

The Community Foundation for Ireland

Directors' Report and
Financial Statements
for the financial year ended
31 December 2018

Company Number: 338427

THE COMMUNITY FOUNDATION FOR IRELAND
REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

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THE COMMUNITY FOUNDATION FOR IRELAND

DIRECTORS AND OTHER INFORMATION

DIRECTORS

Michael Gaffney (Chair)
Patrick Farrell
Barbara Fitzgerald (appointed 06/09/2018)
Louis FitzGerald (resigned 18/06/2018)
Richard George
Grainne Healy (appointed 06/09/2018)
Eamonn Heffernan (resigned 23/11/2018)
Dr Brian Keogh (resigned 18/06/2018)
Anna Lee (resigned 23/11/2018)
Catherine Mullarkey
Roddy Rowan
Tara Smith (appointed 18/06/2018)
Faye Walsh Drouillard (appointed 18/06/2018)

CHIEF EXECUTIVE OFFICER

Tina Roche

CHARITY REGISTERED NUMBER

CHY 13967

COMPANY REGISTERED NUMBER

338427

CHARITIES REGULATOR NUMBER

20044886

SECRETARY AND REGISTERED OFFICE

Qaasim Abdul
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

3rd Floor Phibsborough Tower
Phibsborough Road, Dublin 7
D07 XH2D

BANKERS

Bank of Ireland
Lower Baggot Street
Dublin 2

Allied Irish Bank plc
Bankcentre
Ballsbridge
Dublin 4

INDEPENDENT AUDITORS

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

THE COMMUNITY FOUNDATION FOR IRELAND

DIRECTORS' REPORT

STRUCTURE, GOVERNANCE AND MANAGEMENT

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 and other charitable organisations, through enabling them to engage in effective philanthropic activity by investing in people and solutions to build stronger communities. CFI is a company limited by guarantee, governed by its Constitution dated 11 October 2016. The company is registered as a charity with the Revenue Commissioners and The Charity Regulator. There are currently 10 company members (2017: 7), each of whom has agreed to contribute €1.27 in the event of the charity winding up.

The company is a wholly controlled subsidiary of the Foundation for Investing in Communities. Business in the Community Ireland is a fellow 100% wholly controlled subsidiary, of the Foundation for Investing in Communities and is also a registered charity, operating from the same premises in Phibsborough. CFI was one of the first charities to comply with the Governance Code for Community, Voluntary and Charitable Organisations in Ireland which promotes high standards of governance and transparency in the charity sector. The Code provides clear guidelines on the roles, duties and responsibilities of those who run community, voluntary and charitable organisations. During 2018, CFI continued its commitment to each principle of the Governance Code (in respect of Leadership, organisational controls, transparency & accountability, working effectively and behaving with integrity).

Directors

The Board of Directors comprises volunteers representing the diversity and broad interests of our community who provide the leadership to conduct the affairs of CFI. The Constitution dictates that the Directors are nominated by The Foundation for Investing in Communities. Initial appointment is for a three year term, as recommended by the chair for approval. A director can be reappointed for a second three year term as per the chairs recommendation to the board. A director may be re-appointed for a third three year term, if it is agreed by all of the Directors. In exceptional circumstances, agreed by all of the directors, a director may remain on the Board having completed three three year terms for an additional maximum one year term. New Directors undergo an orientation to brief them on their legal and regulatory obligations under charity and company law, the content of the Constitution, 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.

The directors and secretary, who served at any time during the financial period except as noted, were as follows:

Directors:

Michael Gaffney (Chair)
Patrick Farrell
Barbara Fitzgerald (appointed 06/09/2018)
Louis FitzGerald (resigned 18/06/2018)
Richard George
Grainne Healy (appointed 06/09/2018)
Eamonn Heffernan (resigned 23/11/2018)
Dr Brian Keogh (resigned 18/06/2018)
Anna Lee (resigned 23/11/2018)
Catherine Mullarkey
Roddy Rowan
Tara Smith (appointed 18/06/2018)
Faye Walsh Drouillard (appointed 18/06/2018)

Qaasim Abdul - Company Secretary

THE COMMUNITY FOUNDATION FOR IRELAND

DIRECTORS' REPORT (CONTINUED)

STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

Organisation

The Board of Directors, which must have a minimum of 8 Directors, oversee the operation of the Company. The Board meets at least 4 times per annum. There were 4 meetings in 2018 (2017: 6) at which there was an average of 82% attendance (2017: 71%). CFI shows the cumulative attendance figure by Directors rather than individual directors as it 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.

The Board is grateful for all the work carried out by Louis FitzGerald, Eamonn Heffernan, Dr Brian Keogh and Anna Lee who resigned from the Board in 2018 and welcomed Grainne Healy and Barbara FitzGerald as board members in the year.

There is a Finance, Audit, Investment and Governance committee, chaired by Richard George, which meets in addition to the Board. The committee met 4 times in 2018 (2017: 6) with 100% attendance (2017: 92%). 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.

CFI has three further sub-committees, each focused on a clear agenda:

- i. Grants Assessment Panel chaired by Anna Lee met 4 times in 2018 (2017: 4 times). 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.
- ii. Professional Advisers Advisory Group met 3 times in 2018 (2017: 4 times)
- iii. Fund Development Group chaired by Roddy Rowan met 3 times in 2018 (2017: 4 times)

A Chief Executive is appointed by the Directors to manage the day to day operations of the Company. 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.

