



**An Rialálaí  
Carthanas**

**Charities  
Regulator**

**Annual Report  
2014-2015**



## Our Vision



A vibrant, trusted charity sector which is valued for the public benefit it provides.

## Our Mission



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



## Our Values



### Independence

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

### Fairness

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

### Openness

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

### Proportionality

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

### Learning

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

### Engagement

*We communicate with and listen to our stakeholders. We seek to anticipate and address regulatory issues of concern to them.*

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## Chairperson's Statement

As the Chairperson of the Charities Regulator, I am pleased to launch its first Annual Report covering the period October 2014 – December 2015.

The Charities Regulator was established on 16th October 2014, in line with the Charities Act, 2009. In addition to regulating charities, responsibility for work carried out by the Commissioners for Charitable Donations and Bequests was transferred to the Regulator on the date of our establishment. Our aim is to be a modern, robust and nimble Regulator.

It is fundamental to our work that there is strong public trust and confidence in the sector. Members of the public who fundraise for, or donate to, charities deserve assurance that the money donated is spent on the intended purpose. Unfortunately, in recent years there has been a decline in public trust in the sector. However, our establishment is evidence of the State's commitment to assure that the highest standards of governance and accountability exist in the future.

Irish charities play a vital role in our society by providing a public benefit. Be it a meal service to the elderly, supporting children with special needs or working in the area of international development, the Irish charity sector aids communities in Ireland and across the world in many diverse ways.

By implementing the law in a fair and transparent manner, we can ensure that the good work being done by good people can continue and that the sector can maintain a high level of public confidence.

Since our establishment we have provided effective and robust regulation which is transparent, accountable and proportionate. We have targeted resources and effort at the areas of highest risk and have made strong advances in creating an accurate and up to date register of charities. On the date of our establishment we deemed registered approximately 8000 charities who held a CHY number from the Revenue Commissioners and engaged with other charitable organisations, including 3600 schools, who will be registered in a bulk registration process.

Most recently we have launched our first Statement of Strategy 2016 – 2018 which sets out our mission and our strategic objectives for the next three years. A new CEO, Mr. John Farrelly was appointed in May 2016 following a competitive interview process, replacing Ms. Una Ní Dhubhghaill. I began my own term as Chairperson in June 2015, following the resignation of Mr. Conor Woods. In September 2016, Part IV of the Charities Act, 2009 was commenced providing powers to investigate and prosecute.

During the start-up period covered by this report, the Regulator also established a Consultative Panel on Charitable Fundraising as well as Reporting and Accountancy Regulations for charitable organisations. Work on both projects is ongoing.

Our intention is that all charities will comply with the law with the least amount of regulatory burden. We want charities to use the minimum amount of time achieving compliance so that the maximum amount of effort is directed at service users and beneficiaries.

In fulfilling this role, we have worked to support charity trustees in complying with their legal obligations and taken action to address non-compliance where necessary.

Patrick Hopkins

Chairperson

## Introduction and Background

In line with the Charities Act, 2009 the Charities Regulator was established on 16th October 2014. It is Ireland's national statutory regulator for charitable organisations and is an independent agency of the Department of Justice and Equality.

Una Ní Dhubhghaill was appointed as the first CEO of the Charities Regulator and officially commenced her post on 16th October 2014. The first Board of the Regulator consisted of 16 members with an independent Chairperson; all of whom were appointed by the Minister for Justice and Equality. The first Chairperson of the Board was Conor Woods. He was succeeded as Chairperson by Patrick Hopkins in May 2015.

The Charities Regulator has the following general functions under the Charities Act, 2009:

- (a)** Increase public trust and confidence in the management and administration of charitable trusts and charitable organisations,
- (b)** Promote compliance by charity trustees with their duties in the control and management of charitable trusts and charitable organisations,
- (c)** Promote the effective use of the property of charitable trusts or charitable organisations,
- (d)** Ensure the accountability of charitable organisations to donors and beneficiaries of charitable gifts, and the public,
- (e)** Promote understanding of the requirement that charitable purposes confer a public benefit,
- (f)** Establish and maintain a register of charitable organisations,
- (g)** Ensure and monitor compliance by charitable organisations with this Act,
- (h)** Carry out investigations in accordance with this Act,
- (i)** Encourage and facilitate the better administration and management of charitable organisations by the provision of information or advice, including in particular by way of issuing (or, as it considers appropriate, approving) guidelines, codes of conduct, and model constitutional documents,
- (j)** Carry on such activities or publish such information (including statistical



information) concerning charitable organisations and charitable trusts as it considers appropriate,

**(k)** Provide information (including statistical information) or advice, or make proposals, to the Minister on matters relating to the functions of the Regulator.

Upon the date of its establishment the Regulator automatically registered approximately 8000 charities that held CHY numbers with the Revenue Commissioners and these charities were required to verify their data and provide the Regulator with an updated report of activity. All other charities were required to register and submit activity reports to the Regulator by 16th April 2016.

In addition to the new regulatory functions, the establishment of the Regulator also saw the dissolution of the Office of the Commissioners of Charitable Donations and Bequests for Ireland and their work transferred to the office of the Regulator. This included the provision of charity services and the management of the Common Investment Fund on behalf of certain charities. John Farrelly succeeded Una Ní Dhubhghaill as Chief Executive of the Charities Regulator and took up this position on 16th May 2016.

The Regulator began work in 2015 on its first Statement of Strategy which was launched in July 2016 by the Minister for Justice.

## Executive Summary: Key Statistics



- 1. The Board of the Regulator met on 8 occasions between the date of establishment and 31st December 2015.*
- 2. The Regulator deemed registered approximately 8000 charities by virtue of them holding a CHY number with the Revenue Commissioners on the date of the Regulator's establishment.*
- 3. Between September and December 2015 the Regulator hosted 15 meetings nationwide to aid with the registration process. These were attended by 1200 people.*
- 4. Over the course of this reporting period 235 concerns were raised with the Regulator in relation to 79 different entities.*
- 5. As of 31st December 2015 sums held on deposit on behalf of charities amounted to €3,775,232. (This is dealt with in further detail on page 18)*
- 6. A Common Investment Fund managed by Davy Asset Management Ltd, for which the Regulator is responsible, was valued at € 36,208,451 on 31st December 2015. (This is dealt with in further detail on page 18)*
- 7. In keeping with the Regulator's obligation to provide Charity Services, the Regulator dealt with 352 matters raised over the course of 9 meetings of the Charitable Services Committee from 16th October 2014 – 31st December 2015.*

## Membership and Meetings

Board Meetings: October 2014 – December 2015\*

Member	Meetings Attended	16/10 /2014	27/11 /2014	*** 3/02/ 2015	26/03 /2015	28/05 /2015	30/07 /2015	24/09 /2015	03/12 /2015
Conor Woods (Chairperson October 2014 –May 2015)**	5/5	✓	✓	✓	✓	✓	-	-	-
Patrick Hopkins (Chairperson May 2015 –present)	7/8	✓	✓	N	✓	✓	✓	✓	✓
David Brady	8/8	✓	✓	✓	✓	✓	✓	✓	✓
Katie Cadden	5/8	✓	✓	N	✓	✓	N	✓	N
Sandra Chambers	8/8	✓	✓	✓	✓	✓	✓	✓	✓
Cynthia Clampett	6/8	✓	✓	✓	✓	N	✓	N	✓
Anna Classon	4/8	N	✓	N	✓	N	✓	✓	N
Tom Costello	7/8	✓	✓	N	✓	✓	✓	✓	✓
Patricia Cronin	8/8	✓	✓	✓	✓	✓	✓	✓	✓
Fergus Finlay	6/8	✓	✓	✓	N	✓	✓	N	✓
Ann Fitzgerald	8/8	✓	✓	✓	✓	✓	✓	✓	✓
Hugh Maddock	5/8	N	✓	✓	✓	✓	N	✓	N
Barbara O'Connell	3/8	✓	N	N	N	N	✓	✓	N
Graham Richards	8/8	✓	✓	✓	✓	✓	✓	✓	✓
Senan Turnbull	7/8	✓	✓	N	✓	✓	✓	✓	✓
Noel Wardick	7/8	✓	✓	✓	✓	✓	N	✓	✓

\* Note: two preparatory Board meetings took place prior to the establishment of the Regulator.

\*\*Conor Woods stood down from the Board in May 2015.

\*\*\*The date and time of this meeting was changed from the originally scheduled date.

## Staffing



At the date of establishment the staffing complement of the Charities Regulator was 11, including staff members transferred from the Commissioners of Charitable Donations and Bequests.

By the end of 2015 this had increased to 17 staff members (15.7 FTE) from a sanctioned complement of 20, with additional legal and accountancy skills being supplied on a contract basis. A business case was submitted to the Department of Justice and Equality in 2015 for an 80% increase in the staffing budget of the Charities Regulator for 2016.

## Governance Arrangements

### Corporate Governance

The Charities Regulator is subject to corporate governance obligations including the 2009 Department of Finance Revised Code of Practice for the Governance of State Bodies. In 2015 a Performance Agreement with the Department of Justice and Equality was signed which commits the Regulator to complete an annual Compliance Statement that the systems of internal control, risk management and other areas of compliance are operating effectively.

