

The Community Foundation for
Ireland Limited
(A company limited by guarantee)

Directors' Report and
Financial Statements
for the financial year ended
31 December 2015

THE COMMUNITY FOUNDATION FOR IRELAND LIMITED

REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

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THE COMMUNITY FOUNDATION FOR IRELAND LIMITED

DIRECTORS AND OTHER INFORMATION

BOARD OF DIRECTORS

Louis FitzGerald (Chair)
Barry Connolly
Michael Gaffney
Brian Geoghegan
Richard George
Sr. Marian Harte (resigned 27/04/2015)
Eamonn Heffernan
Brian Keogh
Anna Lee
Máire O'Connor
John Rockett
Roddy Rowan

CHIEF EXECUTIVE OFFICER

Tina Roche

CHARITY REGISTERED NUMBER

CHY 13967

COMPANY REGISTERED NUMBER

338427

CHARITIES REGULATOR NUMBER

20044886

SECRETARY AND REGISTERED OFFICE

Kevin Gregory
29 Earlsfort Terrace
Dublin 2

SOLICITORS

O'Connell Brennan Solicitors
Armitage House
10 Lower Hatch Street
Dublin 2

McCann Fitzgerald
Riverside One
Sir John Rogerson's Quay
Dublin 2

PRINCIPAL OFFICE

32 Lower O'Connell Street
Dublin 1

BANKERS

Bank of Ireland
Lower Baggot Street
Dublin 2

Allied Irish Bank plc
Bankcentre
Ballsbridge
Dublin 4

AUDITORS

Deloitte
Chartered Accountants and Statutory Audit Firm
29 Earlsfort Terrace
Dublin 2

THE COMMUNITY FOUNDATION FOR IRELAND LIMITED

DIRECTORS' REPORT

STRUCTURE, GOVERNANCE AND MANAGEMENT

GOVERNING DOCUMENT

The Community Foundation for Ireland Limited is a company limited by guarantee, governed by its Memorandum and Articles of Association dated 6th February 2001. The company is registered as a charity with the Revenue Commissioners. There are currently 7 company members (7 in 2014), each of whom has agreed to contribute €1.27 in the event of the charity winding up.

The Community Foundation signed up and complies with the Governance Code for community, voluntary and charitable organisations in Ireland, unless stated in the relevant note. A comprehensive review was undertaken of our organisational practice against the recommended actions for each principle of the Governance Code.

The five principles of the Governance Code are:

1. Leading Our Organisation
2. Exercising Control over our Organisation
3. Being Transparent and Accountable
4. Working Effectively
5. Behaving with Integrity

The Community Foundation for Ireland (CFI) is a donor services and grant-making organisation. CFI was established in 2001 with the support of Government and the business sector. CFI has grown with the support of individuals, families, businesses, religious and other institutions, through enabling them to engage in effective philanthropic activity by getting funds to the most deserving and effective, local grassroots causes.

RELATED PARTIES

The company is a wholly controlled subsidiary of the Foundation for Investing in Communities Limited, itself a re-registered charity, by virtue of the Foundation for Investing in Communities Limited being the ultimate controlling party of the charity. Business in the Community Limited is a fellow wholly controlled subsidiary, of the Foundation for Investing in Communities Limited and is also a registered charity, operating from the same premises.

APPOINTMENT OF DIRECTORS

The Foundation for Investing in Communities Limited shall nominate the directors. Each director may serve only two three year terms but may be elected for a subsequent term, subject to the written consent of all of the other directors. When considering co-opting directors, the board has regard to the requirement for any specialist skills needed.

DIRECTORS' INDUCTION AND TRAINING

New directors undergo an orientation to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes, the business plan and recent financial performance of the charity. During the induction process they meet key employees and other directors.

ORGANISATION

The board of directors, which must have a minimum of four directors, oversees the operation of the charity.

The Grants Review Panel met twice during the year to review and recommend grants for distribution to the board. A Grant Committee of the board was established, to provide a more efficient grant approval process. The Committee will meet at least three times during the year, to approve grants on behalf of the board.

THE COMMUNITY FOUNDATION FOR IRELAND LIMITED

DIRECTORS' REPORT (CONTINUED)

A separate Impact Grants sub-committee, reports to the board with reviews and recommendations on multi-annual grants, in areas of specific need, identified by CFI. A professional advisor sub-committee was established during 2008 which aims to meet at least three times per annum, to work inform and develop links with professional advisor sector, there were four meetings in 2015.

A Chief Executive is appointed by the directors to manage the day to day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the directors, for operational matters such as fund & donor development and grant programme management.

