



An Rialálaí
Carthanas

Charities
Regulator

An overview of Ireland's smaller charities

Report

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Introduction

The Charities Regulator (the ‘Regulator’) was established on 16 October 2014 and is responsible for the regulation of charitable organisations and the protection of charitable assets. The Regulator maintains the Register of Charities (the ‘Register’) and all charities which operate in Ireland must be included on the Register. The Register can be accessed at www.checkacharity.ie.

There are just over 11,500 registered charities and, based on charity financial data for 2021, which is the most up-to-date full year available, almost half (excluding schools) reported an annual income of less than €100,000.

This report takes a closer look at these smaller or lower income charities. Although they are often only known within their locality or community, they have a significant impact on people’s lives by providing essential services and supports to their beneficiaries.

About this report

This analysis is based on the Register and annual reports for 2021 filed by registered charities. Under the Charities Act 2009 (the ‘2009 Act’), charities are required to submit an annual report to the Charities Regulator within 10 months of the end of their financial year. The report, an online form available through the Regulator’s website, describes the charity’s activities and financial affairs for the preceding twelve months. The contents of the report are published in the online Public Register of Charities and help to inform the donors and the general public of:

- What the charity has done over the last 12 months to further each of its charitable purposes
- Who the charity has helped
- How the charity raised and spent funds
- Where the benefits of a charity’s work were felt

In all of the 2021 annual reports analysed, the relevant charity had a financial year end date falling between 1 March 2021 and 28 February 2022, with the majority of charities in the data set (71%) having a financial year which ran 1 January to 31 December 2021.

In this report, unless otherwise stated:

- A smaller charity is considered to be one with an annual income of up to €100,000. This is in line with the current threshold set out in section 48 of the 2009 Act in relation to the preparation of annual statements of accounts. Although it should be noted that while charities are required to submit annual reports to the Charities Regulator under section 52, as regulations have yet to be made under section 48 there is currently no legal requirement to attach statements of accounts to the annual report.
- While primary, special and post-primary schools represent a third of all registered charities, as their financing and governance arrangements are not reflective of the wider charity sector, they do not form part of the analysis set out in this report. When schools are excluded, the total number of registered charities is 7,801.

- The 2021 annual reports of 6,187 non-school charities, filed up to 30 June 2023, were analysed. Of these, 3,000 (or 48.5%) reported annual income of less than €100,000. (Data relating to the Health Service Executive – RCN 20059064 - has been excluded. It is by far the largest registered charity, with income in excess of €22 billion and over 140,000 employees reported in 2021. HSE payments/grants received by other registered charities are included in this report.)
- Charities are responsible for ensuring that the data and other information provided by them in their annual report forms to the Charities Regulator are accurate. The Regulator does not routinely verify annual reports therefore there may be errors in what is submitted by individual charities which impact the data as a whole. However, annual reports and financial statements are scrutinised on a case-by-case basis where required as part of the Regulator's concerns process.
- Although financial information is not published on the Register for individual private charitable trusts (that is a charitable trust that is not funded by donations from the public) and there are relatively few private charitable trusts on the Register, cumulative amounts which are provided in their annual reports are included in this report.
- The total annual income and expenditure figures may include transactions between charities, that is, income and expenditure reported by charities with parent or subsidiary organisations and/or charities which provide grants or funding to other charities.
- Percentages may not always total 100% due to rounding.
- All references to the Register as a whole relate to its make-up as at 31 December 2022.
- The terms 'charity/charities' and 'registered charity/charities' have the same meaning, that is, a charitable organisation which is included on the Register.

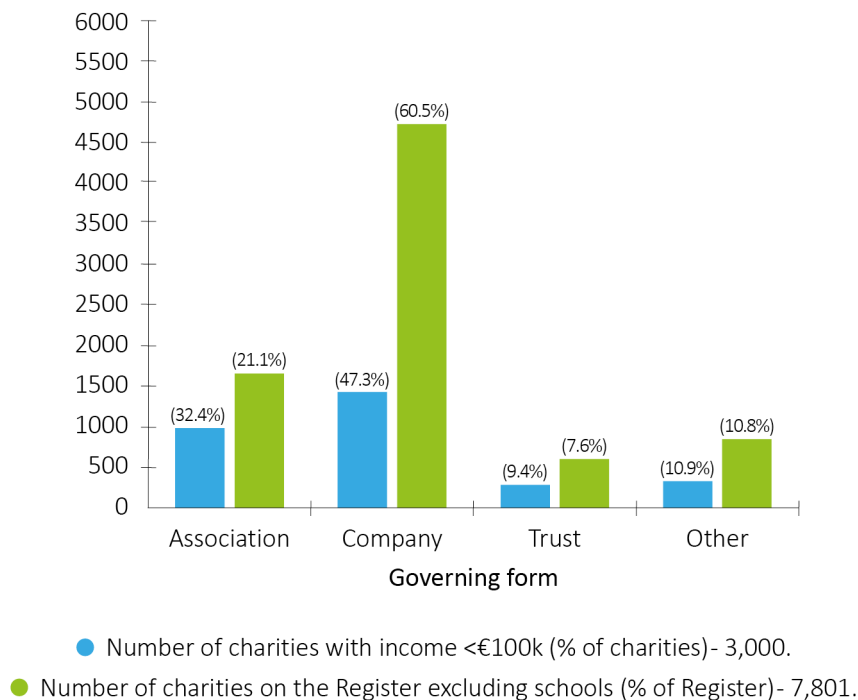


Overview of smaller charities

Governing form

When compared to the Register as a whole, a higher proportion of smaller charities are unincorporated.

Figure 1: Governing form



Charitable purposes

Every registered charity must have one or more charitable purpose(s) and, in the case of charities which have more than one purpose, there is no ranking of purposes.

Charitable purposes are set out in the 2009 Act:

- 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 (this is further broken down into 12 sub-purposes including promotion of health, advancement of community welfare and prevention or relief of suffering of animals).

A charity must seek the prior approval of the Regulator before it can change purpose(s). Further information about charitable purposes is available in our [‘What is a charity?’](#) guidance document.

As can be seen in the table below, smaller charities are furthering all charitable purposes.

