficit for the year before appropriations		(192,614)	(213,194)
Transfer to capital account	7	186,289	169,541
Deficit for the year after appropriations		(6,325)	(43,653)
Balance brought forward at start of year		(72,881)	(29,228)
Deficit carried forward at 31 December		(79,206)	(72,881)

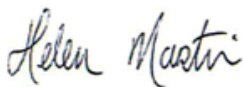
The Statement of Income and Expenditure and Retained Revenue Reserves includes all gains and losses recognised in the period. The Statement of Cash Flows and notes 1 to 15 form part of these financial statements.

On behalf of the Authority:



Patrick Hopkins, Chairperson of the Authority

Date: 25 May 2023



Helen Martin, CEO.

Date: 25 May 2023

CHARITIES REGULATORY AUTHORITY

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

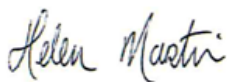
Fixed Assets	Note	2022	2021
		€	€
Property, plant and equipment	6	225,051	411,340
Current Assets			
Inventory	8	1,633	923
Debtors	9	116,415	161,863
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Total Current Assets		118,048	162,786
Current Liabilities			
Payables and accruals	10	197,254	235,667
<hr/>			
Net Current Liabilities		(79,206)	(72,881)
Total Net Assets		145,845	338,459
<hr/>			
Representing:			
Capital Account	7	225,051	411,340
Retained Revenue Reserves		(79,206)	(72,881)
<hr/>			
		145,845	338,459
<hr/>			

The Statement of Cash Flows and notes 1 to 15 form part of these financial statements.



Patrick Hopkins, Chairperson of the Authority

Date: 25 May 2023



Helen Martin, CEO


Date: 25 May 2023

**CHARITIES REGULATORY AUTHORITY STATEMENT OF CASH FLOWS FOR
THE YEAR ENDED 31 DECEMBER 2022**

Net cash flows from operating activities	Note	2022	2021
		€	€
Operating deficit for year		(6,325)	(43,653)
Depreciation of property, plant and equipment	6	186,289	184,975
Transfer to capital account	7	(186,289)	(169,541)
(Increase)/decrease in inventory		(710)	249
(Decrease)/increase in payables and accruals		(38,413)	24,150
Decrease in Prepayments		45,448	19,254
Net cash inflows from operating activities		-	15,434
Cash flows from investing activities			
Payments to acquire property, plant and equipment		-	(15,434)
Net cash outflow from investing activities		-	(15,434)
Net increase in cash and cash equivalents		-	-
Reconciliation of net cash flow movement in net funds			
Cash and cash equivalents at start of year/period		-	-
Cash and cash equivalents at 31 December		-	-

Notes 1 to 15 form part of these financial statements.

On behalf of the Authority:



 Patrick Hopkins, Chairperson of the
 Authority

Date: 25 May 2023



 Helen Martin, CEO

Date: 25 May 2023

CHARITIES REGULATORY AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting Policies

The basis of accounting and significant accounting policies adopted by the Authority are set out below. They have been applied consistently throughout the year.

(a) General Information

The Authority is Ireland's national statutory regulator for charitable organisations. The Authority is an independent Authority and was established on 16 October 2014 under the Charities Act 2009. The Act conferred administration and business functions on the Department of Justice and Equality, and Ministerial functions on the Minister for Justice and Equality. In July 2017, these functions transferred to the Department of Rural and Community Development and to the Minister for Rural and Community Development. The Act provided for the dissolution of the Commissioners of Charitable Donations and Bequests for Ireland (CCDB) and the transfer of their functions to the new Authority.

The Commissioners of Charitable Donations and Bequests for Ireland provided advice services to trustees of charities and assisted in the carrying out of the intentions of persons making donations and bequests to charities. The Commissioners also administered the assets or funds of any charity which were vested with the Commissioners.

The Commissioners provided this service by operating a charity fund account and also acting as an intermediary between the various charities and an investment fund. As a result of the dissolution, the Authority is now the administrator of the charity fund account and the investment fund.

The Authority is a Public Body entity.

(b) Basis of Accounts and Statement of Compliance

The financial statements of the Authority for the year ended 31 December 2022 have been prepared under FRS102, the financial reporting standard applicable in the UK and Ireland issued by the Financial Reporting Council (FRC), and promulgated by Chartered Accountants Ireland. The comparatives for period ending 2021 relate to the period 1 January 2021 to 31 December 2021.

The financial statements have been prepared under the accruals method of accounting, except where stated below, and in accordance with generally accepted accounting principles under the historical cost convention and in the form approved by the Minister for Rural and Community Development with the consent of the Minister for Public Expenditure, NDP Delivery and Reform.