The Regulator has also published its own Corporate Governance Framework in line with the Corporate Governance Standard for the Civil Service in 2016.

### Committees

The Board has established four committees as follows:

#### **Finance, Audit and Risk Committee**

The Finance, Audit and Risk Committee was established to assist the Board in fulfilling its overseeing responsibilities relating to:

- The financial reporting process
- The risk management process
- The system of internal control
- The audit process
- The Regulator's process for monitoring compliance with laws and regulations.

It is responsible for advising the Board on whether an appropriate regime of internal control is in operation. There are four members on the committee, all of whom are members of the Regulator's Board.

#### **Governance Committee**

The Governance Committee was established to advise the Charities Regulator regarding its governance policy and applicable good governance principles. Its duties include (annually) reviewing the governance policy of the Charities Regulator and overseeing its implementation, as well as monitoring relevant governance and regulatory developments. There are four members on the committee, three of whom are members of the Regulator's Board.

### **Charity Services Committee**

The Charity Services Committee was established to carry out the functions previously vested in the Commissioners of Charitable Donations and Bequests. These include authorising 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 are five members on the committee, four of whom are members of the Regulator's Board.

### **Performance & Resource Planning Committee (PRPC)**

The Performance and Resource Planning Committee was established to manage the recruitment of a CEO, to oversee the performance management process for senior management and to consider the terms and conditions of members of staff of the Charities Regulator including the terms under which staff are assigned/seconded/allocated/ transferred to the Charities Regulator. There are four members on the committee, all of whom are members of the Regulator's Board.

### **Consultative Panel on Charitable Fundraising**

In addition to the above, following a request from the Minister for Justice & Equality on 3rd December 2015, the Board established a Consultative Panel on Charitable Fundraising under Section 36 of the Charities Act, 2009 and nominated Ms. Ann Fitzgerald, a member of the Regulator's Board, as Chairperson designate of the Panel.

As at the end of December 2015 the committees were constituted as follows:

#### Finance, Audit and Risk Committee

(4 Meetings)

David Brady (Chairperson)

Sandra Chambers

Ann FitzGerald

Noel Wardick

#### Governance Committee

(4 Meetings)

Senan Turnbull (Chairperson)

Katie Cadden

Barbara O'Connell

Ronan Nolan

#### Charity Services Committee

(9 Meetings)

Graham Richards (Chairperson)

Katie Cadden

Sandra Chambers

Patricia Cronin

Judge John O'Connor

#### Performance & Resource Planning Committee

(4 Meetings)

Paddy Hopkins (Chairperson)

Tom Costello

Patricia Cronin

Fergus Finlay

## Disclosure of Interests

In accordance with the Code of Practice for the Governance of State Bodies, the Charities Regulator has a Code of Business Conduct which includes guidance in relation to the disclosure of interests by Board Members. These procedures were complied with.

Board members are designated directors for the purposes of the Ethics in Public Office Acts 1995 and 2003, and have obligations in relation to disclosure of material interest and an annual statement of interest under the terms of the Acts.

## Internal audit

The internal audit function is performed by the Internal Audit unit of the Department of Justice and Equality.



## Registration

From the date of establishment on 16th October 2014, the Regulator made registration its key priority.

### Registering charities with CHY Numbers:

The first act of the Regulator was to engage the approximately 8000 charities who held a CHY number with the Revenue Commissioners on the date of our establishment, as per Section 40 of the Charities Act, 2009.

In January 2015 we issued letters to these 8000 charities informing them of their new obligations under the Charities Act, 2009 and further reminder letters were sent in October 2015.

### Developing I.T. for Registration:

In the first instance in October 2014, an I.T. system was developed to provide for online registration and reporting by charities. This system was further developed in September / October 2015 to provide a simplified form for CHY Registered Charities and for annual reporting.

### Additional Registration & Reporting:

1307 charities completed their information on the public Register of Charities and 733 annual reports were submitted by 31st December 2015.

### Registration Information Campaign:

A core part of the newly established registration process was a coordinated information campaign engaging with those involved in the charity sector, to ensure they were aware of their obligations under the Charities Act, 2009.

As per Table 1 below, a total of 15 public information meetings were held across the country from September - December 2015, with almost 1200 people attending from various charitable groups.

These meetings were organised in partnership with The Wheel and Volunteer Ireland as part of a wider engagement process and to ensure that smaller, volunteer led groups were communicated with.

Table 1: Schedule of Information Meetings, September – December 2015

Date	Location	Attendees (Approx.)
24-Sep-15	Waterford	55
08-Oct-15	Waterford	40
20-Oct-15	Castlebar, Co. Mayo	70
21-Oct-15	Letterkenny, Co. Donegal	60
22-Oct-15	Sligo	75
03-Nov-15	Limerick	120
04-Nov-15	Tralee, Co. Kerry	60
05-Nov-15	Cork	120
17-Nov-15	Dundrum, Co. Dublin	75
18-Nov-15	Tallaght, Co. Dublin	110
19-Nov-15	Dundalk, Co. Louth	75
20-Nov-16	Tullamore, Co. Offaly	150
01-Dec-15	Dublin	40
02-Dec-15	Galway	100
03-Dec-15	Athlone, Co. Westmeath	45

## Concerns

Prior to the commencement of Part 4 of the Charities Act, 2009, the Regulator has put in place a process to enable it to address concerns received about charities.

Between 16th October 2014 and 31st December 2015 concerns related to 79 different entities were raised with the Regulator. In some cases one individual raised many different concerns regarding an entity and in others several individuals raised the same concern.

The internal procedure for the initial processing of these concerns was implemented with a view to ensuring a uniform response to enquiries, as well as to ensure that sufficient information was available to enable proper consideration of the concern raised.

By the end of December 2015 over 25 organisations were contacted by the Regulator on foot of concerns raised.

The concerns received fell into the following categories. Please note that some concerns raised highlighted a number of issues across different categories.

Table 2: Concerns Raised by Category

Category	Number of Charities
Financial Control and Transparency	35
Private Benefit	8
Good Governance	30
Impairment to Beneficiaries	4
Campaigning for a Political Purpose	6
Legitimacy of Charity	11
Issues not under the remit of the Regulator	11

## Transfer of the Work of the Commissioners of Charitable Donations and Bequests

As per Part 6 of the Charities Act, 2009 the Regulator, on the date of its establishment, assumed the roles and functions previously carried out by the Commissioners of Charitable Donations and Bequests.

### Charity Funds

This included the taking charge of funds held on deposit on behalf of several charities by the former Charitable Commissioners. Previously, where a disagreement occurred, the Commissioners had accepted sums and acted as an independent intermediary, until the dispute was resolved or a decision made as to how funds should be allocated. Other sums held by the Commissioners were the proceeds of sales of units in the Common Investment Fund waiting to be returned to investors.

As of 31st December 2015 sums held on deposit on behalf of charities amounted to € 3,775,232.

### Common Investment Fund

The Charities Regulator has responsibility for oversight of a Common Investment Fund managed by Davy Asset Management Ltd which was valued at € 36,208,455 on 31st December 2015.

There are approximately 410 charities invested in the Fund at various levels. Twice yearly dividends are paid to investors. Some investors have their dividends automatically re-invested and are paid out on a yearly basis or for specific projects, scholarships etc. Most re-investors purchase more units with their dividends. From time to time unit holders apply to sell some units to cover specific projects such as refurbishment of charity premises.

### Charity Services

Other work of the former Commissioners of Charitable Donations and Bequests included the administration of charitable services. Since its date of establishment, the Regulator has ensured that our Charity Services Committee meets every 5 – 6 weeks and works to meet the needs of the sector and our obligations under the Charities Act, 1961 as amended and Section 82 of the Charities Act, 2009.

**The core services provided by the Regulator are:**

1. Appointment of new charity trustees
2. Authorisation of disposition of lands held upon charitable trusts
  - i. Sale of charity property for full value
  - ii. Sale of charity property for less than full value
  - iii. Lease of charity property
  - iv. Surrender of a lease of charity property
  - v. Mortgage of charity property
  - vi. Exchange of charity property
3. Framing of Schemes applying charity property Cy-Près (as near as possible to the intentions of the original donor)
4. Advice to trustees experiencing difficulty in administering a charitable trust
5. Compromise of claims by or against a charity
6. Framing of Schemes of Incorporation
7. Making of Vesting Orders freeing charity property from the operation of onerous covenants in leases in certain circumstances
8. Sale of property under Residential Institutions Redress Act

In total, from the date of our establishment on 16th October 2014 until 31st December 2015, the Regulator dealt with 352 matters raised over the course of 9 meetings of the Charity Services Committee.

Table 3: Breakdown of Charity Services

Type of Matter	Number
<b>Non-routine applications</b> (miscellaneous matters e.g. where the Regulator's opinion or advice is sought; Cy-Près applications)	94
<b>Routine applications - property disposals</b> (e.g. sanction of mortgages, sales, transfers, leases)	123
<b>Good Governance</b>	102
<b>Impairment to Beneficiaries</b>	33

# Financial Statements

For the Period 17th October 2014  
to 31st December 2015



## Comptroller and Auditor General

### Report for presentation to the Houses of the Oireachtas

#### Charities Regulatory Authority

I have audited the financial statements of the Charities Regulatory Authority for the period ended 31 December 2015 under 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. The financial statements have been prepared in the form prescribed under Section 30 of the Act, and in accordance with generally accepted accounting practice.