OBJECTIVES AND ACTIVITIES

CFI stands for a fair, caring and vibrant Ireland for now and the future and empowers people who want to make a difference through a model of strategic giving which is effective and delivers. CFI works towards being a centre of influence in our community and convening the right people and resources to support strong and resilient communities.

The key focus of the three year strategy (2018-2020) for CFI is;

1. Giving for Social Change
2. Granting for Social Change
3. Growing for Social Change

ACHIEVEMENT AND PERFORMANCE

Giving for Social Change

CFI helps people and organisations to optimise their philanthropy by facilitating effective giving and by investing in people and solutions to benefit communities across Ireland and abroad. We use our knowledge to help donors translate their aspirations to give back into impactful investments of their experience and resources. In 2018 we offered such support in a number of ways including:

- Working with donors in identifying clear pathways for donor education and engagement. In 2018, there were over 70 Donor Advised Funds and collaborative partnerships and we worked with individuals, families, corporates and other trusts and foundations to support their charitable giving through the provision of specialist and bespoke services. Ten new Donor Advised Funds were established in 2018.

THE COMMUNITY FOUNDATION FOR IRELAND

DIRECTORS' REPORT (CONTINUED)

ACHIEVEMENT AND PERFORMANCE (CONTINUED)

Giving for Social Change (continued)

- Providing a bespoke service to donors to support their giving: Our staff work closely with donors in administering their charitable donations as well as providing advice and support in relation to their grant making.
- Offering a suite of giving options ranging from once off donations and short term flow-through funds, through to longer term (7-10 years) and endowed funds and legacy gifts from one's will. A particular focus of the 2018-2020 plan is to grow endowed funds and to position CFI strongly for legacies. Key activities in 2018 included:
 - The launch of CFI's LGBT+ Fund at the Gay Community News (GCN) 30 year celebration event in June, with strong endorsement of the Fund by Katherine Zappone, T.D. Minister for Children and Young People. The fund was advertised monthly in GCN magazine from April.
 - A small number of focus groups were undertaken to look at our Older Persons Fund and the LGBT+ Fund.
 - Articles were published in Senior Times and Public Sector magazine and Active Retirement Ireland (ARI) annual.
- Facilitating and encouraging collaborative giving on the part of donors: During 2018, a number of donors added their support to CFI grants, leveraging greater support for important causes and initiatives. For example, CFI and a number of its donors are supporting SAFE Ireland and its ambitious programme of work to change culture and practice in respect of domestic violence in Ireland. A number of collaborative strategic funding initiatives are also in place with other trusts including the Former Offenders Fund with The St. Stephen's Green Trust, as well as the Parenting Support Initiative in association with The Katharine Howard Foundation and an anonymous trust in relation to our Youth Fund.
- Providing opportunities for donor engagement and education: To grow the expertise and share insights with both current and potential donors a number of events were hosted throughout the year. These included our end of year annual donor evening which shared insights from Simon Anholt of Good Countries along with Fr Peter McVerry and Liz Waters from An Cosan. Other events included donor breakfasts where current philanthropists shared their insights, successes and challenges with those who are looking to engage with philanthropy in a more meaningful way.

During 2018, CFI also played its part in promoting greater philanthropy in Ireland through a number of initiatives and events which included:

- The 11th Philanthropist of the Year Awards was held in the Westbury Hotel on January 31st 2019 at which the 2018 winners were announced:
 - Feargal Quinn as National Philanthropist of the Year for his long standing and strategic support of charities both in Ireland and abroad including ISPCC, Family Support Network and Vita.
 - Kerry Group as Corporate Philanthropist of the Year for their support and commitment to Concern, Special Olympics and many other charities.
 - Katharine Howard Foundation, who received the Brian Wilson Award for significant contributions to philanthropy in Ireland.
- Continuing to foster strategic partnerships with a number of other organisations, including Business in the Community Ireland, The Wheel, Philanthropy Ireland and My legacy, as well as the UKCF (the network of Community Foundations in the UK), The Community Foundation for Northern Ireland and the Community Foundations of Canada.

ACHIEVEMENT AND PERFORMANCE (CONTINUED)

Granting for Social Change

We believe in an Ireland where everyone feels they belong. An Ireland where people are equal and communities thrive. An Ireland where everyone has a voice. We stand for a fair, caring and vibrant Ireland for now and the future. In order to achieve this we place grant making at the heart of our activities. By the end of 2018, CFI's cumulative grant making exceeded €44 million (2017: €37.33m) since we began in 2000. Throughout 2018, 647 grants (2017: 632 grants) were made exceeding €7.4 million (2017: €6.468m) with the average grant size being €11,500 (2017: €10,235). Some of our grant making highlights include;

