

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

**Directors' Report and Financial Statements**

**Year Ended 31 December 2011**

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## DIRECTORS AND OTHER INFORMATION

### Board of directors

Harry Byrne  
Adrian Crawford  
Eamonn Heffernan  
Anna Lee  
Barry Connolly  
Brian Keogh

Brian Wilson (resigned chair 3 November 2011)  
Brian Geoghegan (Company Secretary)  
Sr. Stanislaus Kennedy  
John Rockett  
Louis FitzGerald (appointed chair 3 November 2011)  
Máire O'Connor

**Chief executive officer:** Tina Roche

**Charity registered number:** CHY 13967

**Company registered number:** 338427

### Secretary and registered office

Brian Geoghegan  
One Spencer Dock  
North Wall Quay  
Dublin 1

### Solicitors

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

### Principal office

32 Lower O'Connell Street  
Dublin 1

### Bankers

Bank of Ireland plc  
Lower Baggot Street  
Dublin 2

### Auditors

PricewaterhouseCoopers  
Chartered Accountants and Registered Auditors  
One Spencer Dock  
North Wall Quay  
Dublin 1

IBRC plc  
Stephen Court,  
18-21 St Stephen's Green  
Dublin 2

Allied Irish Bank plc  
Stephen Court  
18-21 St. Stephen's Green  
Dublin 2

## 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 12 members (12 in 2010), each of whom has agreed to contribute €1.27 in the event of the charity winding up. The Community Foundation for Ireland intends to be a signatory with the Governance Code for community, voluntary and charitable organisations in Ireland. We confirm that a review of our organisation's compliance with the principles in the Code, as outlined below, will be carried out in 2012. This review will be based on an assessment of our organisational practice against the recommended actions for each principle. The review sets out actions and completion dates for any issues that the assessment identifies that need to be addressed.

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

#### Appointment of Directors

The Foundation for Investing in Communities shall nominate the Directors.

#### Directors' induction and training

New Directors undergo an orientation day 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 day they meet key employees and other Directors.

#### Organisation

The board of Directors, which must have a minimum of 4 Directors, administers the charity. The Board meets approximately 6 times per annum and there is a Finance, Audit, Investment and Governance sub-committee which meets in addition. The sub-committee has the absolute discretion and authority to consider any financial and administrative activity and any other activity at the request of the Board. There are no emoluments paid to Directors. A Grants Review Panel also meets at least three times per annum. A professional advisor sub-committee was established during 2008 which meets 4 times per annum. 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 Development and Grant Programme Management.

#### Related parties

The company is a wholly owned subsidiary of the Foundation for Investing in Communities, itself a registered charity. Business in the Community Limited is a fellow wholly owned subsidiary of the Foundation for Investing in Communities and is also a registered charity, operating from the same premises.

#### Risk management

The Directors have developed a risk management strategy which comprises:

- an annual review of the risks the charity may face;
- 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;

## DIRECTORS' REPORT - continued

### Objectives and activities

The objectives of The Community Foundation for Ireland include;

To provide or assist or encourage or support, by whatever manner or means from time to time available:

- 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 Community Foundation for Ireland (CFI)** is a donor services and grant-making organisation. CFI was established in 2000 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.

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 efficient vehicle 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;
- 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.

### Achievements and performance

The Community Foundation for Ireland's endowment continued to grow in 2011, with the continued inflow of resources offsetting unrealised losses in the year. As an endowment fund the unrealised losses are not expected to be crystallised. The value of the fund at the end of December 2011 was €26.8 million.

We channelled more than 670 grants, worth over €1.7 million from all funds, to 514 community and voluntary groups (2010: 588 grants worth over €2.2 million to 450 community and voluntary groups) around the country and to a lesser extent overseas. This giving level reflects the strong commitment to giving in spite of the current adverse economic situation for many, including donors.

## **DIRECTORS' REPORT - continued**

### **Achievements and performance - continued**

The Women's Fund was established during 2010. During 2011, Jackie Harrison was appointed as a staff member and took responsibility for developing The Women's Fund. In August the fund made 17 grants, at a total value of €21,950. An endowment of €250k and flow through fund are now both in place. The permanence of the endowment fund distinguishes the Community Foundation from many other organisations. One of our key goals to grow it into a substantially larger, sustainable fund, the income from which will develop community and voluntary initiatives throughout Ireland, both now and in the future. Indeed, during the recession, the importance and effectiveness of continued grant-making from the endowment became even clearer.