#### Responsibilities of the Members of the Authority

The Authority was established on 17 October 2014, as outlined in the accounting policies note to the financial statements.

The Authority is responsible for the preparation of the financial statements, for ensuring that they give a true and fair view and for ensuring the regularity of transactions.

#### Responsibilities of the Comptroller and Auditor General

My responsibility is to audit the financial statements and to report on them in accordance with applicable law.

My audit is conducted by reference to the special considerations which attach to State bodies in relation to their management and operation.

My audit is carried out in accordance with the International Standards on Auditing (UK and Ireland) and in compliance with the Auditing Practices Board's Ethical Standards for Auditors.

#### Scope of audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements, sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of

- whether the accounting policies are appropriate to the Authority's circumstances, and have been consistently applied and adequately disclosed
- the reasonableness of significant accounting estimates made in the preparation of the financial statements, and
- the overall presentation of the financial statements.

I also seek to obtain evidence about the regularity of financial transactions in the course of audit.

#### Opinion on the financial statements

In my opinion, the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Authority as at 31 December 2015 and of its income and expenditure for period ended 31 December 2015; and
- have been properly prepared in accordance with generally accepted accounting practice.

In my opinion, the accounting records of the Authority were sufficient to permit the financial statements to be readily and properly audited. The financial statements are in agreement with the accounting records.

#### Matters on which I report by exception

I report by exception if I have not received all the information and explanations I required for my audit, or if I find

- any material instance where public money has not been applied for the purposes intended or where the transactions did not conform to the authorities governing them, or
- the statement on internal financial control does not reflect the Authority's compliance with the Code of Practice for the Governance of State Bodies, or
- there are other material matters relating to the manner in which public business has been conducted.

I have nothing to report in regard to those matters upon which reporting is by exception.

*Seamus McCarthy*

**Seamus McCarthy**  
Comptroller and Auditor General  
16 December 2016

# Financial Statements

(Charities Regulatory Authority)

For the Period 17th October 2014 to 31st December 2015



## **ADMINISTRATION**

### **For the period ended 31 December 2015**

#### **The Charities Regulatory Authority ("The Authority")**

Conor Woods Chairman (resigned 31 May 2015)

Graham Richards

Ann Fitzgerald

Patricia Cronin

David Brady

Cynthia Clampett

Patrick Hopkins (appointed chairperson 13 July 2015)

Anna Classon

Fergus Finlay

Tom Costello

Senan Turnbull

Barbara O'Connell

Hugh Maddock

Sandra Chambers

Katie Cadden

Noel Wardick

#### **Chief Executive**

Ms. Úna Ní Dhubhghaill (17 October 2014 to 15 April 2016)

John Farrelly (appointed 16 May 2016)

**OFFICE:** St. Martin's House, Waterloo Road, Dublin 4


**CHARITIES REGULATORY AUTHORITY**

**STATEMENT OF AUTHORITY MEMBERS' RESPONSIBILITIES**

Section 30 (1) of the Charities Act 2009, requires the Authority to prepare financial statements in such forms and in respect of such accounting periods as may be approved by the Minister for Justice and Equality with the consent of the Minister for Public Expenditure and Reform. In preparing the financial statements, the Authority is required to:

- Select appropriate 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 the Authority will continue in operation.
- State where applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Authority is responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the Authority and which enable it to ensure that the financial statements comply with Section 30 (1) of the Charities Act 2009. The Authority is also responsible for safeguarding its assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

  
\_\_\_\_\_  
Patrick Hopkins, Chairperson.

Date: 15/12/2016

  
\_\_\_\_\_  
John Farrelly, Chief Executive.

Date: 15/12/2016

**CHARITIES REGULATORY AUTHORITY****STATEMENT ON INTERNAL FINANCIAL CONTROL**

On behalf of the Charities Regulatory Authority, we hereby acknowledge our responsibility for ensuring that an appropriate system of internal financial control is in operation in the Authority.

We are satisfied that the systems, which the Authority has in place, are reasonable and appropriate for the Authority's circumstances having regard to its size, level of expenditure, staff resources and the nature of its operations. However, the systems do not, and cannot, provide absolute assurance against material error.

The Authority has adopted the Code of Practice for the Governance of State Bodies issued by the Department of Public Expenditure and Reform.

The Chief Executive reviews expenditure on a regular basis together with income received.

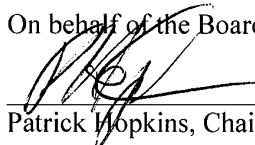
The Authority takes the major strategic decisions and meets at regular intervals to monitor performance and plans. The executive management only act within the authority delegated to them by the Authority to give effect to the Authority's policy and decisions.

The following specific procedures are in place in order to provide effective financial control.

1. Formal procedures are in place for the purchase of all goods and services, for approval of invoices in respect of goods and services and authorisation of payment in respect of goods and services. Procedures in this regard have been strengthened during the year through the implementation of recommendations emerging from internal audits.
2. Monthly management accounts are reviewed by the Chief Executive.
3. The Authority's Finance, Audit and Risk (FAR) Committee exercises oversight on behalf of the Board.
4. The Authority's financial control procedures are subject to review by the Department of Justice and Equality internal audit unit.
5. The Department of Justice and Equality's Audit Committee reviews the work of internal audit.
6. The Authority is compliant with all relevant guidelines regarding procurement and is complying with all circulars relating to the mandatory use of framework agreements and contracts.

We confirm that the Board conducted a review of the effectiveness of the system of internal financial control in respect of the period ended 31 December 2015.

On behalf of the Board of the Charities Regulatory Authority:

  
Patrick Hopkins, Chairperson.

Date:

15/12/2016

  
John Farrell, Chief Executive.

Date:

15/12/2016

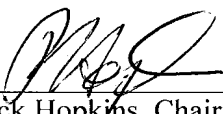
**AUDITOR'S REPORT****CHARITIES REGULATORY AUTHORITY****STATEMENT OF INCOME AND EXPENDITURE AND RETAINED REVENUE  
RESERVES FOR THE PERIOD ENDED 31 DECEMBER 2015**

<b>Income</b>	<b>Note</b>	<b>2015 €</b>
Oireachtas Grant	3	1,550,476
<b>Total Income</b>		<u>1,550,476</u>
<b>Expenditure</b>		
Staff costs	4	736,801
Administration	5	908,726
Audit fee		5,426
Depreciation	6	<u>4,990</u>
<b>Total expenditure</b>		<u>1,655,943</u>
<b>Deficit for the period before appropriations</b>		<b>(105,467)</b>
Transfer to capital account		(117,198)
<b>Deficit for the period after appropriations</b>		<b>(222,665)</b>
Balance brought forward at 17 October 2014		-
<b>Deficit carried forward at 31 December 2015</b>		<u><b>(222,665)</b></u>

The deficit for the period represents expenditure accrued at the year end that related to 2015 that was paid in 2016. It is funded by the Department of Justice and Equality Vote in 2016.

**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 Board of the Charities Regulatory Authority:

  
Patrick Hopkins, Chairperson.

Date: 15/12/2016

  
John Farrelly, Chief Executive.

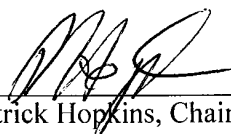
Date: 15/12/2016

**STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2015**

<b>Fixed Assets</b>	<b>Note</b>	<b>2015 €</b>
Property, plant and equipment	6	127,020
<b>Current Assets</b>		
Inventory	8	1,258
<b>Current Liabilities</b>		
Payables and accruals	9	223,923
<b>Net Current Liabilities</b>		<b>(222,665)</b>
<b>Total Net Liabilities</b>		<b>(95,645)</b>
<b>Representing:</b>		
Capital Account	7	127,020
Retained Revenue Reserves		(222,665)
		<b>(95,645)</b>

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

On behalf of the Board of the Charities Regulatory Authority:

  
 Patrick Hopkins, Chairperson.

Date: 15/12/2016

  
 John Farrell, Chief Executive.

Date: 15/12/2016

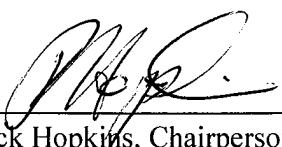
## CHARITIES REGULATORY AUTHORITY

## STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 DECEMBER 2015

Net cash flows from operating activities	Note	2015 €
Operating deficit for period		(222,665)
Depreciation of property, plant and equipment		4,990
Transfer to capital account		117,198
Increase in inventory		(1,258)
Increase in payables and accruals		223,923
<b>Net cash inflows from operating activities</b>		<b>122,188</b>
<b>Cash flows from investing activities</b>		
Payments to acquire property, plant and equipment		(122,188)
<b>Net cash outflow from investing activities</b>		<b>(122,188)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>3</b>	<b>-</b>
<b>Reconciliation of net cash flow movement in net funds</b>		
Cash and cash equivalents at 17 October 2014		-
<b>Cash and cash equivalents at 31 December 2015</b>		<b>-</b>

Notes 1 to 15 form part of these financial statements.

On behalf of the Board of the Charities Regulatory Authority:

  
Patrick Hopkins, Chairperson.

Date: 15/12/2015

  
John Farrelly, Chief Executive.