- Through guidance from CFI team, a number of strategic grants were awarded through our Donor Advised Funds that highlighted important social issues in Ireland. Three such grants include the funding of the Future of Social Housing Report, a grant to the Children's Rights Alliance for the Child Refugee Development Project and for the production of the National Integrity Index.
- We continued to provide larger grants through our Impact Grants to support issues such as Youth, Domestic Violence, Travelers, Older Persons', Former Offenders, Penal Reform and Direct Provision.
- We held a number of open grant rounds in 2018 to meet some of Ireland's most pressing social issues including Biodiversity, Traveler Identity and Leadership and our Social Change grants which focused on Mental Health and Refugees and Travelers. Along with ongoing support to the prevention of domestic violence.
- Throughout 2018 CFI made 55 grants of up to €1,000 to support small to medium non-profits in publishing their financial statements and annual reports. CFI ensures the highest standard of governance to our donors and wanted to provide funding for smaller organisations to report on their financials, objectives and future plans. Publishing annual reports ensures a level of good practice, openness and accountability within the sector.
- The Foundation also supports initiatives that build capacity within the community and voluntary sector. An example of this was that in 2018 as part of the Non-profit Pay and Benefits, CFI commissioned the report Remuneration Challenges and Successes in Post-Recession Times to assist organisations in the sector with the development of effective pay and pay-related policies and practices, through the sharing of information and experience.
- CFI managed and administered grant schemes on behalf of a number of trusts and foundations including The Tony Ryan Fund for Tipperary, Comic Relief, and Early Childhood Ireland. We also ran the first open grant round for the Lifes2Good Foundation which focused on providing grants for women's refuges in the west of Ireland.
- Each year CFI reaches out to grant applicants for feedback in relation to our processes, service delivery and funding schemes. This year's survey received a great response from both grant applicants and grant recipients. The overall assessment of CFI from the grantees perspective was overwhelmingly positive. We have succeeded in maintaining or improving on the majority of grant making services we provide, which is the main objective our annual grants survey, to determine if we are on the right track and to constantly look at ways to improve. Taking into consideration recommendations from the survey we will continue to look at ways that we can support the sector in achieving the highest standards of governance and also provide support towards capacity building.

ACHIEVEMENT AND PERFORMANCE (CONTINUED)

Growing for Social Change

As part of our updated strategic plan, a significant focus for CFI over the next three years is to promote philanthropy in Ireland to those who have the means to give in a significant way and also to promote philanthropy to policy makers and the wider community to highlight the potential for philanthropy and the impact it can have on our development as a nation.

- In order to showcase the unique offering CFI can provide a new brochure was created in 2018. This brochure outlines the different mechanisms available to donors who want to engage with philanthropy and case studies of the different type of people who give and the impact they have created.
- In late 2018 we launched a new report: *Legacies for Good, Wealth Transfers and the Potential for Philanthropy in Ireland*. The report analyses the current financial position of Irish households, examines how household wealth will be passed on to the next generation and highlights the resulting potential to grow philanthropy in Ireland. CFI commissioned economist, Jim O' Leary, to produce this report to calculate the intergenerational transfer of wealth in Ireland and to highlight its potential impact of philanthropy in the future.
- A Corporate Philanthropy workshop was hosted in Xilinx in early 2018 and brought together a number of leaders including Minister Katherine Zappone to talk about strategic philanthropy on the part of corporate donors.
- Throughout 2018 CFI produced a number of donor case studies under the Unsung Heroes Campaign. 6 donor case studies and videos were released throughout the year to showcase the variety of donors who work with CFI, what prompted them to engage in philanthropy, how their families are involved and the social issues that they have provided grants towards.
- In 2018 we continued to work closely with professional advisers including solicitors, tax advisers, accountants and wealth managers, greatly assisted by CFI Professional Advisers Advisory Group. The professional adviser philanthropy network at CFI met three times in 2018. Paula Fagan, Chief Executive of LGBT Ireland presented at one meeting. She outlined the impact that philanthropy has had on her Organisation. It now provides a national helpline and other services to the LGBT+ community in Ireland. LGBT Ireland has received strategic grants from CFI over the years and support from other foundations also.
- Within CFI we realise social change is not achieved overnight. While some societal issues can be solved quickly and with a once off injection of funds, most need persistent attention and sustained support over years. As part of our commitment to encourage and grow legacy giving in Ireland we continued to participate in My Legacy Week in 2018. My Legacy is an umbrella group of 60 Irish charities. Our group vision is to create social change; to increase the low level of will making in Ireland at every life stage and to make legacy gifts the norm in Ireland and a widely recognised and respected way of supporting a charity into the future.
- As one of the largest foundations currently in Ireland, CFI produced and promoted a number of thought leadership pieces from our own staff that shares our expertise and showcases the nuances of philanthropy and how it can be impactful for our society. Some of these key thought pieces include Windfall Gains and its Impact on Philanthropy, What is Philanthropy and Philanthropy and the Environment. Our CEO Tina Roche was also featured in the Make A Difference Campaign that was featured in the Irish Independent, the goal of which was to encourage philanthropy, volunteerism and connectivity in Irish communities.

ACHIEVEMENT AND PERFORMANCE (CONTINUED)

Growing for Social Change (continued)