Table 1: Charitable purposes

Charitable purpose	Number of charities with income <€100k	Total number of charities on Register excl. schools	Percentage with income <€100k
Relief of poverty or economic hardship	485	1,747	27.8%
Advancement of education	746	2,972	25.1%
Advancement of religion	549	1,537	35.7%
Other purpose which is of benefit to the community			
Advancement of community welfare including the relief of those in need by reason of youth, age, ill-health, or disability	752	2,370	31.7%
The integration of those who are disadvantaged, and the promotion of their full participation in society	404	1,726	23.4%
Advancement of community development, including rural or urban regeneration	499	1,375	36.3%
Promotion of health, including the prevention or relief of sickness, disease or human suffering	457	1,378	33.2%
Advancement of the arts, culture, heritage or sciences	453	1,076	42.1%
Promotion of civic responsibility or voluntary work	393	1,097	35.8%
Protection of the natural environment	177	405	43.7%
Advancement of environmental sustainability	150	384	39.1%
Advancement of the efficient and effective use of the property of charitable organisations	92	272	33.8%
Promotion of religious or racial harmony and harmonious community relations	99	275	36.0%
Prevention or relief of suffering of animals	114	228	50.0%
Advancement of conflict resolution or reconciliation	53	227	23.3%

Note: charities with multiple charitable purposes are included in the count at each of their purposes.

The charitable purposes set out in the 2009 Act are broad and grouping or classifying charities by purpose alone does not illustrate the breath of the sector and sheer diversity of the types of charitable activities being carried out by registered charities. A new classification standard was launched in 2022 and we anticipate that its adoption by registered charities will greatly assist in providing further insight into the sector in future reports by enabling, amongst other things, greater analysis of charity operations with reference to their actual activities rather than by charitable purpose.

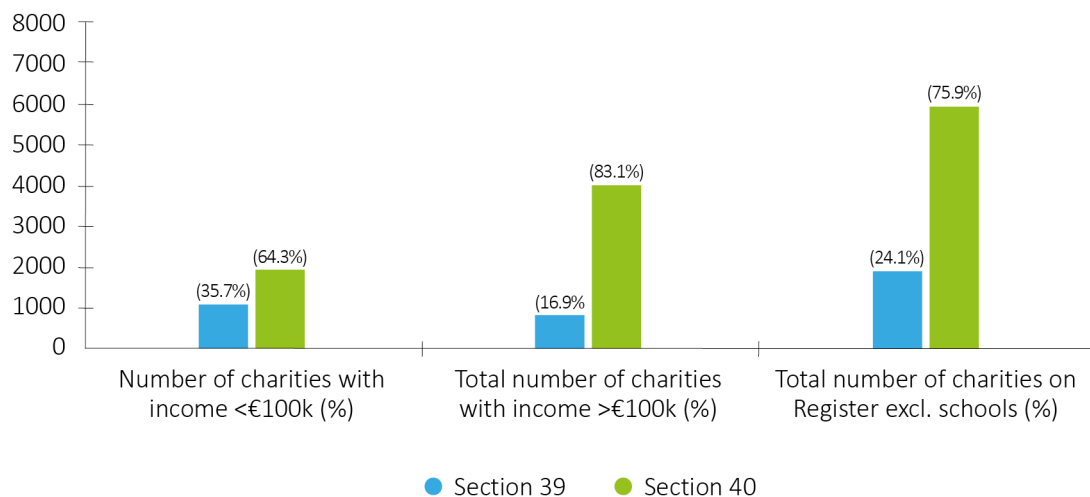
Registration

There are two methods by which a charity is included on the Register:

- Charities which held charitable tax status (CHY number) at the date of establishment of the Regulator were 'deemed registered' under section 40 of the 2009 Act.
- New charities and charities which were in operation but did not hold charitable tax status at the date of establishment of the Regulator, are registered under section 39 of the 2009 Act.

One in three small charities, or over 35%, have been registered since the establishment of the Regulator in 2014, compared to 17% of charities with income greater than €100k.

Figure 2: Registration



Total number of charities with income <€100k (%) is 3,000. Total number of charities with income >€100k (%) is 4,801. Total number of charities on Register excl. schools (%) is 7,801.

Geographical spread and density of charities

Smaller charities are located in all counties with the greatest number, unsurprisingly, based in Dublin, followed by Cork, Galway, Donegal and Limerick. Monaghan has the highest proportion of smaller charities, making up just over 50% of all charities based in the county, followed by Wicklow at 48% and Cavan and Clare, both just under 46%, while Dublin has the smallest proportion, at just under 32%.

Looking at the density of smaller charities, that is the number per 10,000 people in the population of each county, the average is six, while Monaghan has the highest density at 11 and Meath and Laois have the lowest, at three per 10,000 people.

Table 2: Location and density

County (based on principal address)	Total number of charities on Register excl. schools	Number of charities with income <€100k	% of charities with income <€100k	Number of charities with income <€100k per 10,000 people
Carlow	100	38	38.0%	6
Dublin	2,519	803	31.9%	6
Kildare	242	110	45.5%	4
Kilkenny	150	57	38.0%	5
Laois	69	23	33.3%	3
Longford	79	31	39.2%	7
Louth	165	59	35.8%	4
Meath	163	73	44.8%	3
Offaly	106	41	38.7%	5
Westmeath	119	51	42.9%	5
Wexford	198	81	40.9%	5
Wicklow	235	113	48.1%	7
Leinster total	4,145	1,480	35.7%	5
Cavan	153	70	45.8%	9
Donegal	324	135	41.7%	8
Monaghan	144	73	50.7%	11
Ulster total	621	278	44.8%	9

Table 2: Location and density (continued)

County (based on principal address)	Total number of charities on Register excl. schools	Number of charities with income <€100k	% of charities with income <€100k	Number of charities with income <€100k per 10,000 people
Clare	199	91	45.7%	7
Cork	767	332	43.3%	6
Kerry	283	116	41.0%	7
Limerick	338	135	39.9%	6
Tipperary	238	106	44.5%	6
Waterford	183	67	36.6%	5
Munster total	2,008	847	42.2%	6
Galway	401	153	38.2%	6
Leitrim	76	28	36.8%	8
Mayo	250	106	42.4%	8
Roscommon	121	52	43.0%	7
Sligo	135	50	37.0%	7
Connacht total	983	389	39.6%	7
Ireland total	7,757	2,994	38.6%	6
Antrim	6	1	16.7%	
Armagh	3	1	33.3%	
Derry	2	-	0.0%	
Down	4	1	25.0%	
Fermanagh	2	1	50.0%	
Tyrone	2	2	100.0%	
Great Britain	25	-	0.0%	
Outside the State total	44	6	13.6%	

Note: density of charities outside the State has not been calculated as the majority of charities operating in these areas are not registered in Ireland.