(c) Income Recognition

Grant income is received from the Department of Rural and Community Development (DRCD) Vote 42. Income shown in the financial statements under Oireachtas grant is recognised on a cash basis. The Department of Rural and Community Development was established on the 19 July 2017. On the 26 July 2017, a Ministerial Order was signed transferring the functions of the Minister for Justice and Equality under the Charities Act 2009 to the Department of Rural and Community Development. The Department of Rural and Community Development has the responsibility for ensuring arrangements for strong oversight of the charities sector through facilitating the Authority in carrying-out its independent statutory role.

(d) Expenditure

Payroll and all other expenditure was processed by the Department of Rural and Community Development and recorded in these financial statements on an accrual basis.

(e) Property, Plant and Equipment

Property, plant and equipment are shown at net book value at date of incorporation but subsequent additions are recorded at cost.

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful life starting in the month the asset is placed in service.

Furniture	10% Straight Line
IT	20% Straight Line
Office Equipment	20% Straight Line

(f) Capital Account

The capital account represents the unamortised value of income applied for capital expenditure.

(g) Pensions Policy

The employees of the Authority consist of both civil and public servants and are members of a defined benefit scheme which is unfunded and is administered by the Department of Public Expenditure, NDP Delivery and Reform.

The Public Pensions (Single Scheme and Other Provisions) Act 2012 introduced the new Single Public Service Pension Scheme, the Single Scheme, which commenced with effect from 1 January 2013. All staff members who are new entrants to the Public Sector on or after 1 January 2013, are members of the Single Scheme.

2 The Investment Fund and Charity Funds

(a) Investment Fund

The investment fund is a mix of investments in equities, government securities, property and cash assets. The investment fund had a value of €40.2 million at 31 December 2022 (31 December 2021: €43.8 million).

These funds are not available for use by the Authority in the performance of its statutory functions. As a consequence, these financial statements do not include these funds. Audited accounts of these funds are published separately and are available on the Authority website www.charitiesregulator.ie.

(b) Charity Fund Account

At the year end, the Authority held funds on behalf of 94 charitable trusts of which the Authority is a trustee. The Authority held funds relating to a further 9 trusts which are being reviewed to determine the relevant trustees. The funds are held in a bank account on behalf of the charitable trusts concerned. The balance at 31 December 2022 was €1.193 million (2021: €1.123 million).

These funds are not available for use by the Authority in the performance of its statutory functions. As a consequence, these financial statements do not include these funds. Audited accounts of these funds are published separately and are available on the Authority website www.charitiesregulator.ie.

3 Oireachtas Grant

	2022 €	2021 €
Vote 42 – Rural and Community Development (DRCD)	4,244,588	4,083,943

The Authority does not hold cash and cash equivalents. The Department of Rural and Community Development make all Pay and Non-Pay payments on behalf of the Authority. Funding is provided by way of the Oireachtas Grant from the Department of Rural and Community Development. The total grant matches the sum charged to the Appropriation Account of the Department of Rural and Community Development (see Note 1(c)).

4 Remuneration/Staff Costs

(a) Staff costs breakdown	2022 €	2021 €
Wages and salaries	2,457,050	2,317,120
Travel and subsistence	1,076	219
Total	2,458,126	2,317,339

At 31 December 2022 the number of whole time equivalent permanent staff employed by the Authority was 44 (2021: 40).

(b) Staff Short-Term Benefits	2022 €	2021 €
Basic Pay	2,457,050	2,314,298
Allowances	-	2,822
Overtime	-	-
Total	2,457,050	2,317,120

	2022	2021
(c) Key Management Personnel		
	€	€
Basic Pay	928,383	699,780
Overtime	-	-
Allowances	-	-
Total	928,383	699,780

Key management personnel in the Authority consists of the CEO, the Director of Compliance and Enforcement, Director of Legal Affairs and Registration, the Head of Registration, Head of Communications and Stakeholder Engagement, Head of Finance, Head of Corporate Affairs, Head of Investigations and Enforcement, Head of Compliance, Legal Advisor (Charity Services) and Legal Advisor (Regulation). The total value of employee benefits for key management personnel is set out above.

This does not include the value of retirement benefits earned in the period. The key management personnel are members of the public sector defined benefit superannuation scheme and their entitlements in that regard do not extend beyond the terms of the model public service pension scheme.

(d) Termination Benefits

No termination/severance payments were made in 2022 (2021: €0).