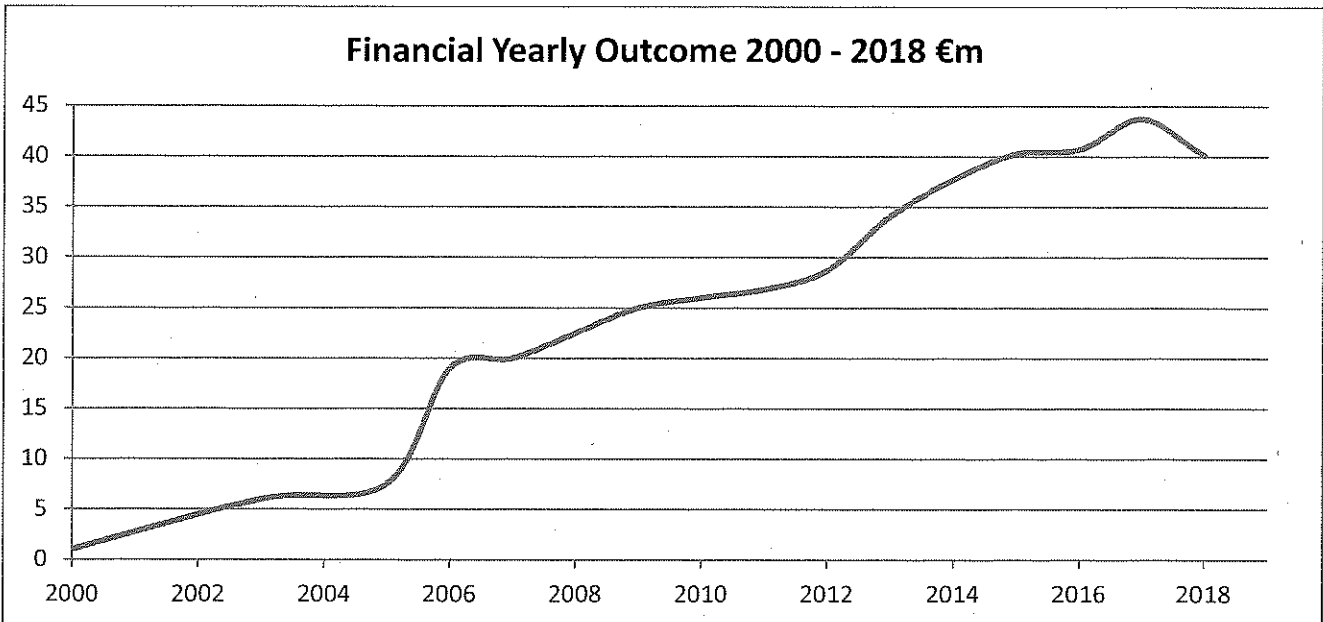
Growing for Social Change also sought to achieve operational excellence and to ensure that we have the capacity and resources to deliver the strategy. In 2018 main priorities were:

- To ensure a smooth transition into our new offices in Phibsborough (where we moved in December 2017) through completing requisite building works and to ensuring a good place to work for staff. Notwithstanding some initial difficulties with the heating system, there was a smooth transition and such issues are managed on an ongoing basis by an Operational Committee (which met 8 times in 2018), drawn from CFI and its sister Organisation Business in the Community, with whom we share offices and facilities.
- To review our Governance and Compliance Framework. The review was carried out and necessary adjustments were carried out. This is an ongoing key priority for the organisation and its Board as trust is important to us as an organisation.
- To establish best practice in GDPR and initiate actions to ensure continuous improvement. This was a real challenge in 2018 and took up a huge amount of management time. The vast majority of the work was completed in 2018, with ongoing training planned for 2019 and any issues arising from the changes in 2018 are being addressed in 2019.
- An I.T Review to examine our long term strategy in relation to I.T infrastructure was started in 2018 and will be complete in 2019 including a decision as to whether to go completely cloud based or not.
- Excellence through People Certification. An assessment was carried out by the NSAI and the assessor was satisfied that the organisation merits continued Excellence though People certification

FINANCIAL REVIEW

Growth in 2018

- The Endowment Fund growth infographic showing growth in endowment fund by year (€m)