Trust and confidence

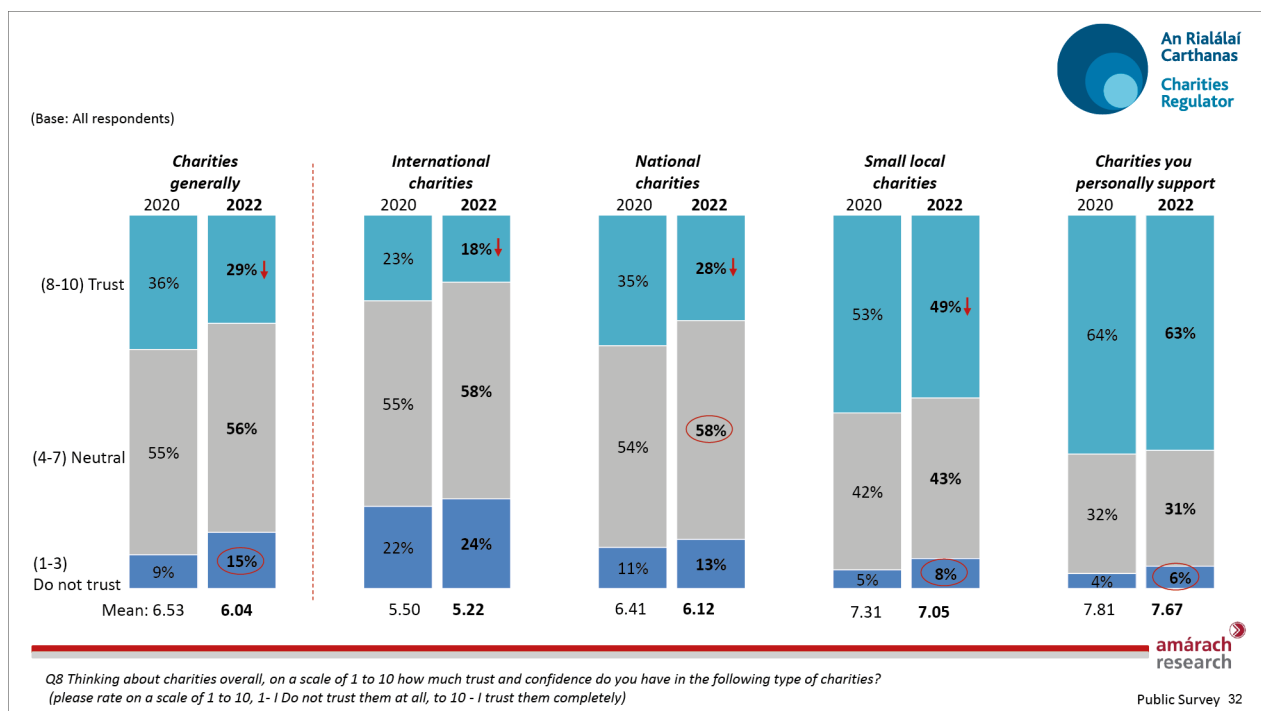
Research has consistently shown that the public are more inclined to have greater trust and confidence in smaller or local charities than they have in larger or ‘professionalised’ charities.

In our recent public survey, [Irish Attitudes towards the Charity Sector](#), it was found that:

‘General trust and confidence in charities has declined over the past two years, a trend that is consistent with recent research undertaken in the UK by the Office of the Scottish Charity Regulator and by the Charity Commission for England and Wales.

There is also a hierarchy of trust within the charity sector. Charities supported personally and small, local charities engender the highest levels of trust while attitudes are more neutral in respect of national charities and international charities have the lowest levels of trust.’

Figure 3: Trust and confidence in charities



As noted above, this higher level of trust in smaller charities is not unique to Ireland. Recent research carried out by the [Charity Commission for England and Wales](#) found that:

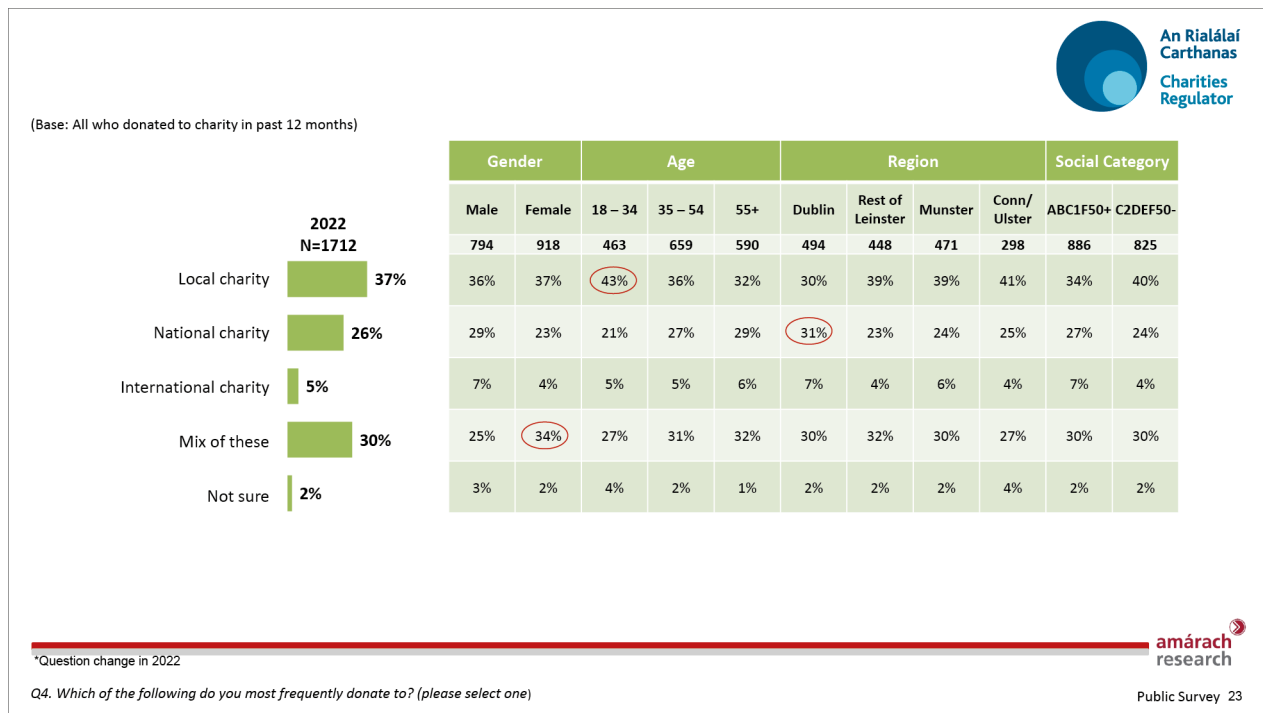
‘The public tend to trust small, local charities run by volunteers more than large, national charities run by paid professionals because they are more confident that money reaches the intended beneficiaries.