Date: 15/12/2015

## CHARITIES REGULATORY AUTHORITY

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2015

#### 1 Accounting Policies

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

##### (a) General Information

The Charities Regulatory Authority is Ireland's national statutory regulator for charitable organisations. The Charities Regulatory Authority is an independent Authority and was established on 17 October 2014 under the Charities Act 2009. The Act provides the dissolution of the former Commissioners of Charitable Donations and Bequests for Ireland (CCDB) and the transfer of their functions to the new Authority.

The former Commissioners of Charitable Donations and Bequests for Ireland

- provided advice services to trustees of charities
- assisted in the carrying out of the intentions of persons making donations and bequests to charities
- 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 CRA are administrators of the charity fund account and the investment fund.

##### (b) Basis of Accounts and Statement of Compliance

The financial statements of the Charities Regulatory Authority for the period 17 October 2014 to 31 December 2015 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. These are the Authority's first set of financial statements prepared in accordance with FRS102. The date of transition to FRS102 is 17 October 2014. The transition to FRS102 has not affected the reported financial position or financial performance.

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 Justice and Equality with the consent of the Minister for the Department of Public Expenditure and Reform.

##### (c) Income Recognition

Grant income from the Department of Justice and Equality is reported on a cash receipts basis.

**(d) Expenditure**

Payroll is processed by the Department of Justice and Equality and recorded in the financial statements on a cash basis. However, for the period 17 October to 31 December 2014, payroll liabilities for staff employed during this period were borne by the Department of Justice and Equality. Consequently, no charge has been made in these financial statements in respect of these costs. All payroll costs since 1 January 2015 has been charged to these financial statements.

**(e) Property, Plant and Equipment**

Property, plant and equipment are shown at the net book value at date of transfer to the Authority.

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.

**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 €36 million at 31 December 2015.

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 Charities Regulatory Authority website [www.charitiesregulatoryauthority.ie](http://www.charitiesregulatoryauthority.ie).

The Charities Regulatory Authority is a Public Benefit Entity (PBE).

**(b) Charity Fund Account**

At the period end, the Authority held funds for safe keeping for 93 Charitable Trusts of which, the Authority is defined as a Trustee. There are a further 10 Trusts currently under review to determine if the Authority is a Trustee. The funds are held in a bank account on behalf of the Charitable Trusts. The balance at 31 December 2015 was €3.8 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 Charities Regulatory Authority website [www.charitiesregulatoryauthority.ie](http://www.charitiesregulatoryauthority.ie).



<b>3 Oireachtas Grant</b>	<b>2015</b>
	€
Vote 24 – Justice and Equality	1,550,476

The Authority do not hold cash and cash equivalents. Funding is provided by way of the Oireachtas Grant from the Department of Justice and Equality. The Department of Justice and Equality makes all payments on behalf of the Authority. The total grant matches the sum charged to the Appropriation Account of that Department.

#### 4 Staff Costs

<b>(a) Staff costs breakdown</b>	<b>2015</b>
	€
Wages and salaries	724,581
Travel and subsistence	12,220
<b>Total</b>	<b>736,801</b>

The Authority employed 17.4 whole time equivalent permanent staff in 2015. For the period 17 October 2014 to 31 December 2014, payroll liabilities were borne by the Department of Justice and Equality. The charge for the period would have been €62,095.

#### (b) Employee benefits breakdown

Range of total employee benefits		Number of Employees
From	To	2015
€60,000	- €69,999	2
€70,000	- €79,999	-
€80,000	- €89,999	-
€90,000	- €99,999	1
€100,000	- €109,999	-
€110,000	- €119,999	-

<b>5 Administration Costs</b>	<b>2015</b>
	€
Board Member Fees *	117,821
Postage and Telecommunications	8,703
IT Expenses	395,506
Office Machinery and other Office Supplies	11,881
Office Cleaning and Maintenance	22,864
Light & Heat	11,354
Legal Fees	126,156
Rent	91,674
Consultancy Costs	39,761
General Expenses	83,006
	<b>908,726</b>

\* €31,709 of the fees paid relate to the period before 17<sup>th</sup> October 2014.

## 6 Property, Plant and Equipment

	IT	Office Equipment	Furniture	Total
	€	€	€	€
<b>Cost</b>				
At 17 October 2014	13,683	9,406	-	23,089
Additions	-	-	122,188	122,188
Disposals	-	-	-	-
At 31 December 2015	13,683	9,406	122,188	145,277
<b>Accumulated Depreciation</b>				
At 17 October 2014	7,207	6,060	-	13,267
Charged in the year <sup>1</sup>	1,451	1,216	2,323	4,990
Disposals	-	-	-	-
At 31 December 2015	8,658	7,276	2,323	18,257
<b>Net Book Value</b>				
At 17 October 2014	6,476	3,346	-	9,822
At 31 December 2015	5,025	2,130	119,865	127,020

<sup>1</sup> Depreciation was charged in the year on the original purchase cost of the assets.

## 7 Capital Account

	2015 €
Assets transferred at 17 October 2014	9,822
Amortisation in line with depreciation	(4,990)
Additions	122,188
	<b>127,020</b>

## 8 Inventory

	2015 €
Stationery	1,258
	<b>1,258</b>

## 9 Payables and accruals

	2015 €
Payables	50,295
Accruals	173,628
	<b>223,923</b>

## **10 Pension Levy**

Salary costs included in this account are the gross costs to the Authority for the period. The Department of Justice and Equality pays salaries on behalf of the Authority. Pension levy deductions, as per Section 2(3) of the Financial Emergency Measures in the Public Interest Act 2009 (No. 5 of 2009), are made by the Department and are retained as Appropriations-in-Aid for that Department.

## **11 Premises**

The Authority operates from accommodation at St Martin's House, Waterloo Road, Dublin 4 which it rents from the Office of Public Works.

## **12 Members Declaration of Interests**

The Authority adopted procedures in accordance with guidelines issued by the Department of Public Expenditure 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.

## **13 Chief Executive Remuneration**

The Chief Executive's remuneration was €98,055 in 2015 and €18,196 for the period 17 October 2014 to 31 December 2014. The CEO remuneration was made up of a basic salary of €98,055. The Chief Executive was paid expenses of €1,642 within the period 17 October 2014 to 31 December 2015. All expenses were incurred and paid in the 2015 year. The Chief Executive'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 2015.

## 14 Board Fees and Expenses

The Charities Regulatory Authority board was set up on 17 October 2014. Prior to set up, there were three preparatory board meetings and the related fees were €31,709. There were eight meetings in the period October 2014 to December 2015 and the related fees were €86,112 and the expenses were €7,016. Details of attendance and amounts paid to the board members are outlined below.

Board Members	Board Fee 2015	Travel & Subsistence 2015	# of Board Meetings 2015	Board Fees 2014	# of Board Meetings Oct - Dec 2014	# of Preparatory Board Meetings before 17 Oct 2014
Brady, David	5,985	-	6	3,990	2	3
Cadden, Katie	5,985	1,741	3	3,990	2	3
Chambers, Sandra	5,985	-	6	3,990	2	3
Clampett, Cynthia	5,985	-	4	3,990	2	2
Classon, Anna	5,985	359	3	3,990	1	3
Costello, Tom	5,985	-	5	3,990	2	3
Cronin, Patricia	5,985	-	6	3,990	2	2
Finlay, Fergus	-	-	4	-	2	2
Fitzgerald, Ann	5,985	1,969	6	3,990	2	2
* Hopkins, Patrick	7,424	815	5	3,990	2	3
Maddock, Hugh	5,985	331	4	-	1	3
O'Connell, Barbara	-	-	2	-	1	2
Richards, Graham	-	-	6	-	2	3
Turnbull, Senan	-	-	5	-	2	2
Wardick, Noel	5,985	-	5	3,990	2	3
* Woods, Conor	4,662	1,801	3	5,985	2	3
	71,936	7,016		45,885		
Total fees				€117,821		
Total travel & subsistence				€ 7,016		
Total fees and travel & subsistence				€124,837		

Fees were paid to Board members and the Chairman at the approved standard rate set by the Department of Public Expenditure and Reform during this period.

\* Patrick Hopkins was appointed Chairman of the Board on 13th July 2015. Before that date Mr Hopkins was an ordinary member of the Board.

\*\* Conor Woods resigned as Chairman of the Board on 28th May 2015.

## 15 Approval of financial statements

These accounts were approved by the Authority on 15 December 2016



## Comptroller and Auditor General

### Report for presentation to the Houses of the Oireachtas

#### Charities Fund

I have audited the financial statements of the Charities Fund for the period ended 31 December 2015 under the Charities Act 2009. The financial statements comprise the statement of receipts and payments, the statement of balances and the related notes. The financial reporting framework that has been applied in their preparation is the format specified by the Minister for Public Expenditure and Reform in accordance with Section 30 of the Act.

#### Responsibilities of the Charities Regulatory Authority

The Charities Regulatory Authority of Ireland is responsible for the preparation of the financial statements of the Fund in the specified format.

#### Responsibilities of the Comptroller and Auditor General

My responsibility is to audit the financial statements and to report on them in accordance with applicable law.

My audit is carried out in accordance with the International Standards on Auditing (UK and Ireland) and in compliance with the Auditing Practices Board's Ethical Standards for Auditors.