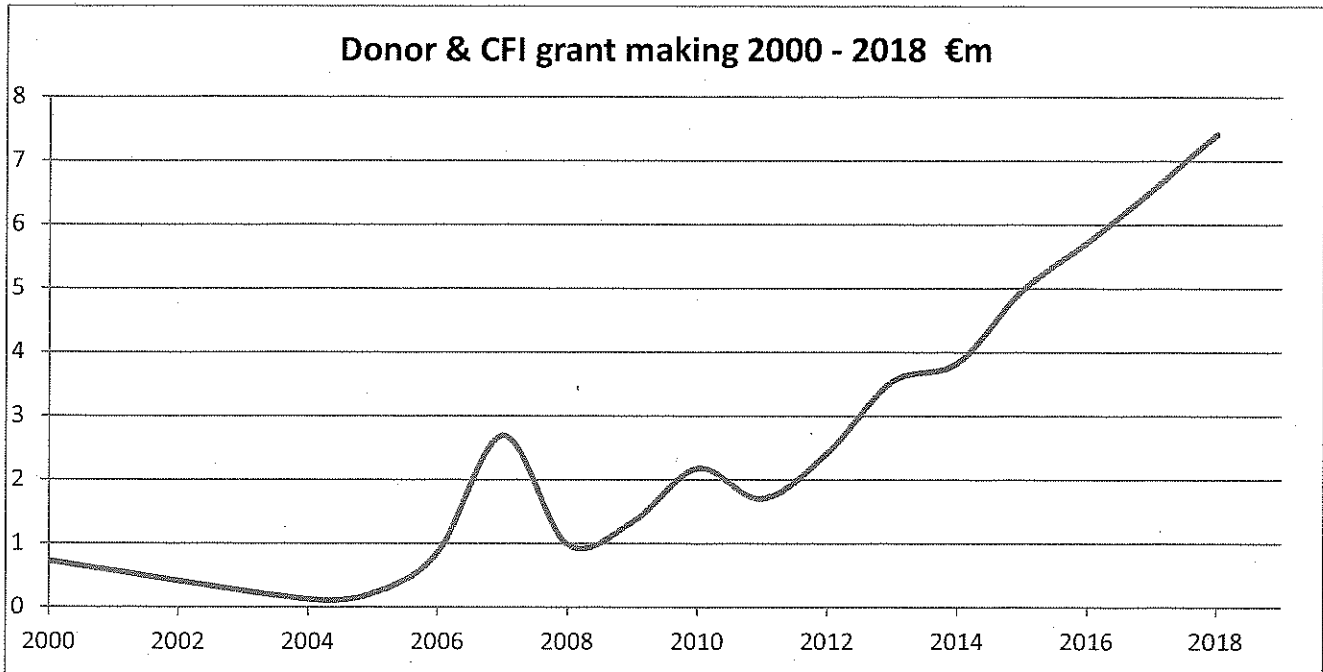


THE COMMUNITY FOUNDATION FOR IRELAND

DIRECTORS' REPORT (CONTINUED)

FINANCIAL REVIEW (CONTINUED)

- By the end of 2018, collectively CFI and its donors had made grants in excess of €44.5 million to communities and charitable causes in Ireland and overseas since its inception in 2000.



Investment powers and policy

The principal funding sources of CFI continue to be private donations to Donor Advised Funds on the part of individuals, families, corporates and other charitable organisations. The grant making of CFI in 2018 exceeded the grant making in 2017 and a significant outflow in funds resulted in net expenditure of (€4.113m) in 2018 (net income of €5.353m in 2017). In light of the ongoing requirements for grant making, CFI drew on previously donated funds.

Endowment Fund

Since its inception, CFI has operated a permanent, civic endowment fund with the aim of delivering a consistent and sustainable amount each year for grant making, in perpetuity. The Endowment Fund (the Fund) is a tax-exempt fund and is held in trust by the Board of Directors of CFI. The operation of the Fund is governed by the company's Constitution which also sets down the powers and responsibilities of the Directors in relation to the Fund.

The main purpose and priority of the Fund is the delivery of a consistent and sustainable amount each year from the Fund's income and/or capital for grant making. The level of drawdown for grant making is set with the objective of protecting indefinitely the nominal value of the Fund's capital and providing a buffer against future inflation. Specifically, other than in exceptional circumstances, an amount of 4% of the average end of year values for each of the previous 5 years is made available each year for grant making, regardless of the income or capital returns generated by the Fund in that year.

The Fund's current Investment Manager is Sarasin and Partners who were appointed to manage the Fund from 1st January 2015 (the transfer of the Fund's assets to them took place on the 23rd April 2015).

A Statement of the Fund's Investment Policy Objectives and Guidelines reflecting the policy, mandate and performance objectives of the manager is available on CFI's website for inspection.

THE COMMUNITY FOUNDATION FOR IRELAND

DIRECTORS' REPORT (CONTINUED)

FINANCIAL REVIEW (CONTINUED)

Term Funds

In 2016, CFI established a second fund, a Term Fund, to receive donations from individuals, businesses and other foundations. As with the Endowment Fund, the Fund is a tax-exempt fund which is held in trust and invested by the Board of Directors of CFI. The operation of the Fund is governed by the company's Constitution which also sets down the powers and responsibilities of the Directors in relation to the Fund. The Fund differs from the Endowment Fund in that the amount originally donated by each donor, and the investment return earned, will be spent over an agreed period of years by making available for grant making, on a regular basis, amounts pre-agreed with the donor.

A Statement of the Fund's Investment Policy Objectives and Guidelines reflecting the policy, mandate and performance objectives of the manager is available on CFI's website for inspection. This specifies that the asset allocation must have regard to the expected life of the Fund, as well as the anticipated grants profile and liquidity requirements of the Fund. Additionally, at least one year's expected drawdowns are to be held in cash and cash equivalents, or in readily tradeable assets and an increasing proportion of assets are to be held in easily liquidated assets over the final 4 or 5 years of the Fund. The Fund's Investment Manager is Investec.

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. Fluctuations in the value of 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.

INTERNAL CONTROL AND RISK MANAGEMENT

The Board of CFI is committed to attaining the highest standards of corporate governance. Accordingly, transparency and accountability are constant priorities of the CFI Board, its dedicated Finance, Audit, Investment and Governance Sub Committee and its staff. Detailed information on the Directors' Code of Conduct and Directors' Duties, as well as a number of policies and procedures (such as in relation to conflicts of interest and whistle blowers) are included in the governance section of our website

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.

THE COMMUNITY FOUNDATION FOR IRELAND

DIRECTORS' REPORT (CONTINUED)

FINANCIAL REVIEW (CONTINUED)

Plans for future periods

2018 was the first year of a three year strategy which will run from 2018 through to the end of 2020. A key focus of the strategy is to encourage more strategic giving and ensuring that CFI optimises its contribution to growing philanthropy in Ireland.

The Strategy was drawn up against the backdrop of an under developed philanthropic sector in Ireland in terms of declining investment on the part of trusts and foundations, as well as the small number of grant making organisations in Ireland.

CFI stands for a fair, caring and vibrant Ireland for now and in the future. The key focus of the three year strategy (2018-2020) is on Giving, Grant making and Growing for Social Change. The work programme and resources of CFI will be focused on meeting these objectives over the coming three years.

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.

POST BALANCE SHEET EVENTS

There have been no events subsequent to the year-end that require any adjustment to, or additional disclosure in the 2018 financial statements.

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 business office at 3rd Floor, Phibsborough Tower, Phibsborough Road, Dublin 7, D07 XH2D.