RISK MANAGEMENT

The directors have developed a risk management strategy which comprises:

- An annual review of the risks the charity may face and recording of these on a risk register;
- A risk register to assess the likelihood and potential impact of those risks and to identify the principal risks;
- The establishment of systems and procedures to mitigate those risks identified in the reviews; and
- The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

OBJECTIVES AND ACTIVITIES

The objectives of The Community Foundation for Ireland include:

To provide, assist, encourage or support, by whatever manner or means:

- Raising of awareness of philanthropy;
- Volunteering and mutual support as an expression of community;
- The commitment of individuals who work in a voluntary and/or paid capacity for the advancement of their communities, economically, socially, and environmentally;
- Parity of esteem;
- Partnership within communities;
- The welfare of our children;
- Corporate social responsibility expressed both locally and nationally;
- The encouragement of government for both business and voluntary effort, particularly in the context of an overall national effort in its work to achieve greater social inclusion; and
- The desire of individuals and the corporate sector to give resources, both time and money, to achieve social inclusion in their communities.
- The particular role of the private sector in encouraging social inclusion which;
 - encourages active citizenship;
 - promotes enterprise, both community and private which lead to increased employment opportunities;
 - creates self confidence and skills which lead to employment;
 - meet needs of individuals and groups experiencing social exclusion;
 - foster values of caring, compassion, fairness and justice in society and augment social conscience;
 - give a voice to the weak and the marginalised;
 - encourages diversity and pluralism; and
 - enriches community culture.

The strategies employed by **The Community Foundation for Ireland** to achieve the objectives are to:

- offer professional, independent advice, guidance and practical help in establishing philanthropic funds;
- to build an independent endowment fund for sustainable grant making;
- offer a diverse range of funds to allow for the specific requirements of each individual, family, corporate and other organisations;
- offer a tax compliant donation process for donors;
- work with professional advisors to assist them with their clients' philanthropic needs;
- provide an assessment of current needs within communities or sectors;
- provide expertise in grant making;
- establish and build county funds to allow local giving and decision making;

THE COMMUNITY FOUNDATION FOR IRELAND LIMITED

DIRECTORS' REPORT (CONTINUED)

- promote the concept of philanthropy generally;
- provide an organisation which allows donors to work together or separately; and
- encourage and inspire philanthropic giving, by providing seminars and newsletters.

The major areas of activities in **The Community Foundation for Ireland** are the building of the permanent endowment fund, engagement with donors and their advisors, grant making and raising awareness of philanthropy.

The Community Foundation for Ireland, along with its donors, seeks to make progressive grants by tackling the root causes of social injustice, to improve the lives of the people of Ireland. Connecting people who care with causes that matter.

The board are grateful for all the work carried out by Sr. Marian Harte who resigned from the board in 2015. The board meets at least four times per annum. There were six meetings in 2015 (2014: 8) at which there was a 61% attendance (2014: 59%). The Community Foundation for Ireland shows the cumulative attendance figure by directors rather than individual directors as CFI believes this impinges on the privacy of individual volunteer directors, without providing significantly enhanced information. There are no emoluments, including travel expenses, paid to directors.

There is a Finance, Audit, Investment and Governance committee which meets in addition to the board. The committee met 5 times in 2015 (2014: 7) with 100% attendance (2014: 96%). The committee has the absolute discretion and authority to consider any financial, investment, audit and governance activity and any other activity at the request of the board.

ACHIEVEMENTS AND PERFORMANCE

Collectively The Community Foundation for Ireland and its donors made 673 grants (2014: 670 grants) totalling in excess of €4.96 million (2014: €3.8 million) to communities and charitable causes in Ireland and overseas in 2015. By the year end, cumulative grant-making by The Community Foundation for Ireland had surpassed €25 million since its establishment in 2000 and over €12 million in the past three years alone. Positively, The Community Foundation for Ireland's Endowment Fund increased in value from €37.7 million at the end of 2014 to €40.4 million by the end of 2015, based on new donations to the Fund and capital appreciation. The investment income received by the Endowment Fund, and its capital appreciation during the year represented a total investment return of 4.3%, broken down as Income of 1.7% and Capital Appreciation of 2.6%. The income return exceeded the target set and enabled The Community Foundation for Ireland to meet its grant making objectives for the year. The capital return was comfortably ahead of the target of meeting or exceeding price inflation for the year.

Ten new donor advised funds were set up in The Community Foundation for Ireland in 2015 and The Community Foundation for Ireland has over 60 active donor advised funds and collaborative partnerships with a broad mix of individuals, families, companies and other organisations. In line with its commitment to promoting greater philanthropy in Ireland, The Community Foundation for Ireland published research and guidance – "Giving and Gaining – How entrepreneurs view philanthropy in Ireland" with the support of AIB Private Banking. The guidance report was launched in April 2015 and highlighted that despite a relatively low engagement in structured and strategic giving in Ireland to date, there is an appetite for engaging more in philanthropy amongst many entrepreneurs. The Community Foundation for Ireland also hosted the 2015 Philanthropist of the Year Awards at which Carmel and Martin Naughton, Xilinx and Chuck Feeney and The Atlantic Philanthropies were recognised.

The Community Foundation for Ireland continued to collaborate with a number of other trusts and foundations including The Tony Ryan Trust (in the context of the Tony Ryan fund for Tipperary), The Atlantic Philanthropies (in the launch of a new First 1000 Days Fund), the Katharine Howard Trust (in the context of the Parenting Support Initiative), The St Stephen Green Trust (in relation to the Former Offenders Fund) and a Cork based trust in managing and administering an initiative to address educational disadvantage in selected schools in Cork. The County Monaghan Fund continued its grant-making in 2015 and continued to support a number of projects in the county.