#### Scope of audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements, sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of

- whether the accounting policies are appropriate to the Fund's circumstances, and have been consistently applied and adequately disclosed
- the reasonableness of significant accounting estimates made in the preparation of the financial statements, and
- the overall presentation of the financial statements.

I also seek to obtain evidence about the regularity of financial transactions in the course of audit.

#### Opinion on the financial statements

In my opinion, the financial statements properly reflect

- the payments into and out of the Charities Fund for the period ended 31 December 2015, and
- the balances at 31 December 2015.

In my opinion, the accounting records of the Authority were sufficient to permit the financial statements of the Fund to be readily and properly audited. The financial statements are in agreement with the accounting records.

#### Matters on which I report by exception

I report by exception if I have not received all the information and explanations I required for my audit, or if I find

- any material instance where money has not been applied for the purposes intended or where the transactions did not conform to the authorities governing them, or
- the statement on internal financial control does not reflect the Authority's compliance with the Code of Practice for the Governance of State Bodies, or
- there are other material matters relating to the manner in which public business has been conducted.

I have nothing to report in regard to those matters upon which reporting is by exception.

**Seamus McCarthy**  
Comptroller and Auditor General  
16 December 2016

# Financial Statements

## Charity Funds

(Charities Regulatory Authority)

For the Period 17th October 2014 to 31st December 2015

**CHARITY FUNDS**

**(CHARITIES REGULATORY AUTHORITY)**

**ADMINISTRATION**

**For the period ended 31 December 2015**

**The Charities Regulatory Authority**

**(“The Authority”)**

Conor Woods Chairman (resigned 31 May 2015)

Graham Richards

Ann Fitzgerald

Patricia Cronin

David Brady

Cynthia Clampett

Patrick Hopkins (appointed chairperson 13 July 2015)

Anna Classon

Fergus Finlay

Tom Costello

Senan Turnbull

Barbara O’Connell

Hugh Maddock

Sandra Chambers

Katie Cadden

Noel Wardick

**Chief Executive**

Ms. Úna Ní Dhubhghaill (17 October 2014 to 15 April 2016)

John Farrelly (appointed 16 May 2016)

**OFFICE:** St. Martin’s House, Waterloo Road, Dublin 4

## **CHARITY FUNDS**

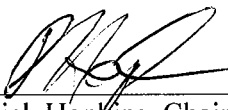
### **(CHARITIES REGULATORY AUTHORITY)**

#### **STATEMENT OF AUTHORITY MEMBERS' RESPONSIBILITIES**

Section 30 (1) of the Charities Act 2009, requires the Authority to prepare special accounts in such form and in respect of such accounting periods as may be approved by the Minister for Justice and Equality with the consent of the Minister for Public Expenditure and Reform. In preparing the financial statements, the Authority is required to:

- Select appropriate 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 the Funds will continue in operation.
- State where applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Authority is responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the Funds and which enable the Authority to ensure that the financial statements comply with Section 30 (1) of the Charities Act 2009. The Authority is also responsible for safeguarding Fund assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



Patrick Hopkins, Chairperson.

Date: 15/12/2016



John Farrelly, Chief Executive.

Date: 15/12/2016



## **CHARITY FUNDS**

### **(CHARITIES REGULATORY AUTHORITY)**

#### **STATEMENT ON INTERNAL FINANCIAL CONTROL**

On behalf of the Charities Regulatory Authority, we hereby acknowledge our responsibility for ensuring that an appropriate system of internal financial control is in operation in the Authority in relation to the Charity Funds.

We are satisfied that the systems, which the Authority has in place, are reasonable and appropriate for the Funds circumstances. However, the systems do not, and cannot, provide absolute assurance against material error.

The Charities Regulatory Authority has adopted the Code of Practice for the Governance of State Bodies issued by the Department of Public Expenditure and Reform.

The Chief Executive reviews the account of expenditure recorded on a regular basis together with income received.

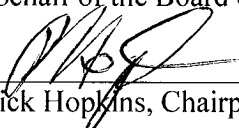
The Authority takes the major strategic decisions and meets at regular intervals to monitor performance and plans. The executive management only act within the authority delegated to them by the Authority to give effect to the Authority's policy and decisions.

The following specific procedures are in place in order to provide effective financial control in relation to Charity Funds:

1. The Authority's Finance, Audit and Risk (FAR) Committee exercises oversight on behalf of the Board.
2. The Authority's financial control procedures are subject to review by the Department of Justice and Equality internal audit division.
3. The Department of Justice and Equality's Audit Committee reviews the work of internal audit.

We confirm that the Board conducted a review of the effectiveness of the system of internal financial control in respect of the period ended 31 December 2015.

On behalf of the Board of the Charities Regulatory Authority:

  
Patrick Hopkins, Chairperson:

Date: 15/12/2016

  
John Farnell, Chief Executive:

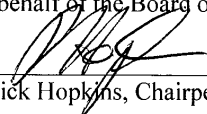
Date: 15/12/2016

**AUDITOR'S REPORT****CHARITY FUNDS****(CHARITIES REGULATORY AUTHORITY)****Statement of Receipts and Payments – Period 17 October 2014 to 31 December 2015**


		Period ended 31 December 2015	Period ended 16 October 2014
	Note	€	€
<b><u>Receipts</u></b>			
Common Investment Fund and other receipts	2	1,223,011	1,816,479
Interest on deposits		62,968	57,478
Charity Funds Received: New charity funds		189,104	84
<b>Total Income</b>		<b><u>1,475,083</u></b>	<b><u>1,874,041</u></b>
<b><u>Payments</u></b>			
Common Investment Fund transfers and other payments	3	2,436,222	2,467,993
Bank and similar charges		110	400
<b>Total Payments</b>		<b><u>2,436,332</u></b>	<b><u>2,468,393</u></b>
Net Movement		(961,249)	(594,352)
Opening Balance		4,721,982	5,316,334
Closing Balance		<b><u>3,760,733</u></b>	<b><u>4,721,982</u></b>

The Statement of Accounting Policies and notes 1 to 7 form part of these financial statements.

On behalf of the Board of the Charities Regulatory Authority:

  
Patrick Hopkins, Chairperson.

Date: 15/12/2016

  
John Farrell, Chief Executive.

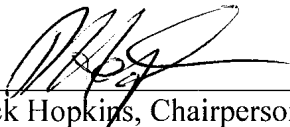
Date: 15/12/2016

**CHARITY FUNDS****(CHARITIES REGULATORY AUTHORITY)****STATEMENT OF BALANCES AS AT 31 December 2015**


		31 December 2015	16 October 2014
	Note	€	€
Bank and cash		3,775,233	4,889,471
Less: outstanding cheques		(14,500)	(167,489)
		<u>3,760,733</u>	<u>4,721,982</u>
Represented by:			
Charity accounts	5	<u>3,760,733</u>	<u>4,721,982</u>

The Statement of Accounting Policies and notes 1 to 7 form part of these financial statements.

On behalf of the Board of the Charities Regulatory Authority:

  
 Patrick Hopkins, Chairperson.

Date: 15/12/2016

  
 John Farrelly, Chief Executive.

Date: 15/12/2016

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2015

### 1 Accounting Policies

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

#### (a) General Information

The Charities Regulatory Authority is Ireland's national statutory regulator for charitable organisations. The Charities Regulatory Authority is an independent Authority and was established on 17 October 2014 under the Charities Act 2009. The Act provides the dissolution of the former Commissioners of Charitable Donations and Bequests for Ireland (CCDB) and the transfer of their functions to the new Authority.

The former Commissioners of Charitable Donations and Bequests for Ireland

- provided advice services to trustees of charities
- assisted in the carrying out of the intentions of persons making donations and bequests to charities
- 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 CRA are administrators of the charity fund account and the investment fund.

The financial statements of the Common Investment Fund for the period 17 October 2014 to 31 December 2015 were accounted for and separately audited by an external firm of accountants.

These financial statements (charity funds) of the Charities Regulatory Authority reflect transfers to and from the Common Investment Fund in the same accounting period.

The role of the Charities Regulatory Authority is to act as an intermediary between the various investment unit holders (charities) and the Common Investment Fund (CIF) which is operated by Davy Asset Management. CIF operates a dividend reinvestment scheme which allows unit holders (charities) the choice of receiving dividend income in cash or to reinvest back into the fund. The amount distributed is calculated by the trustees (Davy) and the allocation is based upon the number of shares held by each charity. There are integral financial links between both the CIF and the Charities Regulatory Authority as it is the latter which receives the dividends paid twice per annum and then forwards the relevant amounts onto the unit holder (charity) or reinvests back into the fund according to the instruction of the unit holder. The unit holder (charity) may decide to sell some or all of the units in their funds. Davy Asset Management who manage the overall fund process the sales transaction and receive the proceeds. They then forward the sales proceeds on to the Charities Regulatory Authority who issue the monies to the respective unit holder (charity). The links between both the Charities Regulatory Authority and CIF Financial Statements are provided in more detail in note 4 of these accounts.

**(b) Receipts**

The accounts are prepared on a cash receipts basis. The main source of receipts arise from

- the closing of trustee accounts held in the Common Investment Fund
- dividends received from investments held in the Common Investment Fund
- the receipt of charity funds pending settlement of a Scheme and
- bank interest earned.