APPROVAL OF REDUCED DISCLOSURES

The company, as a qualifying entity, has taken advantage of the disclosure exemptions in FRS 102 paragraph 1.12. Objections may be served on the company by The Foundation for Investing in Communities, as the parent of the entity.

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who is a Director at the date of approval of this report confirms that:

- (i) so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- (ii) the Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 330 of the Companies Act 2014.

THE COMMUNITY FOUNDATION FOR IRELAND


DIRECTORS' REPORT (CONTINUED)

AUDITORS

The auditors, Deloitte Ireland LLP, 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

11/6/2019.

THE COMMUNITY FOUNDATION FOR IRELAND

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* issued by the Financial Reporting Council ("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 profit or loss of the company for the financial year and otherwise comply with the Companies Act 2014.

In preparing those 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 the 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 profit or loss 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.

Legislation in Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

Independent auditor's report to the members of The Community Foundation For Ireland

Report on the audit of the financial statements

Opinion on the financial statements of The Community Foundation For Ireland (the 'company')

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2018 and of its outgoing resources and application of resources, including the income and expenditure account by 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.

The financial statements we have audited comprise:

- the Statement of Financial Activities, (including Income and Expenditure Account);
- the Balance Sheet; and
- the related notes 1 to 21, including a summary of significant accounting policies as set out in note 1.

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" issued by the Financial Reporting Council ("the relevant financial reporting framework").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (Ireland) require us to report to you where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Directors' Report and Financial Statements for the financial year ended 31 December 2018, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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Independent auditor's report to the members of The Community Foundation For Ireland

Other information (Continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (Ireland), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the entity (or where relevant, the group) to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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Independent auditor's report to the members of The Community Foundation For Ireland

Auditor's responsibilities for the audit of the financial statements (Continued)

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

- 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 auditor's 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.

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the Companies Act 2014

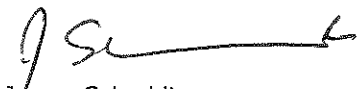
Based solely on the work undertaken in the course of the audit, we report that:

- 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 and the directors' report has been prepared in accordance with the Companies Act 2014.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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.



James Schmidt
For and on behalf of Deloitte Ireland LLP
Chartered Accountants and Statutory Audit Firm
Deloitte & Touche House, Earlsfort Terrace, Dublin 2

Date: 27 June 2019

THE COMMUNITY FOUNDATION FOR IRELAND

STATEMENT OF FINANCIAL ACTIVITIES (Including Income & Expenditure Account)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

Notes	Unrestricted funds €	Designated funds €	Restricted funds €	Endowment funds €	Total 2018 €	Unrestricted funds €	Designated funds €	Restricted funds €	Endowment funds €	Total 2017 €
Income and endowments from:										
Donations and legacies	-	-	6,725,433	-	6,725,433	15,000	-	7,939,774	-	7,954,774
Charitable activities	350,188	-	-	-	350,188	339,755	-	-	-	339,755
Investments	-	-	-	954,585	954,585	6,232	-	-	971,250	977,482
Other	-	-	-	-	-	-	13,656	-	-	13,656
Total	350,188	-	6,725,433	954,585	8,030,206	360,987	13,656	7,939,774	971,250	9,285,667
Expenditure on:										
Raising funds	(221,383)	(9,099)	-	(196,293)	(426,775)	(222,267)	-	-	(190,973)	(413,240)
Charitable activities	(411,540)	-	(8,434,962)	-	(8,846,502)	(376,291)	-	(7,064,241)	-	(7,440,532)
Other	(86,735)	-	-	-	(86,735)	(101,721)	-	-	-	(101,721)
Total	(719,658)	(9,099)	(8,434,962)	(196,293)	(9,360,012)	(700,279)	-	(7,064,241)	(190,973)	(7,955,493)
Taxation	-	-	-	-	-	-	-	-	-	-
Net (Loss)/gain on investments	-	-	(109,013)	(2,674,411)	(2,783,424)	-	-	274,770	3,748,512	4,023,282
Net (expenditure)/income	(369,470)	(9,099)	(1,818,542)	(1,916,119)	(4,113,230)	(339,292)	13,656	1,150,303	4,528,789	5,353,456
Net transfer between funds	416,992	-	1,202,940	(1,619,932)	-	353,592	37,500	1,180,605	(1,571,697)	-
Net movement in funds	47,522	(9,099)	(615,602)	(3,536,051)	(4,113,230)	14,300	51,156	2,330,908	2,957,092	5,353,456
Reconciliation of funds:										
Total funds brought forward	751,497	162,294	11,412,432	43,728,503	56,054,726	737,197	111,138	9,081,524	40,771,411	50,701,270
Total Funds Carried Forward	799,019	153,195	10,796,830	40,192,452	51,941,496	751,497	162,294	11,412,432	43,728,503	56,054,726

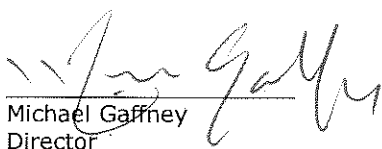
There are no other recognised gains or losses other than those listed expenditure and the net expenditure for the financial year. All income and expenditure derives from continuing activities.