THE COMMUNITY FOUNDATION FOR IRELAND LIMITED

DIRECTORS' REPORT (CONTINUED)

The Community Foundation for Ireland also worked with companies in a variety of ways through managing and administering donor advised funds as well as bespoke community grant schemes on behalf of corporate donors.

Grant-making is at the heart of The Community Foundation for Ireland's activities and is inextricably linked to the sterling work of local community groups and charities throughout Ireland, many of whom continue to struggle to raise requisite resources. Over 670 grants exceeding €4.96 million in value were made in support of community groups and charitable organisations in 2015.

Community foundations around the world work closely with professional advisers including solicitors, tax advisers, accountants and wealth managers. In 2015, The Community Foundation for Ireland continued to prioritise this area, greatly assisted by its Professional Advisers Advisory Group.

Highlights of 2015 included the establishment of the First 1000 Days Fund, a record number of new funds and significant donations, reaching €25 million in cumulative grant making, as well as supporting communities through The Community Foundation for Ireland's suite of grants which include larger multi-annual Impact Grants as well as its flagship *Caring Communities* grants programme.

Integrity is a core value of The Community Foundation for Ireland in terms of accountability, transparency and strong governance for those who entrust their funds to our stewardship. During 2015, The Community Foundation for Ireland continued to strive to demonstrate value for money and best practice in all our areas of activity.

FINANCIAL REVIEW

The Community Foundation for Ireland's permanent endowment fund value in 2015 increased to €40.4 million (2014: €37.7million). The endowment income reduced slightly to €1 million in 2015 (2014: €1.1million) in a year of transition of the management of the endowment fund and difficult market conditions.

There was a continuing increase in the value of grants made from year to year. Almost €5 million was awarded in 2015, compared to just over €3.8 million in 2014. Full details of all grants made are disclosed in the Annual Report.

The principal funding sources continue to be corporate and private donations to the Endowment Fund and corporate and private donations to Donor Advised Funds. The grant making of The Community Foundation for Ireland in 2015, exceeded the grant making from the previous year and a significant inflow in funds resulted in a surplus on SOFA of (€4,009,393). The Community Foundation drew on funds previously donated for grant making, in light of the considerable requirements for grant making, which is expected to continue. Significant grant activity in excess of income received in 2014, resulted in a deficit on SOFA of (€661,354) in 2014.

INVESTMENT POWERS AND POLICY

The Community Foundation for Ireland adopted the Total Return policy for the endowment fund in early 2015. The investment policy for endowment funds in 2015 is to generate capital growth and income, to provide funds for grant making. The Total Return policy, is increasingly being adopted internationally by Community Foundations and is expected to result in a smoother distribution of funds for grant making, allowing some capital to be released if necessary. The aim is to provide a 4% return for grant making and 1% for CFI fees.

The management of the Endowment Fund was successfully transferred from Davy to Sarasins & Partners at the beginning of 2015 as approved by the Board of The Community Foundation for Ireland. The Endowment Fund is invested in a diverse portfolio of equities, bonds and cash (a Statement of Investment Policy Objectives has been set by the directors), with a Total Return focused approach and an ethical policy, which eliminates investment in tobacco, arms, pornography and nuclear industries.

THE COMMUNITY FOUNDATION FOR IRELAND LIMITED

DIRECTORS' REPORT (CONTINUED)

PLANS FOR FUTURE PERIODS

2016 is the middle year of a three year strategic plan the key objectives of which are:

1. To grow the Foundation;
2. To optimize community impact;
3. To achieve operational excellence.

Positively, after the extended and deep-seated recession of recent years, there were welcome signs of economic recovery in 2015, which look likely to continue in 2016 with a growing interest in more structured and strategic giving, as facilitated by The Community Foundation for Ireland. Although never a substitute for state funding and investment in core services, The Community Foundation for Ireland believes that increased philanthropic giving could make a significant difference across many areas of society including health, education, the arts and community development. Promoting greater private philanthropy and enabling more donors to adopt a more strategic and structured approach to their giving are priorities for the Foundation in particular as The Atlantic Philanthropies will finally cease funding in 2016.

ACCOUNTING RECORDS

The measures that the directors have taken to secure compliance with the requirements of sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company's accounting records are maintained at the company's office at 32 Lower O'Connell Street, Dublin 1.

APPROVAL OF REDUCED DISCLOSURES


The company, as a qualifying entity, has taken advantage of the disclosure exemptions in FRS 102 paragraph 1.12. The company's parent company have been notified in writing about the intention to take advantage of the disclosure exemptions and no objections have been received.

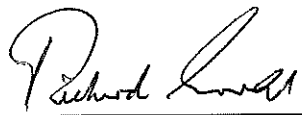
The company also intends to take advantage of these exemptions in the financial statements to be issued in the following year. Objections may be served on the company by The Foundation for Investing in Communities Limited, as the parent of the entity.

AUDITORS

The auditors, Deloitte, Chartered Accountants and Statutory Audit Firm, continue in office in accordance with Section 383(2) of the Companies Act, 2014.