For the public, the ultimate proof-point of this is seeing a charity’s work and impact in their own local community, while the knowledge that money is not being spent on salaries provides peace of mind that intentions are truly altruistic.

Conversely, larger charities that operate nationally are often considered to be less transparent and individual donations are seen to have less impact.’

It is worth noting that this higher level of trust in smaller, local charities is also reflected when it comes to public donations, with our public survey, [Irish Attitudes towards the Charity Sector](#) finding that these charities receive the most support, particularly from those aged under 35.

Figure 4: Donations to charities



Income and expenditure

Almost half (48.5%) of registered charities (excluding schools) have an annual income of less than €100,000, reporting a total income of €87,698,491 for 2021. Although forming the largest cohort of charities, this represents just 0.4% of the total reported income for 2021.

In contrast, charities with income in excess of €10 million make up just 3% of registered charities, yet account for over 83% of the total income reported for 2021.

Income and expenditure in bands

Table 3: Income and expenditure

Based on 6,187 annual reports filed for 2021

Income band	Number of charities	% of charities	Income	% of total income	Expenditure	% of total expenditure
Nil income nil expenditure*	157	2.5%	€0	0.0%	€0	0.0%
Nil income with expenditure	145	2.3%	€0	0.0%	€3,888,929	0.0%
€1 - €10,000	895	14.5%	€3,399,549	0.0%	€8,187,504	0.0%
€10,001 - €100,000	1,803	29.1%	€78,334,360	0.4%	€75,051,057	0.4%
€100,001 - €250,000	878	14.2%	€148,702,559	0.7%	€136,260,170	0.7%
€250,001 - €500,000	709	11.5%	€257,611,012	1.3%	€245,716,810	1.3%
€500,001 - €1,000,000	616	10.0%	€430,326,374	2.2%	€385,641,065	2.1%
€1,000,001 - €5,000,000	667	10.8%	€1,461,911,816	7.4%	€1,382,456,977	7.4%
€5,000,001 - €10,000,000	133	2.1%	€890,974,204	4.5%	€817,108,504	4.4%
>€10,000,000	184	3.0%	€16,562,675,988	83.5%	€15,677,584,031	83.7%
Total	6,187	100%	€19,833,985,862	100%	€18,731,895,047	100%

*See note at table 6 below regarding charities which report nil income and nil expenditure

When total income and total expenditure are compared, the smallest charities show a deficit as expenditure exceeds income, while for larger charities income exceeds expenditure, that is, a surplus. The table below further analyses income and expenditure in smaller charities.

Analysis of income and expenditure in smaller charities

Table 4: Income and expenditure in smaller charities

Based on 3,000 annual reports filed by charities reporting income <€100k for 2021

Income band	Number of charities <€100k	% of charities <€100k	Income	% of total income	Expenditure	% of total expenditure
Nil income nil expenditure*	157	5.2%	€0	0.0%	€0	0.0%
Nil income with expenditure	145	4.8%	€0	0.0%	€3,888,929	4.5%
€1 - €1,000	218	7.3%	€94,347	0.1%	€2,857,651	3.3%
€1,001 - €2,500	147	4.9%	€252,317	0.3%	€582,125	0.7%
€2,501 - €5,000	215	7.2%	€795,967	1.0%	€1,403,378	1.6%
€5,001 - €10,000	315	10.5%	€2,306,919	2.8%	€3,344,349	3.8%
€10,001 - €25,000	597	19.9%	€10,126,479	12.4%	€12,410,440	14.2%
€25,001 - €50,000	549	18.3%	€20,004,802	24.5%	€19,645,993	22.5%
€50,001 - €75,000	349	11.6%	€21,452,375	26.2%	€19,565,289	22.5%
€75,001 - €100,000	308	10.3%	€26,722,888	32.7%	€23,429,336	26.9%
Total	3,000	100%	€81,756,094	100%	€87,127,490	100%

*Charities are required to use their funds and resources to advance their stated charitable purpose(s). A charity that reports nil income and nil expenditure in its annual report must have good reason for this, otherwise the charity trustees will be expected to wind up the charity in an orderly manner which includes ensuring that any remaining assets are transferred to a charity with a similar charitable purpose(s). Further guidance can be found in the Charities Regulator's ['Guidance on winding up a charity'](#).

One in three charities reported annual income of between €1 and €10,000 and these 'micro' charities show a significant deficit overall for 2021 with reported expenditure well exceeding income in the period.

Some of the charities reporting nil or little income may be in the process of winding up. Others may have had reserves available to them or be property holding entities only and some likely had to temporarily cease or limit their fundraising activities due to the Covid-19 restrictions which were in place during 2021, which has impacted on their income.

However it would appear that some smaller charities may have used most or all of their financial reserves to maintain operations in recent years. This use of reserves is also reflected in our 2022 [‘Survey of Ireland’s charity sector’](#) which found that 44% of registered charities had used some or all of their financial reserves since late 2020. Undoubtedly this depletion of reserves will have a significant impact on the longer term viability of some charities.

Sources of income in smaller charities compared to all charities

Table 5: Sources of income

Based on 6,187 annual reports filed for 2021

Income Source	Total amount reported (all charities)	Number of charities (all charities)	% of charities (all charities)	% of total income (all charities)	Total amount reported (charities <€100k)	Number of charities (charities <€100k)	% of charities (charities <€100k)	% of total income (charities <€100k)
Donations	€1,138,203,621	3,634	58.7%	5.7%	€29,506,228	1,737	57.9%	36.1%
Bequests	€95,121,689	416	6.7%	0.5%	€806,763	94	3.1%	1.0%
Government / local authority	€10,852,249,928	3,453	55.8%	54.7%	€19,204,040	1,106	36.8%	23.5%
Other public body	€3,287,171,153	1,686	27.2%	16.6%	€4,779,263	392	13.1%	5.8%
Commercial/trading	€2,454,566,794	2,253	36.4%	12.4%	€10,745,416	646	21.5%	13.1%
Philanthropic organisation	€161,275,972	681	11.0%	0.8%	€1,507,387	173	5.8%	1.8%
Other sources*	€1,845,396,705	3,245	52.4%	9.3%	€15,206,997	1,279	42.6%	18.6%
Total	€19,833,985,862	-	-	-	€81,756,094	-	-	-