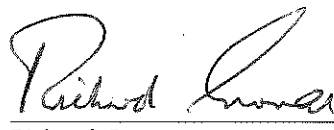
THE COMMUNITY FOUNDATION FOR IRELAND

**BALANCE SHEET
AS AT 31 DECEMBER 2018**

	Notes	2018 €	2017 €
FIXED ASSETS			
Tangible assets	12	30,000	17,484
Investments	14	42,812,503	46,779,899
Total fixed assets		<u>42,842,503</u>	<u>46,797,383</u>
CURRENT ASSETS			
Debtors and prepayments	15	105,592	53,837
Cash at bank		9,418,615	9,563,619
Total current assets		<u>9,524,207</u>	<u>9,617,456</u>
Liabilities			
CREDITORS:			
Amounts falling due within one year	16	(425,214)	(360,113)
NET CURRENT ASSETS		<u>9,098,993</u>	<u>9,257,343</u>
TOTAL NET ASSETS		<u>51,941,496</u>	<u>56,054,726</u>
The Funds of the Charity:			
Endowments funds	18a	40,192,452	43,728,503
Restricted funds	18b	8,276,749	8,361,036
Unrestricted funds	18c	799,019	751,497
Designated funds	18d	153,195	162,294
Term funds	18e	2,520,081	3,051,396
TOTAL FUNDS		<u>51,941,496</u>	<u>56,054,726</u>

The financial statements were approved by the Board of Directors on 11/6/2019 and signed on its behalf by:


Michael Gaffney
Director


Richard George
Director

THE COMMUNITY FOUNDATION FOR IRELAND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

1. ACCOUNTING POLICIES

General information and format of financial statements

CFI is a company incorporated in Ireland under the Companies Act 2014 as a company limited by guarantee and is a registered charity. The nature of the company's operations and its principal activities are set out in the Directors' report on pages 3 to 12. The financial statements have been prepared under the historical cost convention and in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council, as applied in accordance with the provisions of the Companies Act 2014, and with the Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with FRS102 ("the Charities SORP") ("relevant financial reporting framework").

The functional currency of the company is considered to be euro because that is the currency of the primary economic environment in which the company operates.

As permitted by section 291(3)(4) of the Companies Act 2014, the company has varied the standard formats specified in that Act for the Statement of Financial Activities and the Balance Sheets. Departures from the standard formats, as outlined in the Companies Act 2014, are to comply with the requirements of the Charities SORP and are in compliance with Sections 4.7, 10.6 and 15.2 of the Charities SORP.

The Company meets the definition of a Public Benefit Entity under FRS102. As a registered charity, the Company is exempt from the reporting and disclosure requirements to prepare a directors' report under section 325 (1) (c), Companies Act 2014 but does so in compliance with the Charities SORP. There is nothing to disclose in respect of directors' interests in shares or debentures of the Company under section 329, Companies Act 2014.

Basis of preparation

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared 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. 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.

In accordance with Section 1180(8) of the Companies Act, 2014, the company is exempt from including the word "Limited" in its name. The company is limited by guarantee and has no share capital.

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, Gloucester Place Lower, Mountjoy, Dublin D01 C576.

THE COMMUNITY FOUNDATION FOR IRELAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

1. ACCOUNTING POLICIES (CONTINUED)

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.

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, probability of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when:

- 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, probability 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; this value is specifically not required under Charities SORP. 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.

IT equipment	3 years
Fixtures and fittings	5 years

THE COMMUNITY FOUNDATION FOR IRELAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

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.

ii. Debtors

Debtors are recognised at the settlement amount due after any discount offered.

iii. Cash at bank and in hand

Cash at bank and in hand is comprised of cash on deposit at banks requiring less than 3 months' notice of withdrawal. These are carried at amortised cost.

iv. Creditors and provisions

Creditors and provisions are recognised where there is a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be reliably measured or estimated. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due and at their present value where the time value of money is deemed significant.

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. Following successful completion of the probationary period and a confirmation of appointment as staff member, the organisation will contribute 5% of that person's salary to the PRSA scheme, subject to the individual making a 5% contribution to the PRSA scheme. 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.

THE COMMUNITY FOUNDATION FOR IRELAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

1. ACCOUNTING POLICIES (CONTINUED)

Funds Accounting

Funds held by the charity are:

Endowment/Term 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 in accordance with the terms of the donor agreement.

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.

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.

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 financial year are calculated based on market value brought forward, plus any additions in the financial 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.

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. The directors estimate the operational costs to be €750,000 per annum. 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. CFI has unrestricted reserves at 31 December 2018 of €799,019 (2017: €751,497).

Designated Reserves are those which have been set aside for particular purposes by the directors in the furtherance of the Company's charitable objectives.

THE COMMUNITY FOUNDATION FOR IRELAND

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

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.

4. INCOME

Donations and legacies

	2018	2017
	€	€
Donor funds	6,725,433	7,939,774
Grants	-	15,000
	6,725,433	7,954,774

Charitable activities

	2018	2017
	€	€
Flowthrough fees	342,688	314,586
Release from reserves	7,500	25,169
	350,188	339,755

THE COMMUNITY FOUNDATION FOR IRELAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

4. INCOME (CONTINUED)

Investments

	2018 €	2017 €
Equities	634,947	664,902
Bonds	165,431	167,773
Cash	(5,621)	(5,922)
Property	66,440	56,918
Alternatives	52,235	57,340
Interest receivable	-	6,232
Tax refund	-	16,672
Other	41,153	13,567
	<u>954,585</u>	<u>977,482</u>