Signed on behalf of the Board:


Michael Gaffney
Director


Richard George
Director

Date: 13 October 2016

THE COMMUNITY FOUNDATION FOR IRELAND LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the directors' report and the financial statements in accordance with the Companies Act 2014.

Irish company law requires the directors to prepare financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("relevant financial reporting framework"). Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the surplus or deficit of the company for the financial year and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company financial statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and surplus or deficit of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and directors' report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE COMMUNITY FOUNDATION FOR IRELAND LIMITED (a company limited by guarantee)

We have audited the financial statements of The Community Foundation for Ireland Limited (a company limited by guarantee) for the financial year ended 31 December 2015 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes 1 to 21. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("relevant financial reporting framework").

This report is made solely to the company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014. Our responsibility is to audit and express an opinion on the financial statements in accordance with the Companies Act 2014 (Irish law) and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board'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 company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Reports and Financial Statements for the year ended 31 December 2015 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 company's affairs as at 31 December 2015 and of its incoming resources and application of resources, including its income and expenditure for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework; and in particular with the requirements of the Companies Act 2014.

Matters on which we are required to report by the Companies Act 2014

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the directors' report is consistent with the financial statements.

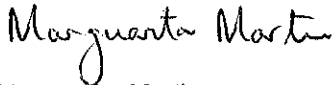
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE COMMUNITY FOUNDATION FOR IRELAND LIMITED
(a company limited by guarantee)**

Matters on which we are required to report by exception

We have nothing to report in respect of the provisions in the Companies Act 2014 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.



Marguarita Martin
For and on behalf of Deloitte
Chartered Accountants and Statutory Audit Firm
Dublin

Date: 13 October 2016

THE COMMUNITY FOUNDATION FOR IRELAND LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (Including Income & Expenditure A/c)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

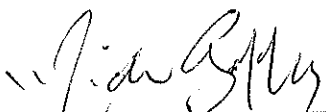
	Notes	Unrestricted funds €	Designated funds €	Restricted funds €	Endowment funds €	Total 2015 €	Unrestricted funds €	Designated funds €	Restricted funds €	Endowment funds €	Total 2014 €
Income from:											
Donations and legacies	4	4,500	-	6,545,906	2,238,580	8,788,986	-	-	2,397,984	311,146	2,709,130
Charitable activities	4	252,262	-	-	-	252,262	174,564	-	-	-	174,564
Investments	4	19,503	-	-	1,000,335	1,019,838	56,826	-	-	1,108,944	1,165,770
Other											
Total income		276,265	-	6,545,906	3,238,915	10,061,086	231,390	-	2,397,984	1,420,090	4,049,464
Expenditure on:											
Raising funds	5	(200,575)	-	-	(117,062)	(317,637)	(190,532)	(45,202)	-	(130,193)	(365,927)
Charitable activities	5	(309,901)	(1,383)	(5,350,312)	-	(5,661,596)	(226,829)	(4,037,094)	-	-	(4,263,923)
Other	5	(72,460)	-	-	-	(72,460)	(80,968)	-	-	-	(80,968)
Total expenditure		(582,936)	(1,383)	(5,350,312)	(117,062)	(6,051,693)	(488,329)	(45,202)	(4,037,094)	(130,193)	(4,710,818)
Taxation	11	-	-	-	-	-	-	-	-	-	-
Net gains/(losses) on investments	15	-	-	-	585,682	585,682	-	-	-	3,196,427	3,196,427
Net income/(expenditure)		(306,671)	(1,383)	1,195,594	3,121,853	4,009,393	(266,939)	(45,202)	(1,639,110)	1,289,897	(661,354)
Net transfer between funds	11	360,516	-	693,469	(1,053,985)	-	178,402	100,000	853,244	(1,131,646)	-
Balance after transfers		53,845	(1,383)	1,889,063	2,067,868	4,009,393	(88,537)	54,798	(785,866)	158,251	(661,354)
Total funds brought forward		530,473	73,769	3,427,561	37,738,897	41,770,700	619,010	18,971	4,213,427	34,384,219	39,235,627
Total Funds Carried Forward		584,318	72,386	5,316,624	40,392,447	46,365,775	530,473	73,769	3,427,561	37,738,897	41,770,700

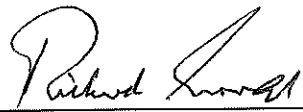
THE COMMUNITY FOUNDATION FOR IRELAND LIMITED

BALANCE SHEET
AS AT 31 DECEMBER 2015

	Notes	2015 €	2014 €
FIXED ASSETS			
Tangible assets	13	26,152	19,076
Investments	15	40,392,447	37,738,897
		<u>40,418,599</u>	<u>37,757,973</u>
CURRENT ASSETS			
Debtors and prepayments		-	-
Cash at bank		6,309,289	4,225,509
		<u>6,309,289</u>	<u>4,225,509</u>
CREDITORS AND ACCRUALS			
Amounts falling due within one year	16	(362,113)	(212,782)
NET CURRENT ASSETS		<u>5,947,176</u>	<u>4,012,727</u>
NET ASSETS		<u>46,365,775</u>	<u>41,770,700</u>
Funds of the Charity:			
Unrestricted funds	18a	584,318	530,473
Designated funds	18b	72,386	73,769
Restricted funds	18c	5,316,624	3,427,561
Endowments	18d	40,392,447	37,738,897
TOTAL FUNDS		<u>46,365,775</u>	<u>41,770,700</u>