**(c) Payments**

The principal payments consist of

- payments to the trustees of the various charities arising from the closing of Common Investment Fund accounts
- dividends paid to trustees from investments held in the Common Investment Fund and
- transfer of charity funds into the Common Investment Fund accounts.

## 2 Analysis of Receipts

<b>Receipts from the Common Investment Fund</b>	<b>Period ended 31 December 2015 €</b>	<b>Period ended 16 October 2014 €</b>
Closing of accounts	66,849	789,478
Dividends received	932,738	991,286
Transfer for the payment of accountancy fees and bank charges	14,570	14,659
Other	3,000	21,056
<b>Total</b>	<b>1,017,157</b>	<b>1,816,479</b>
<b>Other Receipts</b>		
Return of monies prior to the establishment of the Authority	205,854	-
<b>Total Receipts</b>	<b>1,223,011</b>	<b>1,816,479</b>

## 3 Analysis of Payments

<b>Payments into the Common Investment Fund</b>	<b>Period ended 31 December 2015 €</b>	<b>Period ended 16 October 2014 €</b>
Transfer for investment	77,546	840,169
<b>Total</b>	<b>77,546</b>	<b>840,169</b>
<b>Other Payments</b>		
Dividends paid	898,047	866,414
Old Dividends paid to unitholders	428,088	-
Proceeds of unit sales	648,555	220,605
Payments to charities	312,276	512,344
Administration fees	14,434	13,302
Payment of scholarships	57,276	15,159
<b>Total</b>	<b>2,358,676</b>	<b>1,627,824</b>
<b>Total Payments</b>	<b>2,436,222</b>	<b>2,467,993</b>

**4 Figures reported in the Financial Statements of both the Common Investment Fund and the Charities Regulatory Authority.**

<b>Receipts from the Common Investment Fund</b>	<b>31 December 2015 €</b>	<b>Link to CIF Financial Statements</b>
Closing of accounts	66,849	Calculated on CIF Opening Number of shares in issue 7,562,584 and Closing No of Shares in issue 7,603,749.
Dividends received	932,738	Distributed Amount in CIF Accounts of €1,519,557 less Dividend Payable Creditor of €588,530. Plus dividend rec'd of €1,711 on closing of account.
Transfer for the payment of accountancy fees and bank charges	14,570	Relates to amounts repaid from the CIF to the CRA in relation to accountancy fees and bank charges incurred.
Other	3,000	Uncashed cheque for a sum paid in error during 2014. The cheque cancelled in 2015.
<b>Total</b>	<b>1,017,157</b>	

<b>Payments to the Common Investment Fund</b>	<b>31 December 2015 €</b>	<b>Link to CIF Financial Statements</b>
Transfer for investments	77,546	In CIF Accounts: Contributions by charities figure of €89,521 includes the €77,546. Differences relates to Class Action Payments of €2,934 and refunds of Income Tax of €9,041.
<b>Total</b>	<b>77,546</b>	

## 5 Aging of Bank Balances

Age	Period Ended 31 December 2015	Period Ended 16 October 2014
	€	€
Current	124,168	736,677
One year	18,823	438,517
Two years	393,972	111,435
Three years	37,402	141,228
Four years	110,158	161,434
Five years	110,800	277,857
> Five years	2,965,410	2,854,834
<b>Total</b>	<b>3,760,733</b>	<b>4,721,982</b>

The figure of €2,965,410 which is more than five years old includes funds held for approximately eighteen charities. For one of the charities the amount older than five years is €2,164,170 (73%) of the total.

## 6 Distribution of funds under the Cy-Près scheme

The Commissioners under the 1962 Cy-Près scheme distributed funds held in a specific Unallocated Interest bank account to 22 charitable organisations in June 2014. The Commission subsequently identified that some or all of the distributed funds (interest) could reasonably be allocated to the charities whose funds generated the income. The Charities Regulatory Authority is currently in the process of recouping the initial distribution of €165,000. As at the end of December 2015 the total balance outstanding was €10,000. The remaining balance has been recouped in 2016.

## 7 Approval of Financial Statements

These accounts were approved by the Authority on 15 December 2016



**The Charities Regulatory Authority's Common Investment Fund**

**Financial Statements 2015**

**Administration**

**The Charities Regulatory Authority  
("The Authority")**

Patrick Hopkins, Chairman (appointed 13/07/2015)

Conor Woods, Chairman (resigned 31/05/2015)

David Brady

Kate Cadden

Sandra Chambers

Cynthia Clampett

Anna Classon

Tom Costello

Patricia Cronin

Fergus Finlay

Ann Fitzgerald

Hugh Maddock

Barbara O'Connell

Graham Richards, Solicitor

Senan Turnbull

Noel Wardick

**Chief Executive**

Úna Ní Dhubhgaill (resigned 15 April 2016)

John Farrelly (appointed 16 May 2016)

**Registered Office**

51 St. Stephen's Green

Dublin 2

**Solicitors**

Beauchamps Solicitors

Riverside Two

Sir John Rogerson's Quay

Dublin 2

**Trustees and Investment Manager**

Davy Asset Management Limited

Davy House

49 Dawson Street

Dublin 2

**Global Sub-Custodian**

Bank of New York Mellon

4<sup>th</sup> Floor

Hanover Building

Windmill Lane

Dublin 2

**The Charities Regulatory Authority's Common Investment Fund**

**Financial Statements 2015**

**Administration (continued)**

**Principal Bankers**

Permanent TSB  
70 Grafton Street  
Dublin 2

Ulster Bank  
33 College Green  
Dublin 2

**Auditors**

BDO  
Registered Auditors  
Beaux Lane House  
Mercer Street Lower  
Dublin 2

## The Charities Regulatory Authority's Common Investment Fund      Financial Statements 2015

### Report of the Charities Regulatory Authority for the Common Investment Fund

The Authority presents the annual report and audited financial statements of The Common Investment Fund for the financial period ended 31 December 2015 as provided for in Section 87 of the Charities Act, 2009.

### Organisational structure and aims of the Fund

The Charities Regulatory Authority ("the Authority") is mandated under the Charities Act, 2009 to provide services to trustees of charities and to carry out the intentions of persons making donations and bequests to charity.

The Charities Regulatory Authority have been entrusted with the assets of various charities which were entrusted to them pursuant to Section 83 of the Charities Act 2009. Such assets are held by the Authority, on behalf of the charity in whom the assets are vested, in trust for:

- the trusts and purposes upon and for which the assets were so vested; or
- such of those trusts or purposes as are subsisting or capable of taking effect.

The Authority may appoint such persons as they think proper to act as trustees and to administer the assets of the Fund.

The trustees of the scheme for the financial year ended 31 December 2015 were Davy Asset Management Limited.

The Scheme contains provisions detailing the investment powers of the Scheme trustees; the establishment of a register; the valuation basis for investments; dividend distributions (to be undertaken on a semi-annual basis in June and December) as well as provisions regarding withdrawals from and additions to the Fund.

The fund is circa €36 million (*2014: €32 million*) in size and is managed on a discretionary basis by Davy Asset Management Limited. Investors in the Fund are charities with a valid charitable tax exemption from the Revenue Commissioners or such other charitable trusts as the Charities Regulatory Authority at their discretion admit as investors into the Fund. Investment is by way of purchase of units based on unit prices which are struck for the Fund at 30 June and 31 December or such time as the Charities Regulatory Authority may deem appropriate. Encashments are arranged through redemption of units held with redemption prices being struck twice yearly as above.

The unit prices reflect a bid/offer spread of 1% which remains within the Fund value to ensure that unit holders are not disadvantaged by investment/disinvestment by other unit holders. A dividend or distribution is paid to unit holders in respect of the half year ending 30 June and 31 December. Total distributions paid out in respect of the financial period ended 31 December 2015 amounted to 22.33 cent (*2014: 8.30 cent*).

## The Charities Regulatory Authority's Common Investment Fund

## Financial Statements 2015

**Report of the Charities Regulatory Authority for the Common Investment Fund  
- continued**

A dividend reinvestment scheme is in place allowing unit holders the choice of receiving dividend income in cash or to reinvest back into the Fund which would be reflected in additional units at the end June or end December price as appropriate.

Investors in the Fund are not guaranteed as to their investment in any way. The Fund carries a medium overall level of risk. It is not a cash fund. It is invested with the intention of achieving income and capital growth over the long term. In this regard the price of units held may go down as well as up and an investor may get back less than that invested.

The investments making up the capital of the fund at 31 December 2015 were as follows:

Irish fixed interest	3.4%
Foreign fixed interest	22.2%
Irish property	7.3%
UK equities	8.8%
Eurozone and global equities	46.6%
Cash and cash equivalents	1.7%
	<u>100%</u>

**Principal activities**

The primary long term investment objective is to seek security followed by the achievement of optimal return, taking account of the income generation and capital growth requirements of the beneficiaries and having regard to market conditions generally. This equates to seeking to maximise the return on invested assets subject to the income and liquidity requirements of the beneficiaries.