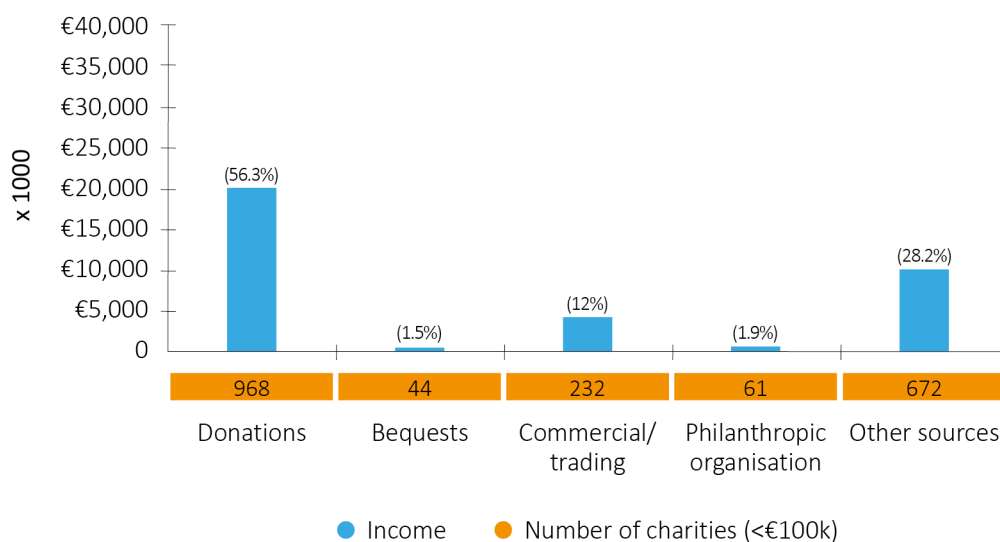
Note: the online annual report form requires charities to break down their total income under the headings above. Income from ‘other sources’ may include, for example, investment income, interest and dividends, sale of property, tax or VAT rebates/refunds.

Donations are the main income stream for smaller charities, making up more than a third (36.1%) of all income. This is a significantly greater proportion of income than in charities as a whole (5.7%). In contrast, smaller charities rely less on the ‘public purse’ than charities in general, with government, public body and local authority funding accounting for just under 30% of income of smaller charities compared to over 71% in charities as a whole.

Income in smaller charities not in receipt of public funding

Figure 5: Sources of income

Almost half of smaller charities (or 1,450) which reported income did not receive any funding from government, local authorities or other public bodies in 2021. These charities are primarily funded by donations, accounting for over 56% of income.



Total income from all sources €35,842,001

Note: charities with multiple income sources are included in the count at each income source

Income in smaller charities reporting a single income source

Over one in three smaller charities rely on a single source of income, the most common being donations. Having just a single income source is most common among ‘micro’ charities that is those with income between €1 and €10,000 per annum.

The level of reliance on one source is significantly higher in smaller charities than in charities as a whole, for example of the 665 charities on the Register which reported donations as their only income stream, 577 (or 86%) had annual income of less than €100,000.

Table 6: Sources of income in single income charities

Income source	Number of charities (<€100k)	Percentage of charities (<€100k)	Income	Percentage <€10k	Percentage €10k-€50k	Percentage €50k-€100k	Number of charities reporting single income source (all charities)
Donations	577	19.2%	€13,815,660	42.3%	40.2%	17.5%	665 (10.7%)
Bequests	3	0.1%	€99,859	66.7%	0.0%	33.3%	3 (0.0%)
Government / local authority	83	2.8%	€1,997,753	53.0%	26.5%	20.5%	196 (3.2%)
Other public body	18	0.6%	€250,944	61.1%	33.3%	5.6%	37 (0.6%)
Commercial/trading	100	3.3%	€2,118,564	44.0%	45.0%	11.0%	149 (2.4%)
Philanthropic organisation	6	0.2%	€72,372	66.7%	33.3%	0.0%	11 (0.2%)
Other sources	314	10.5%	€5,090,919	54.5%	31.2%	14.3%	423 (6.8%)
Total	1,101	36.7%	€23,446,071	-	-	-	-

Impact of Covid-19 on income in smaller charities

To analyse the financial impact of the Covid-19 pandemic on smaller charities, the income data in the 2019 annual reports of a sample (1,000) was compared with their 2021 report.

Table 7: Impact of Covid-19 on income

Source of income	Average 2019	Average 2021	% change 2019 to 2021
Donations (incl. bequests)	€11,780	€10,270	↓ 12.8%
Government / local authority or other public body	€6,805	€7,964	↑ 17.0%
Commercial/trading	€4,031	€3,377	↓ 16.2%
Philanthropic organisation	€525	€640	↑ 21.9%
Other sources	€7,045	€5,557	↓ 21.1%
Total income	€30,186	€27,808	↓ 7.9%
Total expenditure	€33,555	€27,634	↓ 17.6%

In our report, [Ireland's Registered Charities 2019 – 2021](#), which analysed the annual reports of the same 3,170 charities (of all sizes) over three consecutive years, it was noted that overall average charity income rose by just over 9% between 2019 and 2021, whereas average income in smaller charities, as can be seen above, fell by almost 8% in the same period.

Another significant variance between charities in general and smaller charities is that donation income in 2021 was found to be down 2.5% on pre-pandemic levels for charities in general, compared to a 12.8% drop for smaller charities.

The income received by smaller charities from central government, local authorities or other public bodies such as the HSE increased in the period at a similar level to what was found in charities in general. Some of this can likely be attributed to the extra supports put in place during the pandemic, such as the Covid-19 Stability Fund and the Employment Wage Subsidy Scheme. However it is important to note that not all charities would have been eligible for this funding and nearly half of smaller charities did not receive any income from the 'public purse' in 2021.

Employment

Unsurprisingly, the number of smaller charities with employees is low, at just 543, or 18%, compared to a figure of 43% in charities overall.

The average number of employees per charity in smaller charities is two, including part-time staff.

Table 8: Employment

Income	Number of charities with employees	% of charities	Number of full-time employees	Number of part-time employees
€0 - €10,000	28	5.2%	12	39
€10,001 - €25,000	52	9.6%	24	60
€25,001 - €50,000	142	26.2%	80	162
€50,001 - €100,000	321	59.1%	334	483
Total	543	100%	450	744

Although not directly relevant to this report, it is noted that a number of smaller charities with employees are not incorporated. While there is no legal requirement for a registered charity to be incorporated, these charities should be aware that unincorporated bodies such as clubs, societies and other associations are not recognised as legal entities. Therefore they cannot sue or be sued and lack the capacity to enter into contractual relationships, including employment contracts. This means there are significant risks arising for any unincorporated charity which has paid employees. This issue has been the subject of a recent [Law Reform Commission](#) public consultation and further information is available on their website.