The financial statements were approved by the Board of Directors on ...13 October 2016...
and signed on its behalf by:


Michael Gaffney
Director


Richard George
Director

1. ACCOUNTING POLICIES

General information and format of financial statements

The Community Foundation for Ireland Limited is a company incorporated in Ireland under the Companies Act 2014 as a company limited by guarantee and is a registered charity. The address of its registered office is detailed on page 2. The nature of the company's operations and its principal activities are set out in the directors' report on pages 3 to 7. In prior years, company law scoped out companies not trading for gain for the members from the requirements with regard to formats and content of financial statements which applied to for profit companies thus permitting the adoption of a format appropriate to a charity. Accordingly, the company adopted and reported its performance in accordance with the format provided for in the Charities SORP and in particular reports its performance for the financial year in the format of the SORP's Statement of Financial Activities (SOFA).

The Companies Act 2014 became effective in law on 1 June 2015 and from that date applies the format and content of financial statements requirements appropriate for a company trading for the profit of its members to a company that is a not for profit organisation such as the company.

In order to provide information relevant to understanding the stewardship of the directors and the performance and financial position of the Charity, the company has prepared its financial statements in accordance with the formats provided for in the Charities SORP, consistent with the prior year.

Had the Companies format and content of financial statements requirements suitable for a company trading for the profit of its members been presented instead, a profit and loss account with related notes showing items such as Turnover and Cost of Sales would have been reported along with a "profit" on ordinary activities before taxation.

Basis of preparation

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value. The financial statements have been in accordance with the Statement of Recommended Practice (SORP 2015) "Accounting and Reporting by Charities", in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), issued by the Financial Reporting Council, and promulgated for use in Ireland by the Institute of Chartered Accountants Ireland, effective 1 January 2015 and the Companies Act 2014. No material adjustments were required on adoption of FRS 102 in the current year. For more information, see note 21. Financial reporting in line with the SORP is considered best practice for charities in Ireland. As noted above, the directors consider the adoption of the SORP requirements is the most appropriate accounting to properly reflect and disclose the activities of the organisation. Financial statements have been prepared on a going concern basis.

Disclosure exemptions

As a qualifying entity under the definition in FRS 102 in preparing the separate financial statements of the Company, advantage has been taken of the following disclosure exemptions available in FRS 102: No cash flow statement has been presented for the company. The company is included in the consolidated financial statements of its ultimate parent company, The Foundation for Investing in Communities which are available from Companies Registration Office, Parnell House, 14 Parnell Square, Dublin 1.

Going concern

The company's forecasts and projections, taking account of reasonable possible changes in performance, show that the company will be able to operate within the level of its current cash resources. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

THE COMMUNITY FOUNDATION FOR IRELAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

1. ACCOUNTING POLICIES (CONTINUED)

Incoming resources – voluntary income

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Incoming resources – other income

Income from charitable activities and investments including income received under contract, or where entitlement to grant funding is subject to specific performance conditions is recognised as earned (as the related services are provided). Grant income included in this category provides funding to support programme activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured reliably.

Commission is charged to Donor Advised funds based on donor agreements and recognised when donor grant occurs.

Volunteers and donated services and facilities

The value of services provided by volunteers is not incorporated into these financial statements and does not constitute a substantial part of the charitable activities. No services were provided to the charity as a donation that would normally be purchased from our suppliers.

Resources expended

Expenditure is recognised when a liability is incurred. Contractual arrangements are recognised as goods or services are supplied. Grant payments obligations are recognised when the board approves the recommendations of the relevant expert committee.

Fundraising costs are those costs incurred in attracting voluntary income, and those incurred in securing donations to the Endowment Fund.

Charitable activities are those costs incurred in the processing of grant applications, the distribution of grants approved, the monitoring of activities of grant recipients and the operational activities of the charity.

Governance costs are those costs incurred in the governance of the charity and its assets and include costs associated with constitutional and statutory requirements.

Irrecoverable VAT

All resources expended are classified under activity headings that aggregate all costs related to the category. As VAT is irrecoverable, it is charged against the category of resources expended for which it was incurred.

Tangible fixed assets

Individual tangible fixed assets are capitalised at cost and are stated in the balance sheet at cost less accumulated depreciation. Assets are written off in equal annual instalments over their estimated useful lives and in full in the year of disposal.

Asset category	Estimated useful life
IT equipment	3 years

1. ACCOUNTING POLICIES (CONTINUED)

Financial Instruments

Financial assets and financial liabilities are recognised when the charitable company becomes a party to the contractual provisions of the instrument. Financial liabilities are classified according to the substance of the contractual arrangements entered into.