These high-level investment objectives are supported by the more detailed investment objectives:

- a) Diversified portfolio of assets. Diversification should occur within an asset category and also between different asset types.
- b) A sufficient level of monetary assets (e.g. fixed interest/cash). This element would be used to meet ongoing cash-flow needs.
- c) Sufficient real assets. Real assets are required to broadly neutralise the effects of inflation on future cash payments.

**Results and dividends**

The Statement of Income and Expenditure for the financial period ended 31 December 2015 is set out on page 9. The Net Income for the 14 month financial period to 31 December 2015 amounted to €1,442,364 (*10 month financial period ended 16 October 2014: €770,826*).

**Principal risks and uncertainties**

All investments involve some degree of risk (i.e. future value is unknown) and that risk varies from asset class to asset class. A strategy with a higher risk profile should only be adopted if there is a reasonable expectation that over time it will produce a return significantly in excess of a strategy with a lower risk profile.

## The Charities Regulatory Authority's Common Investment Fund

## Financial Statements 2015

**Report of the Charities Regulatory Authority for the Common Investment Fund  
- continued****Investment policy and performance**

The investment policy of the Authority is as follows:

- a) To invest in accordance with the Charities Acts 2009 as well as all relevant ministerial orders;
- b) To permit investments in Government Stocks in any country which is a member of the European Union or other trustee investments in accordance with the provisions contained in the first schedule of the Trustee Order, 1998 (amendment) Order 2002;
- c) To permit the fund to retain any investment in securities or holdings in any Unauthorised Unit Trust held prior to the date of the Investment Management Agreement;
- d) To delegate the investment management of the assets to recognised experts;
- e) To retain a single manager to manage the assets;
- f) To delegate the management of the assets to the trustees;
- g) To ask the trustees to use an active, balanced investment approach, i.e. within very broad guidelines and minimal investment constraints. The trustees has total discretion both in the distribution of the fund among markets and asset classes and the selection of stocks etc. within those classes;
- h) To set investment guidelines and constraints designed only to exclude asset distributions which are totally unacceptable to the Charities Regulatory Authority;
- i) To set specific performance objectives which have regard to the investment guidelines/constraints set by the Charities Regulatory Authority and the level of risk acceptable to them;
- j) To request the trustees to delegate the custody and safe-keeping of the assets to Bank of New York Mellon ("the custodian").

The Fund saw broad based gains across equities, bonds and property for the period from 17<sup>th</sup> October 2014 to 31<sup>st</sup> December 2015. The Fund continues to have a diverse mix of investments in equities, government securities, property and cash assets.

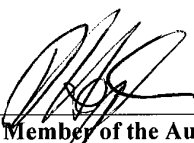
2015 proved to be a very challenging year for investors. A number of events weighed on global markets in 2015 including the Greek political crisis, China's stock market weakness and the first US rate increase in almost a decade along with slowing growth in emerging markets, falling oil prices and a stronger dollar all presented challenges.

The FTSE World Equity Index rose by +2.3% in local currency terms and it was the weakness of the Euro against other major currencies that resulted in total global equity returns of +9.9% for Euro investors. The Eurozone Bond market recorded a return of +0.4% in Q4 on the Merrill Lynch Euro Sovereign over the 5 year Bond Index and was up +2.0% in 2015 as a whole. Inflation remains extremely low in the Eurozone.

Benchmark bond yields in the UK and US rose in the last quarter of 2015. The ample supply of liquidity in global markets as a result of ongoing actions by central banks, particularly in Europe and Japan should support values going forward. Due to low economic growth in Eurozone, we do not anticipate the zero interest rate environment in the Eurozone to change for some time.

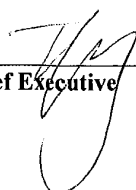
**Auditors**

BDO, Registered Auditors, have expressed their willingness to continue as auditors of The Charities Regulatory Authority's Common Investment Fund.



A Member of the Authority

Date: 3 NOV 2016



Chief Executive

## The Charities Regulatory Authority's Common Investment Fund

## Financial Statements 2015

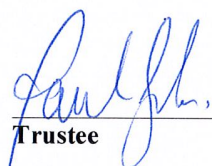
**Statement of Trustees' Responsibilities**

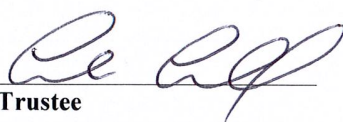
The Scheme requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Fund as well as a balance sheet, statement of income and expenditure and capital account. In preparing those financial statements the Scheme trustees are required to;

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

The trustees confirm that they have complied with the above requirements in preparing the financial statements.

The scheme trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy, at any time, the financial position of the Fund and to enable the Scheme trustees to ensure that the financial statements are prepared in accordance with Scheme rules. The Scheme trustees are also responsible for safeguarding the assets of the Fund and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

  
Trustee  
Date: 7/11/2016

  
Trustee





Audit - Tax - Advisory  
Tel: +353 1 470 0000  
Fax: +353 1 477 0000  
E-mail: info@bdo.ie  
www.bdo.ie

Beaux Lane House  
Mercer Street Lower  
Dublin 2  
Ireland

### Independent Auditors' Report to the Charities Regulatory Authority

We have audited the financial statements of The Common Investment Fund for the financial period ended 31 December 2015 which comprises the Balance Sheet, the Statement of Income and Expenditure, Capital Account and related notes. The relevant financial reporting framework that has been applied in their preparation is FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland.

Our audit work has been undertaken so that we might state to the Charities Regulatory Authority those matters we are required under our engagement letter to state to them in an independent auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume any liability to anyone other than the Charities Regulatory Authority as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 6 the trustees are responsible for the preparation of the financial statements giving a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with International Standards on Auditing (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### Scope of the audit of the financial statements

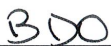
An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to The Common Investment Fund and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees of The Common Investment Fund; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Authority and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of affairs of The Common Investment Fund as at 31 December 2015 and of the income and expenditure for the financial period then ended, and
- have been prepared in accordance with the relevant financial reporting framework.

We have obtained all the information and explanations we considered necessary for the purposes of our audit. In our opinion proper books of account have been kept by The Common Investment Fund. The financial statements are in agreement with the books of account.

  
BDO  
Statutory Audit Firm  
Dublin  
AI223876

7 November 2016.  
Date

Other Offices:  
Four Michael Street  
Limerick

Michael Costello (Managing Partner)  
Andrew Bourg  
Katharine Byrne  
Maurice Carr  
Kevin Doyle  
John Gilmor Gavin

Jim Hamilton  
Sinead Heaney  
Diarmuid Hendrick  
Derek Henry  
Liam Hession  
Gerard Holliday

Brian Hughes  
Ken Kilmartin  
Teresa Morahan  
Paul Nestor  
John O'Callaghan  
Con Quigley

Peter Carroll  
Eddie Doyle  
Stewart Dunne  
Ivor Feerick  
Brian Gartlan  
David Giles  
Derry Gray

Denis Herlihy  
David McCormick  
Brian McEnery  
Ciarán Medlar  
David O'Connor  
Patrick Sheehan  
Noel Taylor

Chartered Accountants

BDO, a partnership established under Irish law, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. BDO is authorised by the Institute of Chartered Accountants in Ireland to carry on investment business.

## The Charities Regulatory Authority's Common Investment Fund Financial Statements 2015

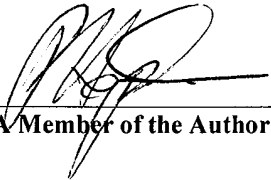
**BALANCE SHEET**

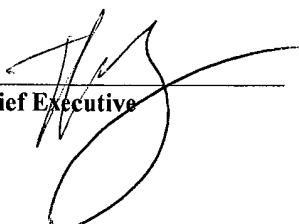
As at 31 December 2015

	Notes	31 December 2015 €	16 October 2014 €
Investments	4	32,363,943	29,617,012
Cash	4	2,820,162	1,724,264
Equalisation reserve	5	759,995	758,971
Dividend account	5	551,108	256,979
Distribution account		750	-
Charges account		134,630	75,446
Debtors (Amounts falling due within one year)		<u>66,253</u>	<u>45,365</u>
		36,696,841	32,478,037
Creditors (Amounts falling due within one year)	6	<u>(634,501)</u>	<u>(21,752)</u>
<b>Net assets</b>		<b><u>36,062,340</u></b>	<b><u>32,456,285</u></b>
Represented by:			
<b>Value of Fund</b>		<b><u>36,062,340</u></b>	<b><u>32,456,285</u></b>
Number of units in issue		<u>7,603,749</u>	<u>7,562,548</u>
Net Asset Value per unit		<u>4.74</u>	<u>4.29</u>

The accompanying notes on pages 11 – 14 form an integral part of these financial statements.

Approved by the Charities Regulatory Authority on 3 Nov 2016.