(e) CEO Salary and Benefits

The Chief Executive Officer's remuneration package for the financial period was as follows:

	2022	2021
	€	€
Basic Pay	134,693	128,370
Overtime	-	-
Allowances	-	-
Total	134,693	128,370

The Chief Executive Officer's remuneration was made up of basic salary and allowances of €134,693 (2021: €128,370). The Chief Executive was paid expenses of €553 in 2022 (2021: €0). The Chief Executive Officer's pension entitlements do not extend beyond the standard entitlements in the public sector defined benefit superannuation scheme. The Chief Executive Officer did not receive any performance related payments in 2022. The value of retirement benefits earned in the period is not included above.

(f) Employee short term benefits breakdown

Range of total employee benefits		Number of employees	
From	To	2022	2021
€60,000	- €69,999	4	3
€70,000	- €79,999	3	2
€80,000	- €89,999	3	1
€90,000	- €99,999	-	1
€100,000	- €109,999	1	-
€110,000	- €119,999	1	-
€120,000	- €129,999	-	1
€130,000	- €139,999	1	-

Note: For the purposes of this disclosure, short-term employee benefits in relation to services rendered during the reporting period include salary, overtime allowances and other payments made on behalf of the employee, excluding employer's PRSI.

5 Administration Costs	2022	2021
	€	€
Board Member Fees	90,036	81,826
IT Expenses	431,962	473,688
Consultancy Costs	481,801	350,931
Rent	310,773	309,955
Legal Fees	100,824	157,920
General Expenses	169,985	168,224
Advertising	55,997	94,942
Office Cleaning and Maintenance	92,727	102,638
Office Machinery and other Office Supplies	18,886	15,238
Postage and Telecommunications	14,930	15,923
Light and Heat	7,366	6,038
	1,775,287	1,777,323

6 Property, Plant and Equipment

	IT €	Office Equipment €	Furniture €	Total €
Cost				
At 1 January 2022	850,807	5,012	271,806	1,127,625
Additions	-	-	-	-
At 31 December 2022	<u>850,807</u>	<u>5,012</u>	<u>271,806</u>	<u>1,127,625</u>
Depreciation				
At 1 January 2022	525,732	4,850	185,703	716,285
Charged in the year	170,161	162	15,966	186,289
At 31 December 2022	<u>695,893</u>	<u>5,012</u>	<u>201,669</u>	<u>902,574</u>
Net Book Value				
At 31 December 2022	<u><u>154,914</u></u>	<u><u>-</u></u>	<u><u>70,137</u></u>	<u><u>225,051</u></u>
At 31 December 2021	<u>325,075</u>	<u>162</u>	<u>86,103</u>	<u>411,340</u>

7 Capital Account

	2022 €	2021 €
Balance at start of year	411,340	580,881
Amortisation in line with depreciation	(186,289)	(184,975)
Additions	-	15,434
	<u><u>225,051</u></u>	<u><u>411,340</u></u>

The net movement represents the transfer to the capital account from the Statement of Income and Expenditure and Retained Revenue Reserves Account.

8 Inventory

	2022	2021
	€	€
Stationery	1,633	923
	1,633	923

9 Debtors

	2022	2021
	€	€
Prepayments	116,415	161,863
	116,415	161,863

10 Payables and accruals

	2022	2021
	€	€
Payables	48,928	57,040
Accruals	148,326	178,627
	197,254	235,667

11 Pension Levy

Salary costs included in this account are the gross costs to the Authority for the period. Since May 2018 the Department of Rural and Community Development have paid salaries on behalf of the Authority. The pension levy deductions for Authority employees as per Section 2(3) of the Financial Emergency Measures in the Public Interest Act 2009 (No. 5 of 2009) are being deducted by the Department of Rural and Community Development and are being retained by that Department as Appropriations-In-Aid. Prior to May 2018 pension levy deductions were made by the Department of Justice and Equality and were retained as Appropriations-in-Aid for that Department.

12 Premises

The Authority operates from accommodation at 3 George's Dock, IFSC, Dublin 1, D01 X5X0 under a ten-year lease from Irish Life Assurance PLC. The lease was signed by the Board of the Authority in October 2016.

13 Future Lease Payments

	2022	2021
	€	€
Within one year	266,104	266,104
One to five years	731,786	997,890
After five years	-	-
	997,890	1,263,994

The above lease payments exclude VAT.

14 Members Declaration of Interests

The Authority adopted procedures in accordance with guidelines issued by the Department of Public Expenditure, NDP Delivery and Reform in relation to the disclosure of interests by members and those procedures were adhered to in the period. There were no transactions in the period in relation to the Authority's activities in which members had any beneficial interest.

15 Approval of financial statements

These accounts were approved by the Board on the 25 May 2023