(i) Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charitable company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charitable company, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires. Balances that are classified as payable or receivable within one year on initial recognition are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Pensions

The company has in place a PRSA scheme as prescribed by legislation. Membership of the scheme is voluntary and employees may join immediately upon recruitment. After six months in employment, the employer makes an additional contribution to the scheme equal to 5% of gross salary for each employee who joins the scheme and makes personal contributions of at least 5% of gross salary. The employer collects the employee contributions and remits the total (Employee + Employer) contribution to the scheme provider within the specified period, on behalf of the employee. The scheme provider is New Ireland Assurance.

Funds Accounting

Funds held by the charity are:

Unrestricted funds - these are funds which can be used in accordance with the charitable objects at the discretion of the Directors.

Designated funds - these are funds which have been set aside for particular purposes by the company itself, in furtherance of the company's charitable objects.

Restricted funds - these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Endowment fund - these funds represent assets that are held for long term investment by the charity. The income from these funds is applied to relevant restricted or unrestricted income funds.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

THE COMMUNITY FOUNDATION FOR IRELAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

1. ACCOUNTING POLICIES (CONTINUED)

Investments

Investments are stated at their quoted market value at the balance sheet date. Realised gains and losses, represent the difference between the sale proceeds and market value at the previous financial year end, or purchase cost if acquired during the financial year. Unrealised gains and losses for the year, are calculated based on market value brought forward, plus any additions in the year. Realised and Unrealised gains and losses are dealt with on the Statement of Financial Activities.

Operating Leases

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities (SOFA).

Reserves Policy

The directors have established the level of reserves (that is those funds that are freely available) that the charity ought to provide, as between 9 months and 12 months operational costs. Reserves may be needed to invest in implementing the strategic plan, organisational improvements and bridge the gaps between spending on the above mentioned activities and income, should current funding flows discontinue. The Community Foundation for Ireland has unrestricted reserves at 31 December 2015 of €584,318 (€530,473 in 2014). The directors estimate the operational costs to be €775,000 per annum.

Designated Reserves have been created by the directors for specific activities, with balances remaining at 31 December 2015. Promotional activities to increase the profile of The Community Foundation for Ireland €6,001 (2014: €6,001). Benchmarking project to benchmark salaries across the organisation of €6,000, activity commenced in 2015 and is expected to continue. System replacement, renewal of the donor and grants management system with a balance at 31 December 2015 of €60,385 (2014: €61,768), after work started on the project in 2015.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the accounting policies and the notes to the financial statements.

The directors do not consider there are any critical judgements or sources of estimation requiring disclosure.

3. LEGAL STATUS OF THE COMPANY

The company is a company limited by guarantee and not having a share capital. The liability of each member in the event of winding up is limited to €1.27.

THE COMMUNITY FOUNDATION FOR IRELAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

4. INCOME

Donations and legacies income

This income which consists of monetary donations from corporates, trusts, charities, government bodies and members of the public together with any related tax refunds, are recognised in the period in which the organisation is entitled to the resources and are recognised when the funds have been received.

Charitable activities income

This income which consists of monetary donations from corporates, trusts, charities, government bodies and members of the public to fund services provided by the organisation and are recognised when the funds have been received.

Investment income

The group's investment income arises from the income yield earned on the Endowment Fund and from interest earned on deposit accounts maintained to manage short-term liquidity. Investment income on Endowment Fund during the year is made up as below:

	2015	2014
	€	€
Equities	634,298	676,179
Bonds	299,858	385,946
Cash	29,560	46,819
Property	13,664	-
Alternatives	22,955	-
Interest receivable	19,503	56,826
	<u>1,019,838</u>	<u>1,165,770</u>

Income earned on the Endowment Fund is available for spending on grants in accordance with the donor agreements.

Flow-through commission is charged to Donor Advised funds based on the donor agreements.

5. EXPENDITURE

Expenditure is analysed between costs of raising funds, charitable activities and other. The costs are recognised when an obligation exists as a result of an event and a monetary transaction is required to fulfil the obligation. Support costs which cannot be attributed to any of the headings are allocated on a basis consistent with the use of resources.

Costs of raising funds

The costs of raising funds are all costs attributable to fundraising activities both direct and indirectly attributable costs.

Costs of charitable activities

These are the costs that are incurred to deliver the strategies and programmes of the organisation, including both direct and indirect costs. The main component of charitable activities expenditure is the provision of grants from Endowment Income and Donor Advised Funds.

THE COMMUNITY FOUNDATION FOR IRELAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

5. EXPENDITURE (CONTINUED)

Grants from Flowthrough Funds & Endowment Income
Themes of support/interest

	2015 €	2014 €
Addictions	41,519	5,250
Adults	554,645	
Animals	-	3,109
Carers	60,000	78,576
Children & Young People	1,576,769	747,816
Community Support	89,583	247,822
Disadvantaged/Low Income	221,657	-
Early Years	75,000	-
Education	2,850	956,981
Ex-Offenders	18,328	-
Environment	-	50,951
Ethnic Minorities	-	228,039
Families	62,338	236,640
Health & Disability	-	167,252
Homelessness	634,493	141,422
Lesbian, Gay, Bisexual, Transgender & Sexual Minorities	10,000	69,522
Learning Difficulties	60,700	-
Men	1,500	-
Mental Health	106,199	97,964
Migrants	97,419	-
NEET	41,000	-
Older People	315,192	200,005
Other	420,615	138,240
Overseas Development	21,707	129,681
Physical Disability	72,939	-
Poverty	-	97,511
Refugees/Asylum Seekers	26,953	-
Rural Areas	82,270	-
Travellers/Roma	61,400	-
Unemployed	107,270	124,936
Urban Areas	41,750	-
Women	151,933	109,987
Total	4,956,029	3,831,704

Other costs

Other costs are costs primarily associated with the governance of the organisation and consist predominantly of support costs.