A potentially significant new family fund was established in April 2011. Unlike other funds the family will retain the capital, but will earmark this as their philanthropy fund and use the earnings for grant-making purposes.

Work on the County Funds also continued. It is felt that a new County Fund for Cork in particular, is a strong possibility in 2012.

Partnerships with other foundations proved their worth in 2011. Funded by The Mount Street Club Trust and administered by The Community Foundation, the new Community Growers Fund made its first grants. 37 grants were made in this innovative programme which funds community gardens where unemployed people are involved. The OCL trust Fund continued to be administered by The Community Foundation and again supported amazing projects, impacting on the lives of vulnerable women in Ireland.

In 2011 The Community Foundation again targeted professional advisors – lawyers, tax advisors, accountants, wealth managers – as a more efficient means of communicating philanthropic options to potential donors. The Foundation has a dedicated sub-committee of professional advisors. The group, chaired by board member John Rockett, met four times during the year.

The Community Foundation continued its Philanthropy Seminar series during 2011. These are aimed at stimulating philanthropy in Ireland and are usually aimed at successful individuals or families and professional advisors. The Women's Fund hosted two public events and a more targeted event for donors called a 'Seeing Is Believing' tour. In October, we partnered with accountancy body CPA, who hosted an event with Dame Stephanie Shirley, the UK's first Philanthropy Ambassador. In December The Community Foundation and Fundraising Ireland jointly organised two events featuring US philanthropy expert Dr Robert Ashcraft.

The Community Foundation for Ireland runs the Philanthropist of the Year Awards. These are designed to recognise and honour those individuals who have shown exceptional generosity and commitment through direct financial support and engagement with charities and voluntary organisations, in Ireland, locally and abroad. The three 2010 winners were awarded in early 2011 as the event was deferred:

- Philanthropist of the Year – Ireland: U2
- Philanthropist of the Year – International: Mark FitzGerald
- Philanthropist of the Year – Local: Leslie Buckley

The Community Foundation was very involved throughout 2011 in the revised and revitalised Philanthropy Forum. Established by Minister Phil Hogan and chaired by Frank Flannery, a set of proposals was submitted to government focussing on the following:

1. Development of Giving Campaign
2. Upskilling of the fundraising sector
3. Development of a Social Finance or Venture Philanthropy Fund
4. Improvement of the tax environment to encourage more giving

The Community Foundation supports these initiatives, but is keen to ensure that tax changes which encourage philanthropy are included and passed into law during 2012. The current tax regime is a hindrance to philanthropy.

## DIRECTORS' REPORT - continued

### Financial review

The Community Foundation for Ireland's permanent endowment fund value in 2011 remained at €26.8million fund (2010: €26.8million). Unrealised losses were compensated, by a continuing flow of resources into the fund. The endowment income broke the €1million mark in 2011 (2010: €0.9million).

There was a decrease in the value of grants made; almost €1 million was awarded in 2010, compared to €612,000 in 2011.

The principal funding sources continued to be corporate and private donations to the Endowment Fund and corporate and private donations to Donor Advised Funds.

### Investment powers and policy

The Foundation's investment policy is to generate both capital growth to maintain the "real" value of the Endowment Fund and income to provide funds for grant making. The Endowment Fund is managed on behalf of the Foundation by Allied Irish Bank Investment Managers, under the supervision of the Finance, Audit, Investment and Governance sub-committee of the Board. The fund is invested in a diverse portfolio of equities, bonds and cash, (guide ratios have been set by the Directors) with a yield focused approach and an ethical policy which eliminates investment in tobacco, arms, pornography and nuclear industries.

### Reserves policy

The Directors have established the level of reserves (that is those funds that are freely available) that the charity should have. Reserves may be needed to invest in implementing the strategic plan and technology improvements. Reserves (unrestricted funds) at 31 December 2011 stood at €645,841 (€621,050 in 2010).

### Plans for future periods

The Community Foundation operates to a rolling three year strategic plan. The current plan is for 2010 – 2012. In broad terms the key objectives set are:

1. To Develop a Culture of Philanthropy in Ireland.
2. To Generate New Donor Funds.
3. To Provide Excellent Services for Donors.
4. To be the partner of choice for professional advisors.
5. To impact social issues through grant making.
6. To maintain operational excellence and be self-sustaining.