  
A Member of the Authority

  
Chief Executive



## The Charities Regulatory Authority's Common Investment Fund

## Financial Statements 2015

**STATEMENT OF INCOME AND EXPENDITURE**

For the financial period ended 31 December 2015

	Notes	14 month financial period ended 31 December 2015 €	10 month financial period ended 16 October 2014 €
Investment income	7	1,481,505	818,775
Deposit interest income		<u>5,758</u>	<u>10,789</u>
<b>Total income</b>		<b>1,487,263</b>	<b>829,564</b>
Management and administrative expenses	8	<u>(117,071)</u>	<u>(58,738)</u>
<b>Net income</b>		<b><u>1,370,192</u></b>	<b><u>770,826</u></b>

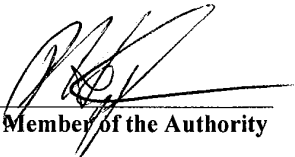
**Appropriated as follows**

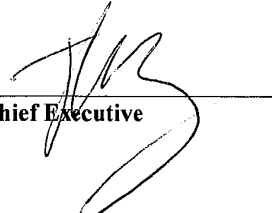
Transferred (to)/ from Equalisation Reserve	(1,025)	25,772
(Withdrawn)/ Reinvested	(148,341)	279,538
Distributed	<u>1,519,557</u>	<u>465,516</u>
	<b><u>1,370,192</u></b>	<b><u>770,826</u></b>

Net income per unit for the financial period from 17 October 2014 to 31 December 2015 amounted to 22.33 cent (2014: 8.30 cent) based on the number of units in issue at each valuation date.

The accompanying notes on pages 11 – 14 form an integral part of these financial statements.

Approved by the Charities Regulatory Authority on 3 Nov 2016.

  
A Member of the Authority

  
Chief Executive

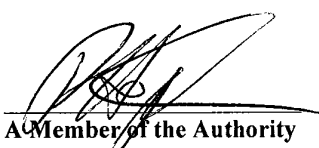
## The Charities Regulatory Authority's Common Investment Fund Financial Statements 2015

**CAPITAL ACCOUNT**

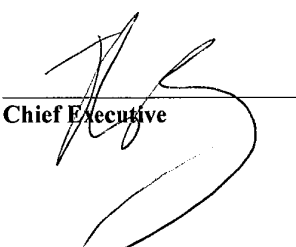
For the financial period ended 31 December 2015

	<b>14 month financial period ended 31 December 2015 €</b>	<b>10 month financial period ended 16 October 2014 €</b>
Net investment income	1,370,192	770,826
Contributions by charities	89,521	1,053,793
Realised & unrealised gains	<u>3,751,416</u>	<u>854,196</u>
	5,211,129	2,678,815
<b>Redemptions</b>		
Withdrawals by charities	(85,517)	(796,257)
Amount distributed	<u>(1,519,557)</u>	<u>(465,516)</u>
	(1,605,074)	(1,261,773)
<b>Net increase in fund value</b>	3,606,055	1,417,042
<b>Fund value at beginning of period</b>	<u>32,456,285</u>	<u>31,039,243</u>
<b>Fund value at end of period</b>	<u>36,062,340</u>	<u>32,456,285</u>

The accompanying notes on pages 11 – 14 form an integral part of these financial statements.

Approved by the Charities Regulatory Authority on 3 Nov 2016.


A Member of the Authority



Chief Executive

**NOTES TO THE FINANCIAL STATEMENTS****1. General information**

The financial statements comprising the Balance Sheet, the Statement of Income and Expenditure and the Capital Account and the related notes constitute the individual financial statements of the Common Investment Fund for the financial period ended 31 December 2015.

The Common Investment Fund is mandated under the Charities Act 2009.

The Fund transitioned from the previously extant Irish GAAP to FRS102 as at 17 October 2014. An explanation of how transition to FRS102 has affected the reported financial position and financial performance is given in note 14.

**2. Significant accounting policies**

The principal accounting policies, all of which have been applied consistently throughout the period and the preceding year, are set out below;

**Basis of Preparation**

The financial statements have been prepared on the going concern basis and in accordance with the historical cost convention modified to include certain items at fair value. The financial reporting framework that has been applied in their preparation is FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland.

The preparation of financial statements in compliance with FRS102 requires the use of certain critical accounting estimates. It also requires the Fund's trustees to exercise judgement in applying the Fund's accounting policies (see note 3).

**Valuation of Investments**

The company holds investments in equitable shares in a number of companies which are listed and actively traded on recognised stock markets. These investments are initially recorded at cost plus transaction costs. Thereafter these are valued at fair value which is the bid price of the securities in an active market at the reporting date.

**Income Recognition**

Gross dividend income received or receivable in respect of equity securities held during the year, based on ex-dividend date, and are included in the Statement of Income and Expenditure.

Interest on fixed interest securities (gross of taxation) together with deposit interest is recognised on an accruals basis.

Gains or losses on the disposal and valuation of investments are dealt with in the Capital Account.

Fund units issued or disposed of are valued at the unit valuations stated on the preceding valuation date. The valuation dates are 30 June and 31 December.

## NOTES TO THE FINANCIAL STATEMENTS – continued

## 2. Significant accounting policies - continued

**Foreign currency**

Foreign currency transactions are translated into euro using the exchange rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into euro at exchange rates ruling at the balance sheet date. Profits and losses arising on conversion and translation are dealt with in the Capital Account.

*Forward contracts*

From time to time forward currency transactions are entered into for the purpose of reducing the currency risk of holding overseas assets. The size of the forward currency position or hedge is never greater than the underlying assets being hedged.

## 3. Judgements in applying accounting policies and key sources of estimation uncertainty

The trustees do not have any accounting estimates or assumptions which they consider to be critical accounting estimates and judgements.

4. Investments & cash	% of portfolio	31 December 2015 €	16 October 2014 €
Irish fixed interest	3.4%	1,258,632	1,358,342
Foreign fixed interest	22.2%	8,124,078	8,529,358
Irish property	7.3%	2,683,275	2,128,551
UK equities	8.8%	3,240,940	2,239,234
Eurozone and global equities	46.6%	<u>17,057,018</u>	<u>15,361,527</u>
		32,363,943	29,617,012
Cash	7.7%	2,820,162	1,724,264
Equalisation reserve	2.1%	759,995	758,971
Dividend account	1.5%	551,108	256,979
Distribution account	0.0%	750	-
Charges account	0.4%	<u>134,630</u>	<u>75,446</u>
		<u>35,184,105</u>	<u>31,341,276</u>

Investments are valued on the basis outlined in note 2 at the reporting dates by the Scheme trustees in accordance with Clause 9 of the Scheme.

## 5. Equalisation reserve &amp; dividend account

This represents the net funds (including interest) which have been transferred from cash by the trustees to an Equalisation Reserve. This reserve has been constituted in accordance with Clause 10 of the Scheme for the purpose of regulating distributions of income to the participating charities. Under the terms of Clause 10, the amount of the Equalisation Reserve is a charge upon the Fund. Under Clause 12 of the Scheme, the Equalisation Reserve is included in the value of the total assets of the Fund for the purpose of determining the basic value of a unit in the Fund.

## The Charities Regulatory Authority's Common Investment Fund

## Financial Statements 2015

## NOTES TO THE FINANCIAL STATEMENTS – continued

6. Creditors: (Amounts falling due within one year)	31 December 2015 €	16 October 2014 €
Dividends payable	588,530	-
Other creditors	<u>45,971</u>	<u>21,752</u>
	<u>634,501</u>	<u>21,752</u>

Dividends are declared twice annually at 30 June and 31 December.

## 7. Investment income

Investment income comprises dividends received and receivable during the year from equity securities.

8. Management and administrative expenses	31 December 2015 €	16 October 2014 €
Investment management fees	91,057	56,425
Administration fees	<u>4,852</u>	<u>2,313</u>
	<u>117,071</u>	<u>58,738</u>

## 9. Amount distributed

The income available for distribution was calculated by the Scheme trustees at 31 December 2014, 30 June 2015 and 31 December 2015. Each participating charity was allocated its entitlement based on the number of units held by it on each of the respective valuation dates. Income was either paid to the trustees of the participating charity or reinvested in the Fund on its behalf.

The distribution per unit at was as follows:

	2015	2014
31 December 2014	6.65c	0.00c
30 June 2015	7.94c	8.30c
16 October 2015	0.00c	0.00c
31 December 2015	<u>7.74c</u>	<u>0.00c</u>
	<u>22.33c</u>	<u>8.30c</u>

## 10. Taxation

Under Section 24 of the Finance Act 2015, income from the fund payable to the Charities Regulator is tax exempt.

## The Charities Regulatory Authority's Common Investment Fund

## Financial Statements 2015

## NOTES TO THE FINANCIAL STATEMENTS – continued

11. Financial instruments	31 December 2015 €	16 October 2014 €
<b>Financial assets</b>		
Financial assets measured at fair value	32,363,943	29,617,012
Financial assets measured at amortised cost	<u>4,332,898</u>	<u>2,861,025</u>
	<u>36,696,841</u>	<u>32,478,037</u>

Financial assets measured at fair value comprise listed investments held by the Fund.

Financial assets measured at amortised cost comprise cash at bank and in hand, the equalisation reserve, the dividend, distribution and charges accounts and debtors due within one year.

## 12. Contingent liabilities

The Fund did not have any contingent liabilities at the financial period end (2014: *€NIL*).

## 13. Capital commitments

The Fund did not have any capital commitments at the financial period end (2014: *€NIL*).

## 14. First time adoption of FRS102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.





**An Rialálaí  
Carthanas**

**Charities  
Regulator**

Charities Regulator  
3 Georges Dock,  
IFSC, Dublin 1,  
D01 X5X0

Telephone: 01-633 1500  
Email: [info@charitiesregulator.ie](mailto:info@charitiesregulator.ie)