THE COMMUNITY FOUNDATION FOR IRELAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

6. ANALYSIS OF STAFF COSTS	2015 €	2014 €
Staff costs		
Salaries and wages	368,123	328,394
Employer's PRSI contributions	40,242	33,992
Employer's pension costs	8,537	7,201
Total	<u>416,902</u>	<u>369,587</u>

7. KEY MANAGEMENT COMPENSATION/RENUMERATION

The CEO works in The Foundation for Investing in Communities Limited, whose salary is allocated to The Community Foundation for Ireland and sister company Business in the Community Ireland Limited. The CEO's total salary and pension entitlement is €115,000 of which €46,000 is allocated to this company and €69,000 is allocated to Business in the Community Limited.

The salaries of staff paid over €40,000, including pension entitlement, in The Foundation for Investing in Communities Limited, the holding company for The Community Foundation Ireland Limited and Business in the Community Limited are noted below.

Salary Band	2015 No	2014 No
110,000 – 120,000	1	1
70,000 – 80,000	1	1
60,000 – 70,000	2	1
50,000 – 60,000	1	2
40,000 – 50,000	1	1

Some members of the Senior Management Team work in two of the group companies (The Community Foundation for Ireland Limited and Business in the Community Ireland Limited). The total cumulative amount paid to key management including pension entitlements is €436,000 (2014: €432,000) of which €163,000 (2014: €159,000) is attributable to The Community Foundation for Ireland Limited and €273,000 (2014: €273,000) is attributable to Business in the Community Limited.

The salaries of staff, allocated to this company, The Community Foundation for Ireland Limited, including pension entitlement are noted below.

Salary Band	2015 No	2014 No
60,000 – 70,000	1	
50,000 – 60,000	-	1
40,000 – 50,000	1	1

Benefits for all staff, including senior management, comprise entitlements to pension contributions, death in service, discretionary income protection and Employee Assistance Programme.

THE COMMUNITY FOUNDATION FOR IRELAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

8. STAFF NUMBERS

- (a) The average number of full-time equivalent employees (including casual and part time staff) during the financial year was 9 (2014: 8), of which shared services 3.
- (b) No staff member receives retirement benefit.
- (c) Accrued Holiday Time at the 31st December 2015 was €7,000) (2014: €3,800)

9. DIRECTOR REMUNERATION & RELATED PARTY TRANSACTIONS

No director received remuneration or expenses during the financial year (2014: €Nil). No director had any personal interest in any contract or transaction entered into during the financial year to the financial benefit of that director (2014: €Nil).

Some directors made donations during the year to The Community Foundation for Ireland as part of the regular operations of The Community Foundation for Ireland. There were no conditions attaching to these donations and no benefit was received by any director from these donations.

10. TRANSFERS BETWEEN FUNDS

The sum of €1,053,985 (2014: €1,131,646) representing available earned income was transferred from the Endowment Fund to Restricted Funds for grant-making purposes.

The sum of €360,516 (2014: €233,391) was transferred to Unrestricted Funds to meet agreed endowment management costs.

The sum of €693,469 (2014: €853,244) was transferred to restricted funds from endowment funds for grant making.

The following transfers were made between the Endowment Fund and restricted funds:

- Transfer from Endowment Fund to Donor Advised Funds €63,000 (2014: €44,000)

11. TAXATION

The Community Foundation for Ireland Limited is a registered charity and no provision is considered necessary for taxation.

12. NET (EXPENDITURE) / INCOME

	2015 €	2014 €
The net (expenditure) / income for the financial year is stated after charging /(crediting):		
Auditors' remuneration	6,000	6,000
Depreciation	17,845	9,645
	<hr/>	<hr/>

THE COMMUNITY FOUNDATION FOR IRELAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

13. TANGIBLE FIXED ASSETS

	IT Equipment 2015 €	IT Equipment 2014 €
Cost:		
At 1 January	33,112	5,035
Additions	24,921	28,077
Disposals	(483)	-
Balance at 31 December	57,550	33,112
Depreciation:		
At 1 January	(14,036)	(4,391)
Charge for financial year	(17,845)	(9,645)
Disposals	483	-
Balance at 31 December	(31,398)	(14,036)
Net book value: At 31 December	26,152	19,076

14. CAPITAL COMMITMENTS

At the Balance Sheet date the Company had no capital expenditure commitments.