Volunteering

Charity trustees in smaller charities

Charity trustees are the people who ultimately exercise control over, and are legally responsible for, a charity. Charity trustees may also be known as directors (if the charity is a company), board or committee members. The position of charity trustee is a volunteer role – charity trustees may not profit from carrying out their duties as a charity trustee, however they can be reimbursed for reasonable expenses incurred while carrying out the role. The Regulator does not require registered charities to have a minimum number of charity trustees, but it is recommended that there should be at least three independent trustees each serving a suggested maximum term of nine years in total. No data is available on the gender mix, experience or expertise of charity trustees.

Based on an analysis of the 6,187 annual reports filed for 2021, smaller charities are more likely to have fewer charity trustees, and those trustees are likely to have a longer tenure, than larger charities. In the region of 50% of smaller charities have trustees in place longer than the recommended 9 year maximum compared to under 30% of larger charities.

Table 9: Charity Trustees

Income	Number of active trustees	Average per charity	Mode (most common number of trustees) and % of charities	Average tenure per charity	% with trustees exceeding recommended 9 year term
€0 - €10,000	5,854	4.9	3 (38.1%)	11.2 years	51.2%
€10,001 - €25,000	3,169	5.3	3 (30.3%)	11.4 years	50.4%
€25,001 - €50,000	2,907	5.3	3 (29.6%)	11.2 years	50.4%
€50,001 - €100,000	3,820	5.8	3 (24.9%)	10.7 years	49.4%
€100,001 - €1,000,000	14,578	6.6	3 (15.8%)	9.9 years	47.1%
>€1,000,001	8,600	8.8	7 (9.8%)	7.6 years	29.1%
Total	38,928	6.3		10.1 years	45.9%

Volunteering in smaller charities (non-trustee)

Volunteer numbers are indicative only as some charities may include their charity trustees in their volunteer count although advised not to do so in the online annual report form. Figures will also include an element of double counting as some people will volunteer with more than one charity. It should also be noted that the source data is from annual reports relating to 2021 when, due to Covid-19 restrictions, some charities were unable to operate or were operating at a reduced level which may have impacted the number of volunteers during the period.

Table 10: Volunteering

Volunteer band	Number of charities Income <€10k	Number of charities Income €10-€50k	Number of charities Income €50-€100k	Total number of charities <€100k	Estimated number of volunteers
None	302	136	83	521	0
1-9 volunteers	571	507	262	1,340	6,700
10-19	214	269	144	627	9,091
20-49	87	169	122	378	13,041
50-249	18	60	44	122	18,239
250-499	3	4	1	8	2,996
500-999	2	1	1	4	2,998
Total	1,197	1,146	657	3,000	53,065

Note: Estimates calculated by taking the mid-point of numbers of volunteers within the reported range multiplied by the number of charities in that range.

When the number of volunteers per charity is averaged based on charity size, larger charities have a higher number of volunteers. However when volunteer numbers are compared to income, smaller charities have significantly more volunteers relative to their income – charities with income of less than €100,000 have 7.4 volunteers for every €10,000 of income whereas the largest charities have only 0.1 volunteers for every €10,000.

Table 11: Number of volunteers by income

Size of charity (income)	Number of charities with volunteers	Estimated number of volunteers	Average number of volunteers per charity	Total income	Number of volunteers per €10,000 of income
<€100,000	2,479	53,065	21	€71,292,879	7.4
€100,001 - €250,000	702	26,699	38	€118,004,351	2.3
€250,000 - €500,000	517	24,580	48	€186,564,839	1.3
€500,001 - €1,000,000	417	36,314	87	€290,423,288	1.3
€1,000,001 - €5,000,000	435	46,519	107	€938,979,391	0.5
€5,000,001 - €10,000,000	85	43,112	507	€576,165,491	0.7
>€10,000,000	116	58,662	506	€9,066,910,742	0.1
Total	4,751	288,951	61	€11,248,340,981	0.3

Value of volunteering

Table 12: Value of volunteering

Estimated economic value of volunteering in smaller charities per annum based on 53,065 volunteers

	Each volunteer giving 2 hours per week	Each volunteer giving 5 hours per week	Each volunteer giving 10 hours per week
Estimated annual value of volunteering in smaller charities using minimum wage (rate for an experienced adult worker at 31/12/2021 - €10.20 per hour)	€56,291,352	€140,728,380	€281,456,760
Estimated annual value of volunteering in smaller charities using national average earnings (Central Statistics Office Q4 2021 - €26.27 per hour)	€144,977,825	€362,444,563	€724,889,126



Compliance with annual report filing obligations

Under the 2009 Act charities are legally required to submit an annual report to the Charities Regulator within 10 months of the end of their financial year.

Annual reports for the 71% of charities with a financial year running 1 January to 31 December 2021 were extracted for further analysis. As can be seen in the table below, larger charities were more likely to file on time, with the smallest of charities being the least likely to meet the filing deadline.

Table 13: Annual report filing

Size of charity (income)	Number in sample	Number filing on time (by 31 October 2022)	% filing on time
€0 - €10,000	709	471	66.4%
€10,001 - €25,000	380	288	75.8%
€25,001 - €50,000	358	260	72.6%
€50,001 - €100,000	451	320	71.0%
€100,001 - €1,000,000	1,690	1,300	76.9%
>€1,000,001	818	673	82.3%
Total	4,406	3,312	75.2%

Charities Governance Code

The Charities Governance Code sets out the minimum standards which charity trustees should ensure their charity meets in order to effectively manage and control their organisations. The Code is made up of –

- six principles of governance, which all charities should apply
- core standards that all charities are expected to meet when putting the principles into action,
- additional standards that reflect best practice for complex charities

All registered charities should meet the six principles of governance and the core standards. The additional standards form part of the six principles and are in addition to the core standards and apply to complex charities. The majority of smaller charities are non-complex for the purposes of the Code, that is they have limited income and expenditure, have a simple organisational structure and no employees. However, some smaller charities could be considered complex if, for example, they operate overseas, have a large number of volunteers or have employees. The charity trustees are responsible for determining if their charity is complex and therefore required to comply with the additional standards.