Some specific targets include:

- Continue to deliver total small grants in excess of €350,000 per annum;
- Increase pooled assets by €8 million - €10m million over the three year;
- Establish additional county and family funds and promote organisation endowment funds as a new option for Irish charities; and
- Establish new thematic funds – in particular an Arts Fund and a LGBT Fund.

### Directors' responsibilities in relation to the financial statements

Company law requires the Directors to prepare financial statements that give a true and fair view of the state of affairs of the charity at the end of the financial year and of its surplus or deficit for the financial year. In doing so the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make sound judgments and estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enables them to ensure that the financial statements comply with the Companies Acts 1963 to 2012. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**DIRECTORS' REPORT - continued**

**Directors' responsibilities in relation to the financial statements - continued**

In accordance with company law, as the company's Directors, we certify that:

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- as the Directors of the company, we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

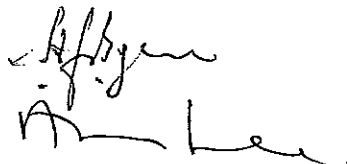
**Books of account**

The measures taken by Directors to secure compliance with the company's obligation to keep proper books of account are: use of appropriate system and procedures and employment of competent persons. The books of account are kept at 32 Lower O'Connell Street, Dublin 1.

**Auditors**

A resolution will be proposed at the Annual General Meeting that PricewaterhouseCoopers be re-appointed as auditors to the company for the ensuing year.

**On behalf of the board**



12 October 2012





**Independent auditors' 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 year ended 31 December 2011 which comprise the statement of financial activities, the balance sheet and the related notes. These financial statements have been prepared under the accounting policies on pages 12 and 13.

**Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable Irish law and accounting standards issued by the Accounting Standards Board and published by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland) are set out on pages 6 and 7 in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 193 of the Companies Act 1990 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with Irish statute comprising the Companies Acts, 1963 to 2012. We state whether we have obtained all the information and explanations we consider necessary for the purposes of our audit and whether the financial statements are in agreement with the books of account. We also report to you our opinion as to:

- whether the company has kept proper books of account;
- whether the directors' report is consistent with the financial statements; and

We also report to you if, in our opinion, information specified by law regarding directors' remuneration and transactions is not disclosed, and where practicable include such information in our report.

We read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors Report and the Operating Quarterly and Financial Review. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information. The other information comprises only the operational review and the directors' report.



**Independent auditors' report to the members of The Community Foundation for Ireland Limited (a company limited by guarantee) - continued**

**Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs at 31 December 2011 and of its financial activities for the year then ended and
- have been properly prepared in accordance with the Companies Acts, 1963 to 2012.

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

In our opinion the information given in the directors' report on pages 3 to 7 is consistent with the financial statements.

A handwritten signature in cursive script that reads 'Teresa Harrington'.

**Teresa Harrington**  
**for and on behalf of PricewaterhouseCoopers**  
**Chartered Accountants and Statutory Audit Firm**  
**Dublin**


**16 October 2012**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**Year Ended 31 December 2011**

	Notes	Unrestricted funds €	Restricted funds €	Endowment funds €	Total 2011 €	Total 2010 €
<b>Incoming resources</b>						
Voluntary income		-	957,040	358,784	1,315,824	1,860,758
Investment income	3	-	-	1,039,745	1,039,745	924,257
Interest receivable		87,048	-	-	87,048	86,298
Flow through funds commission		61,063	-	-	61,063	48,442
<b>Total incoming resources</b>		<u>148,111</u>	<u>957,040</u>	<u>1,398,529</u>	<u>2,503,680</u>	<u>2,919,755</u>
<b>Resources expended</b>						
Grants issued	4	-	1,704,95	-	1,704,095	2,207,122
Fundraising costs		199,434	-	-	199,434	164,504
Grant making costs		96,959	63,154	-	160,113	120,238
Investment manager fees		-	-	108,653	108,653	103,615
Support costs and overheads		75,468	-	-	75,468	99,703
<b>Total resources expended</b>		<u>371,861</u>	<u>1,767,249</u>	<u>108,653</u>	<u>2,247,763</u>	<u>2,695,182</u>
Net (outgoing)/incoming resources for the year		(223,750)	(810,209)	1,289,876	225,917	224,573
Net movement between funds	9	<u>248,691</u>	<u>657,200</u>	<u>(905,891)</u>	<u>-</u>	<u>-</u>
Balance after movements		24,941	(153,009)	383,985	255,917	224,573
Opening balance		<u>620,837</u>	<u>2,233,092</u>	<u>26,838,322</u>	<u>26,692,251</u>	<u>28,366,642</u>
		645,778	2,080,083	27,222,307	29,948,168	28,591,215
Changes on unrealised (losses)/gains plus realised gains		-	-	(399,785)	(399,785)	1,101,036
<b>Total funds carried forward</b>		<u>645,778</u>	<u>2,080,083</u>	<u>26,822,522</u>	<u>29,548,383</u>	<u>29,692,251</u>