15. INVESTMENTS

Endowment funds at 31 December 2014 were represented by investments as follows:

	2015 €	2014 €
(a) Carrying value of investment as at 1 January	37,738,897	34,384,219
Additions to investments at cost	2,067,868	158,251
Gain on revaluation of investments	585,682	3,196,427
Carrying value/market value of investments at 31 December	40,392,447	37,738,897

THE COMMUNITY FOUNDATION FOR IRELAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

15. INVESTMENTS (CONTINUED)

(b) Total investments at end of financial year divided between distinct classes of investments as below:

	2015 €	2014 €
Investment in quoted equities	29,473,867	23,344,078
Investment in bonds	6,703,231	10,028,732
Cash	876,415	4,366,087
Cheque in transit	45,528	-
Property	2,011,495	-
Alternatives	1,281,911	-
	<u>40,392,447</u>	<u>37,738,897</u>

(c) Total investments at end of financial year are further analysed as below:

	2015 €	2014 €
Investment within Ireland	118,097	4,588,995
Investment in Euro zone	10,329,072	14,782,312
Investment outside Ireland and Euro zone	29,899,750	18,367,590
Cheque in Transit	45,528	-
	<u>40,392,447</u>	<u>37,738,897</u>

16. CREDITORS: (Amounts falling due within one year)

	2015 €	2014 €
Trade creditors	6,238	291
Accruals	273,767	119,427
Amounts due to holding company - The Foundation for Investing in Communities Limited	45,691	42,412
Amounts due to fellow subsidiary - Business in the Community Limited	36,417	50,652
	<u>362,113</u>	<u>212,782</u>

17. FINANCIAL INSTRUMENTS

The carrying value of the group's financial assets and liabilities are summarised by category below:-

	2015 €	2014 €
Financial Liabilities		
<i>Measured at undiscounted amount payable</i>		
Trade creditors	6,238	291
Accruals	273,767	119,427
	<u>280,005</u>	<u>120,718</u>

THE COMMUNITY FOUNDATION FOR IRELAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

18. ANALYSIS OF CHARITABLE FUNDS

(a) Analysis of unrestricted fund movements

	Opening Balance 1 January 2015 €	Income €	Expenditure €	Transfers €	Closing Balance 31 December 2015 €
	530,473	276,265	(582,936)	360,516	584,318

(b) Analysis of designated fund movements

	Opening Balance 1 January 2015 €	Income €	Expenditure €	Transfers €	Closing Balance 31 December 2015 €
Promotion	6,001	-	-	-	6,001
Systems Replacement	61,768	-	(1,383)	-	60,385
Benchmarking	6,000	-	-	-	6,000
Total	73,769	-	(1,383)	-	72,386

(c) Analysis of restricted fund movements

	Opening Balance 1 January 2015 €	Income €	Expenditure €	Transfers €	Closing Balance 31 December 2015 €
Endowment Fund	318,218	-	(421,642)	873,469	770,045
Small donations	3,748	-	-	-	3,748
Donor Advised Funds	3,105,595	6,548,856	(4,931,620)	(180,000)	4,542,831
Total	3,427,561	6,548,856	(5,353,262)	693,469	5,316,624

THE COMMUNITY FOUNDATION FOR IRELAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

18. ANALYSIS OF CHARITABLE FUNDS (CONTINUED)

(d) Analysis of endowment fund movements

Opening Balance 1 January 2015 €	Income €	Expenditure €	Transfers €	Unrealised Gains €	Closing Balance 31 December 2015 €
37,738,897	3,238,915	(117,062)	(1,053,985)	585,682	40,392,447

19. FINANCIAL RISK MANAGEMENT

Currency risk:

Much of the company's costs are denominated in euro and most income is received in euro with a small amount received in foreign currencies. A strengthening of a local currency against the euro could have an adverse effect on the company's ability to deliver its planned programme of work. These currency risks are monitored on an ongoing basis.

Cash flow risk

The company holds a number of bank accounts deposited in a number of different financial institutions ensuring the security of our funds and also endeavouring to maximise the return available. The company's activities expose it primarily to the financial risks of changes in interest rates. Interest bearing assets are held at fixed rates to ensure certainty of cash flows.

Credit risk

The company's principal financial assets are bank balances and cash. The credit risk on cash at bank is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies. The organisation has no significant concentration of credit risk, with exposure spread over a number of counterparties and customers.

20. ULTIMATE CONTROLLING PARTY

The charity's ultimate parent controlling party is The Foundation for Investing in Communities Limited which is an Irish registered charity CHY 13966, incorporated in Ireland, Company Number 296139. Charities Regulator Number 20044879.

21. EXPLANATION OF TRANSITION TO FRS 102

This is the first year the company has presented its financial statements under Financial Reporting Standards 102 (FRS 102) issued by the Financial Reporting Council. The last financial statements under previous Irish GAAP were for the year ended 31 December 2014 and the date of transition to FRS 102 was therefore 1 January 2014. As a consequence of adopting FRS 102, a number of accounting policies have been changed to comply with that standard. None of these changes have resulted in an adjustment to equity reported under previous Irish GAAP at 31 December 2014 or 1 January 2014 and there was no effect on income previously reported for the year ended 31 December 2014.