2021 was the first year that charities were required to declare the status of their compliance with the Charities Governance Code when submitting their annual report. As part of our monitoring work, each month a number of charities that have declared that they are in compliance with the Charities Governance Code are asked to demonstrate that their charity has implemented the Code by submitting their completed Compliance Record Form and other supporting information to the Charities Regulator.

There is no data available at present as to whether smaller charities are more or less likely to file an inaccurate declaration than charities in general. However, from our monitoring we have observed that charities where the trustees' average length of service has been more than nine years are more likely to submit an inaccurate declaration than those charities where the average length of service is less than nine years. It would also appear that the age of a charity, that is the number of years since the charity was established, may have some bearing on whether a charity files an accurate or inaccurate declaration. Charities established more than five years ago are more likely to file an accurate declaration compared to those established less than five years ago. We have also found that insufficient resources is the most common reason given for non-compliance however smaller charities are no more likely to indicate this than larger charities.

Being a registered charity

In our 2022 [Irish Charity Survey](#) we asked participating charities about being a registered charity and whether they thought this was beneficial or a hindrance to their organisation. Overall the findings were fairly consistent regardless of the size of the charity, but there are some areas where the views of the smallest charities, that is those with income less than €50,000, are at a variance with the overall findings, albeit the numbers are low. For example, a higher proportion of smaller charities feel that it is very beneficial to their charity to be able to use their registered charity number as a mark of approval when fundraising and they are more likely to think that there is no obvious hindrance arising from the public perception that charities are amateur or non-professional.

Although smaller charities are less likely to view compliance with the Charities Governance Code as a hindrance to their work than larger charities, they are more likely than larger charities to find recording compliance with the Code difficult and to consider having to report on compliance as a disincentive to filing the annual report. At the same time, however, there is an acknowledgment that the Code has improved public understanding of how charities are run and that it is increasing trust and confidence.

Table 14: Charity Survey Results 2022

Statement	Overall finding (agreement with statement)	Income up to €50,000	Income between €50,000 and €100,000	Income between €100,000 and €500,000	Income over €500,000
Base	899	267	97	251	254
Being recognised as a registered charity is very beneficial	67%	65%	65%	65%	72%
Increased public trust from being a registered charity is very beneficial	58%	57%	59%	57%	60%
Being able to use the registered charity number as a mark of approval when publically fundraising is very beneficial	51%	56%	48%	51%	45%
Being able to avail of lower bank charges or other discounts on fees/services is very beneficial	23%	26%	25%	23%	19%

Table 14: Charity Survey Results 2022 (continued)

Statement	Overall finding (agreement with statement)	Income up to €50,000	Income between €50,000 and €100,000	Income between €100,000 and €500,000	Income over €500,000
Base	899	267	97	251	254
Tax benefits such as CHY number, donations relief or VAT Compensation Scheme are very beneficial	45%	42%	39%	45%	50%
There is no hindrance to recruiting and retaining trustees	77%	72%	84%	79%	77%
There is no obvious hindrance to ensuring trustees fulfil their responsibilities	75%	71%	82%	74%	77%
There is no obvious hindrance from paper work / record keeping to maintain charitable status	54%	55%	46%	56%	52%
There is no obvious hindrance from perception that charities are amateur or non-professional	67%	74%	71%	64%	60%
Time / staff costs on administration to maintain charitable status is somewhat of a hindrance	35%	25%	34%	38%	45%
Complying with the requirements of the Charities Governance Code is somewhat of a hindrance	32%	28%	29%	34%	35%
The Charities Governance Code is assisting my charity to improve how it is run	67%	62%	68%	69%	69%

Table 14: Charity Survey Results 2022 (continued)

Statement	Overall finding (agreement with statement)	Income up to €50,000	Income between €50,000 and €100,000	Income between €100,000 and €500,000	Income over €500,000
Base	899	267	97	251	254
Compliance with the Charities Governance Code is increasing public trust and confidence in my charity	53%	54%	51%	50%	53%
Having to report on compliance with the Charities Governance Code in the annual report is acting as a disincentive to submitting the annual report for the charity	17%	22%	16%	15%	12%
Complying with the Charities Governance Code is too difficult	21%	25%	30%	18%	17%
The introduction of the Charities Governance Code has improved public understanding of how charities are run	45%	49%	46%	40%	46%

Note: Statements relate to questions 34, 35 and 39 of the Charity Survey. Full findings for these questions are available in the appendix.

Conclusion

As has been highlighted in this report, smaller charities are as diverse as they are numerous, operating in all areas and furthering all charitable purposes, making up almost half (48.5%) of registered charities (excluding schools). Research has consistently shown that they are the most trusted of all charities. They can be a local branch of a nationwide organisation, or set up to respond to a specific issue within a community or a specialist national charity, so niche that it is the only one in the country.

Research published in the UK in 2018, [‘The value of small’](#) identified three distinctive features of smaller charities:

“Their distinctive service offer – what they do and for/with whom – which plays a critical role addressing social welfare issues at a community level, including plugging gaps in and joining-up public services.

Their distinctive approach – how they carry out their work – which is often more person-centred, holistic and accessible than that of statutory services and larger providers.

Their distinctive position – where they sit in the wider ecosystem of providers – which utilises their extensive local networks and relationships to fulfil a stabilising and advocacy role at a local level.”

Although forming the largest cohort of registered charities, smaller charities account for just 0.4% of the total reported income in 2021. They saw their income fall by almost 8% between 2019 and 2021; they rely less on the ‘public purse’ than charities in general, with government, public body and local authority funding accounting for just under 30% of income in smaller charities compared to over 71% in charities as a whole; and they are more likely to rely on a single income stream than charities in general. Most have no staff and are completely reliant on volunteers to deliver on their charitable purpose(s).

What cannot be so easily quantified is the important contribution they make to society in general and the real difference they make to the lives of individuals and communities, both in Ireland and beyond.

It is hoped that the insights in this report help to increase public understanding of smaller charities and the vital role played by this large and diverse section of the charity sector.

External sources and reports cited

Lloyds Bank Foundation

The value of small - 2018 report (UK)

<https://www.lloydsbankfoundation.org.uk/influencing/research/the-value-of-small>

The report was conducted by an independent research team from the [Centre for Regional Economic and Social Research \(CRESR\)](#) at Sheffield Hallam University; the [Institute for Voluntary Action Research \(IVAR\)](#) and the [Centre for Voluntary Sector Leadership](#) at the Open University.

Central Statistics Office

[Earnings and Labour Costs Quarterly - Q4 2021 \(Final\) Q1 2022 \(Preliminary Estimates](#)

[Census 2022](#)

Appendix

Full breakdown of responses to questions relating to the benefits and hindrances of being a registered charity and opinions about the Charities Governance Code which were posed in the [Irish Charity Survey 2022](#).