The Statement of Financial Activities includes all gains and losses recognised in the year. All incoming resources and resources expended derive from continuing activities.

On behalf of the board

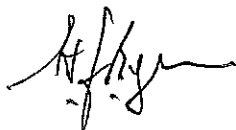
**BALANCE SHEET**

As at 31 December 2011

	Notes	2011 €	2010 €
<b>Fixed assets</b>			
Tangible assets	11	2,422	-
Investments	12	<u>26,822,522</u>	<u>26,838,328</u>
		26,824,944	26,838,328
<b>Current assets</b>			
Debtors and prepayments	13	8,072	8,731
Cash at bank		<u>2,902,257</u>	<u>2,957,569</u>
		<u>2,910,329</u>	<u>2,966,300</u>
<b>Creditors and accruals</b>			
Amounts falling due within one year	14	<u>(186,890)</u>	<u>(112,377)</u>
<b>Net current assets</b>		<u>2,723,439</u>	<u>2,853,923</u>
<b>Net assets</b>		<u>29,548,383</u>	<u>29,692,251</u>
<b>Represented by:</b>			
Unrestricted funds	15a	645,778	620,837
Restricted funds	15b	2,080,083	2,233,092
Endowments	15c	<u>26,822,522</u>	<u>26,838,327</u>
<b>Total funds</b>		<u>29,548,383</u>	<u>29,692,251</u>

The notes numbered 1 to 15 on pages 12 to 18 form part of these accounts.

On behalf of the board




## NOTES TO THE FINANCIAL STATEMENTS

### 1 Accounting policies

#### (a) Basis of preparation

The financial statements have been prepared under the historic cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2005) issued in March 2005 and the Companies Acts 1963 to 2012. The principal accounting policies adopted in the preparation of the financial statements are set out below.

#### (b) 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.

#### (c) Investment income is recognised on a receivable basis

Income from charitable activities 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.

#### (d) 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. The statutory audit is carried out by PricewaterhouseCoopers on a "pro bono" basis. This activity has not been recorded as a donation or cost in the Financial Statements, but would have financial value to the company of €8,000. No other services were provided to the charity as a donation that would normally be purchased from our suppliers.

#### (e) 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.
- Grant making Costs are those costs incurred in the processing of grant applications, the distribution of grants approved, and the monitoring of activities of grant recipients.
- Support costs and overheads include those costs incurred in the governance of the charity and its assets and include costs associated with constitutional and statutory requirements, as well as support costs including central functions and have been allocated to activity cost centres on a basis consistent with the use of resources, eg allocating property costs by floor areas, staff costs by the time spent and other costs by their usage.

#### (f) 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.

NOTES TO THE FINANCIAL STATEMENTS - continued

1 Accounting policies - continued

(g) 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
General office equipment	5 years
Computers and IT equipment	3 years

(h) Endowment fund

Endowment 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.

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.

(i) Pensions

The Foundation 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.

(j) Changes in accounting policies

The financial statements have been prepared using the same accounting policies as set out in the financial statements for the year ended 31 December 2010.

2 Legal status of the Community Foundation

The Community Foundation 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.

3 Investment income

The Foundation'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 the endowment fund during the year is made up as below:

	2011 Net income €	2010 Net income €
Equities	519,449	476,933
Bonds	461,253	405,143
Cash	59,043	42,181
<b>Total</b>	<b>1,039,745</b>	<b>924,257</b>

NOTES TO THE FINANCIAL STATEMENTS - continued

4 Analysis of grants issued

The Community Foundation undertakes direct charitable activities and also makes grants from Endowment Income and from Donor Advised Funds.