Note: although response levels are often higher amongst those charities with income between €50,000 and €100,000, the differences are not considered statistically significant due to the small number of respondents in this bracket.

Question 34: In the following, to what extent does being a registered charity benefit your organisation?

	Total	Up to €50k	€50 - €100k	€101 - €500k	€500k +
Base	899	267	97	251	254
Being recognised as a registered charity					
Very Beneficial	67%	65%	65%	65%	72%
Somewhat beneficial	24%	25%	28%	27%	19%
No obvious benefit	7%	9%	5%	6%	6%
Don't know	2%	1%	2%	2%	2%
Increased public trust from being a registered charity					
Very beneficial	58%	57%	59%	57%	60%
Somewhat beneficial	26%	27%	27%	27%	23%
No obvious benefit	13%	13%	11%	14%	12%
Don't know	3%	2%	3%	2%	4%
Being able to use your RCN (registered charity number) as a mark of approval when publicly fundraising					
Very beneficial	51%	56%	48%	51%	45%
Somewhat beneficial	23%	24%	24%	22%	26%
No obvious benefit	20%	16%	20%	20%	24%
Don't know	6%	4%	8%	8%	5%

Being able to avail of lower bank charges or other discounts on fees/services					
Very beneficial	23%	26%	25%	23%	19%
Somewhat beneficial	29%	28%	32%	30%	30%
No obvious benefit	32%	31%	29%	32%	38%
Don't know	16%	16%	14%	15%	14%
Tax benefits e.g. charitable tax status (CHY number), donations relief or VAT compensation scheme					
Very beneficial	45%	42%	39%	45%	50%
Somewhat beneficial	28%	29%	31%	28%	28%
No obvious benefit	17%	19%	24%	16%	16%
Don't know	9%	10%	6%	11%	6%

Question 35: Do you think the work of your organisation is hindered in/by the following because it is a registered charity?

	Total	Up to €50k	€50 - €100k	€101 - €500k	€500k +
Base	899	267	97	251	254
Ensuring trustees fulfil their responsibilities					
Greatly hindered	3%	4%	0%	5%	2%
Somewhat hindered	16%	18%	13%	17%	16%
No obvious hindrance	75%	71%	82%	74%	77%
Don't know	5%	7%	4%	4%	5%
Recruiting and retaining trustees					
Greatly hindered	5%	7%	0	4%	5%
Somewhat hindered	13%	14%	13%	13%	14%
No obvious hindrance	77%	72%	84%	79%	77%
Don't know	5%	8%	3%	4%	4%

Paperwork / record keeping required to maintain charitable status					
Greatly hindered	9%	11%	8%	8%	8%
Somewhat hindered	34%	30%	41%	33%	36%
No obvious hindrance	54%	55%	46%	56%	52%
Don't know	4%	4%	4%	4%	4%
Complying with the requirements of the Charities Governance Code					
Greatly hindered	7%	9%	8%	6%	6%
Somewhat hindered	32%	28%	29%	34%	35%
No obvious hindrance	58%	59%	60%	57%	56%
Don't know	4%	4%	3%	4%	3%
Time / staff costs on administration to maintain charitable status					
Greatly hindered	11%	11%	13%	12%	9%
Somewhat hindered	35%	25%	34%	38%	45%
No obvious hindrance	47%	53%	45%	45%	42%
Don't know	7%	11%	7%	5%	5%
Perception that charities are amateur or non-professional					
Greatly hindered	4%	1%	1%	7%	7%
Somewhat hindered	17%	9%	19%	19%	23%
No obvious hindrance	67%	74%	71%	64%	60%
Don't know	12%	16%	9%	10%	10%

Question 39: for each of the following statements select the response which most accurately reflects your opinion regarding the Charities Governance Code?

	Total	Up to €50k	€50 - €100k	€101 - €500k	€500k +
Base	899	267	97	251	254
The Charities Governance Code is assisting my charity to improve how it is run					
Strongly disagree	5%	6%	4%	3%	5%
Disagree	4%	4%	5%	4%	5%
Neither agree or disagree	22%	24%	22%	22%	17%
Agree	48%	46%	53%	51%	46%
Strongly agree	19%	16%	15%	19%	23%
Don't Know	3%	3%	1%	1%	4%
OC					
Disagree	9%	10%	9%	7%	10%
Agree	67%	62%	68%	69%	69%
Compliance with the Charities Governance Code is increasing public trust and confidence in my charity					
Strongly disagree	3%	4%	2%	2%	4%
Disagree	5%	4%	4%	5%	7%
Neither agree or disagree	31%	30%	35%	35%	27%
Agree	37%	39%	37%	34%	36%
Strongly agree	16%	15%	13%	16%	17%
Don't Know	8%	8%	8%	7%	8%
OC					
Disagree	8%	7%	6%	8%	11%
Agree	53%	54%	51%	50%	53%

Having to report on compliance with the Charities Governance Code in the annual report is acting as a disincentive to filing the annual report					
Strongly disagree	15%	9%	12%	15%	25%
Disagree	37%	36%	37%	36%	40%
Neither agree or disagree	26%	28%	32%	30%	17%
Agree	11%	15%	13%	10%	7%
Strongly agree	5%	7%	3%	4%	5%
Don't Know	5%	6%	2%	5%	6%
OC					
Disagree	52%	45%	49%	51%	65%
Agree	17%	22%	16%	15%	12%
The introduction of the Charities Governance Code has improved public understanding of how charities are run					
Strongly disagree	4%	3%	3%	5%	4%
Disagree	12%	8%	10%	13%	17%
Neither agree or disagree	28%	27%	32%	33%	24%
Agree	34%	37%	36%	30%	34%
Strongly agree	11%	12%	10%	10%	11%
Don't Know	11%	13%	8%	10%	10%
OC					
Disagree	16%	11%	13%	18%	20%
Agree	45%	49%	46%	40%	46%

Complying with the Charities Governance Code is too difficult					
Strongly disagree	10%	9%	8%	8%	15%
Disagree	35%	30%	32%	39%	38%
Neither agree or disagree	30%	33%	28%	33%	25%
Agree	16%	18%	25%	12%	13%
Strongly agree	5%	7%	5%	6%	3%
Don't Know	3%	3%	2%	2%	5%
OC					
Disagree	45%	39%	40%	47%	54%
Agree	21%	25%	30%	18%	17%



**An Rialálaí
Carthanas**

**Charities
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