	2011	2010
	€	€
<b>Grants from Endowment Income</b>		
<b>Themes of support/interest</b>		
Carers	26,800	35,400
Education	3,000	106,680
Environment	2,000	-
Ethnic minorities	61,160	71,403
Families at risk	33,400	60,050
Gay, Lesbian, Bisexual, Transgender	20,000	80,729
Health and disability and community development	12,600	38,220
Mental health	37,760	52,610
Social inclusion	30,450	10,640
Third age	143,490	145,897
Women's issues	-	60,785
Callery Fund grants	6,000	14,300
Dr. Alison Byrne Fund Grants	2,446	2,360
LFG Family Fund	144,000	320,000
Martin Family Fund	7,000	-
Monaghan Fund	11,450	-
Noreen Dempsey Age & Art Fund	2,450	-
O'Sullivan Family Fund	193	-
Penguin Fund	41,000	-
Ray Murphy	5,010	19,500
Womens fund	21,950	1,700
<b>Total</b>	<u>612,159</u>	<u>1,020,274</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

<b>4 Analysis of grants issued - continued</b>	2011	2010
	€	€
 <b>Grants from Donor Advised Funds</b>		
<b>Themes of support/interest</b>		
Animals	3,126	3,972
Children	23,382	12,591
Community	50,624	-
Developing countries	58,835	65,028
Education	249,774	147,617
Emergency and disaster recovery	-	186,046
Environment	155,380	102,133
Ethnic minorities	3,000	-
Families at risk	25,000	17,830
Gay, Lesbian, Bisexual, Transgender	38,400	21,500
Health and disability	120,779	240,951
Homelessness	73,994	16,357
Mental health	27,250	256
Older people	8,375	3,925
Poverty	56,755	-
Scholarship payments	-	178,706
The arts	600	16,125
Unemployment	157,102	40,500
Women	39,560	16,050
Flood Recovery Fund	-	117,260
<b>Total</b>	<u>1,091,936</u>	<u>1,186,847</u>
 <b>Grand total</b>	 <u>1,704,095</u>	 <u>2,207,121</u>

**5 Allocation of support costs**

The Community Foundation allocates its support costs between the charitable activities undertaken on a basis consistent with the use of resources.

<b>6 Analysis of staff costs</b>	2011	2010
	€	€
<b>Staff costs</b>		
Salaries and wages	233,596	207,644
Employer's PRSI contributions	23,079	19,859
Employer's pension costs	5,453	6,519
<b>Total</b>	<u>262,128</u>	<u>234,022</u>



NOTES TO THE FINANCIAL STATEMENTS - continued

**7 Staff numbers**

- (a) The average number of full-time equivalent employees (including casual and part time staff) during the year was 3.25 (2010: 3.5).
- (b) No staff member has an emolument over €85,000.
- (c) No staff member receives retirement benefit.

**8 Director remuneration and related party transactions**

No director received remuneration or expenses during the year (2010: nil). No Director had any personal interest in any contract or transaction entered into during the year to the financial benefit of that Director (2010: nil).

**9 Transfers between funds**

The sum of €980,116 (2010: €921,373) representing available earned income was transferred from the Endowment Fund to Restricted Funds for grant-making purposes.

The sum of €248,691 (2010: €230,784) was transferred from Restricted Funds to Unrestricted Funds to meet operating costs.

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

- Transfer from Donor Advised funds to Endowment funds €74,225 (2010: €36,581).

**10 Taxation**

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

**11 Tangible fixed assets**

	Office Capital €
<b>Cost</b>	
At 1 January 2011	-
Additions	3,640
Disposals	-
At 31 December 2011	<u>3,640</u>
<b>Depreciation</b>	
At 1 January 2011	-
Additions	(1,218)
Disposals	-
At 31 December 2011	<u>(1,218)</u>
<b>Net book value</b>	
At 31 December 2010	-
At 31 December 2011	<u>2,422</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

12 Investments

Endowment funds at 31 December 2011 were represented by investments as follows:

	2011 €	2010 €
(a) Carrying value of investment as at 1 January 2011	26,838,327	25,295,826
Additional investment made at cost	353,779	684,086
Transfer from Donor Advised Funds	74,225	36,581
Cheque in transit	5,000	5,563
Changes on unrealised (losses)/gains plus realised gains	(399,785)	1,101,036
Changes on investment manager fees	(108,653)	(103,615)
Accrued return on investment	59,629	(181,150)
Carrying value/market value of investments at 31 December 2011	<u>26,822,522</u>	<u>26,838,328</u>
(b) Total investments at end of year divided between distinct classes of investments as below:	2011 €	2010 €
Investment in quoted equities	16,286,321	16,523,205
Investment in bonds	8,622,633	8,098,548
Investment in currencies	1,908,568	2,211,012
Cheque in transit	5,000	5,563
	<u>26,822,522</u>	<u>26,838,328</u>
(c) Total investments at end of year are further analysed as below:	2011 €	2010 €
Investment within Ireland	1,909,018	2,746,791
Investment in Euro zone (excluding Ireland)	11,177,594	11,038,158
Investment outside Ireland and Euro zone	13,730,910	13,002,816
Cheque in transit	5,000	5,563
	<u>26,822,522</u>	<u>26,838,328</u>

13 Debtors

	2011 €	2010 €
Interest due	8,072	8,731
	<u>8,072</u>	<u>8,731</u>

14 Creditors - amounts falling due within one year

	2011 €	2010 €
Trade creditors	1,029	629
Accruals	12,443	20,956
Amounts due to holding company - The Foundation for Investing in Communities Limited	88,410	78,805
Amounts due to fellow subsidiary - Business in the Community Limited	85,008	11,987
<b>Total</b>	<u>186,890</u>	<u>112,377</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

15 Analysis of charitable funds

(a) Analysis of unrestricted fund movements

	Opening balance 1 January 2011 €	Incoming resources €	Resources expended €	Transfers €	Closing balance 31 December 2011 €
	<u>620,837</u>	<u>148,111</u>	<u>(371,861)</u>	<u>248,691</u>	<u>645,778</u>

(b) Analysis of restricted fund movements

	Opening balance 1 January 2011 €	Incoming resources €	Resources expended €	Transfers €	Closing balance 31 December 2011 €
Endowment Fund	522,378	40,000	(585,291)	701,925	679,012
Small donations	3,748	-	-	-	3,748
Donor Advised Funds	<u>1,706,966</u>	<u>917,040</u>	<u>(1,181,958)</u>	<u>(44,725)</u>	<u>1,397,323</u>
Total	<u>2,233,092</u>	<u>957,040</u>	<u>(1,767,249)</u>	<u>657,200</u>	<u>2,080,083</u>

(c) Analysis of endowment fund movements

	Opening balance 1 January 2011 €	Incoming resources €	Resources expended €	Net transferred €	Net gains/(losses) €	Closing balance 31 December 2011 €
	<u>26,838,322</u>	<u>1,398,529</u>	<u>(108,653)</u>	<u>(905,891)</u>	<u>(399,785)</u>	<u>26,822,522</u>

16 Cash flow

The group consolidated cash flow statement is presented on the financial statements of the parent company, The Foundation for Investing in Communities Limited.

17 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.

18 Approval of financial statements

The directors approved the financial statements on 12 October 2012.

APPENDIX - I

UNAUDITED INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2011

	2011 €	2010 €
<b>Incoming</b>		
Other income	-	107
Management fees	309,602	285,456
Donation towards overheads	-	-
Flow through funding	1,098,562	1,248,653
Endowment fund income released	605,432	959,489
Bank interest received	87,048	79,961
	<u>2,100,644</u>	<u>2,573,666</u>
<b>Expended</b>		
Grants issued	1,704,095	2,416,879
Salaries, employers PRSI and employers pension contribution	262,128	234,022
Staff training	505	694
Recruitment	250	902
Travel and subsistence	5,009	2,718
Other staff costs	1,186	1,167
Public relations and promotional costs	802	1,185
Publications (including Annual Accountability Report and Philanthropy Matters)	21,160	8,169
Philanthropist of the year	2,356	20,067
Conference costs, meetings and special events	8,360	1,691
Research	-	762
Stationery	3,964	4,055
Rent and rates	32,434	31,517
Light and heat	2,870	2,897
Postage and couriers	1,947	1,248
Insurance	2,966	2,566
Membership fees	3,211	2,982
Telephone, fax and internet	2,012	1,264
Depreciation	2,628	1,747
Legal and professional	1,705	-
Web site development and maintenance	2,610	2,463
Database development and support	-	-
Equipment and software maintenance	9,952	6,284
Bank charges	831	964
Payroll and company secretarial	409	420
Direct provision project	-	-
Other office expenses	2,568	3,054
	<u>2,075,956</u>	<u>2,749,718</u>
<b>Net movement</b>	<u>24,688</u>	<u>(176,052)</u>