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

Raising funds

	2018 €	2017 €
Staff costs	163,185	140,220
Administration costs	67,297	82,047
Other (fees)	196,293	190,973
	<u>426,775</u>	<u>413,240</u>

Charitable activities

	2018 €	2017 €
Staff costs	310,578	266,870
Administration costs	101,087	109,421
Grants	7,465,064	6,468,557
Other	969,773	595,684
	<u>8,846,502</u>	<u>7,440,532</u>

THE COMMUNITY FOUNDATION FOR IRELAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

5. EXPENDITURE (CONTINUED)

Other

	2018	2017
	€	€
Staff costs	52,640	45,232
Administration costs	34,095	56,489
	<u>86,735</u>	<u>101,721</u>

Grants from Flowthrough Funds, Term & Endowment Income

Themes of support/interest

	2018	2017
	€	€
Addictions	75,662	107,270
Adults	338,768	565,455
Carers	2,500	10,000
Children & Young People	2,917,827	3,193,445
Community Support	-	13,000
Disadvantaged/Low Income	477,358	260,384
Early Years	391,000	26,492
Ex-Offenders	74,500	67,305
Lone parents	7,500	-
Families	459,000	49,447
Homelessness	171,705	351,877
Lesbian, Gay, Bisexual, Transgender & Sexual Minorities	7,250	56,530
Learning Difficulties	97,835	107,264
Men	12,300	18,620
Mental Health	174,440	94,175
Migrants	45,240	52,445
Not in Education, Employment or Training (NEET)	-	8,500
Older People	404,204	364,260
Other	639,362	336,102
Physical Disability	102,414	62,785
Refugees/Asylum Seekers	386,431	290,858
Rural Areas	169,745	71,108
Travellers/Roma	152,660	73,045
Unemployed	27,500	42,500
Urban Areas	36,986	6,886
Women	292,877	238,804
Total	<u>7,465,064</u>	<u>6,468,557</u>

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

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

6. ANALYSIS OF STAFF COSTS	2018	2017
	€	€
Staff costs		
Salaries and wages	465,637	399,697
Social Insurance costs	49,262	43,628
Employer's pension costs	11,504	8,997
Total	526,403	452,322

- (a) The average number of full-time equivalent employees (including casual and part-time staff) during the financial year was 10 (2017: 9), of which shared services 3.
- (b) No staff member is yet to receive retirement benefit.
- (c) Accrued holiday time at the 31st December 2018 was €1,619 (2017: €1,480).

7. KEY MANAGEMENT COMPENSATION/RENUMERATION

The CEO works in The Foundation for Investing in Communities, whose salary is allocated to CFI. The CEO's total salary and pension entitlement is €91,770.

The salaries of staff paid over €60,000, exclusive of employer's PRSI and including pension entitlement, in The Foundation for Investing in Communities, the holding company for CFI and Business in the Community Ireland (BITCI) are noted below.

Salary Band	2018	2017
	No	No
€60,000 – €70,000	3	1
€70,000 – €80,000	1	2
€90,000 – €100,000	2	-
€110,000 – €120,000	-	1

Some members of the Senior Management Team work in two of the group companies (CFI and BITCI). The total cumulative amount paid to key management including pension entitlements is €578,686. (2017: €456,008) of which €223,411 (2017: €170,571) is attributable to CFI and €355,275 (2017: €285,437) is attributable to BITCI.

The salaries of staff allocated to this company, CFI, excluding PRSI and including pension entitlement are noted below.

Salary Band	2018	2017
	No	No
€60,000 – €70,000	1	-
€90,000 – €100,000	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

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

8. DIRECTOR REMUNERATION & RELATED PARTY TRANSACTIONS

No Director received remuneration or expenses during the financial year (2017: €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 (2017: €nil).

During the year the company received donations from certain directors, in the ordinary course of business as part of the regular operations of CFI. There were no conditions attaching to and no benefit was received by any director from these donations. The company received donations during the financial year of €271,257. (2018: €50,000)

9. TRANSFERS BETWEEN FUNDS

The sum of €1,619,932 (2017: €1,571,697) representing available earned income and endowment drawdown was transferred from the Endowment Funds to Restricted Funds for grant-making purposes.

The sum of €416,992 (2017: €353,592) was transferred from Restricted Funds to Unrestricted Funds to meet agreed endowment management costs.

The sum of €nil (2017: €37,500) was transferred to Designated Funds from Unrestricted Funds for capital expenditure on the office move.

10. TAXATION

CFI is a registered charity and has been granted tax exemption status by Revenue.

11. NET (EXPENDITURE)/INCOME

	2018	2017
	€	€
The net (expenditure)/income for the financial year is stated after charging:		
Auditors' remuneration	11,738	6,000
Depreciation	17,286	14,588
Director's remuneration	-	-
	<hr/> <hr/>	<hr/> <hr/>

THE COMMUNITY FOUNDATION FOR IRELAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

12. TANGIBLE FIXED ASSETS

	IT Equipment	Furniture and Fittings	Total	Total
Cost:	2018	2018	2018	2017
At 1 January	92,513	-	92,513	82,723
Additions	-	29,802	29,802	9,790
Disposals	-	-	-	-
Balance at 31 December	92,513	29,802	122,315	92,513
Depreciation:				
At 1 January	(75,029)	-	(75,029)	(60,441)
Charge for financial year	(614)	(16,672)	(17,286)	(14,588)
Disposals	-	-	-	-
Balance at 31 December	(75,643)	(16,672)	(92,315)	(75,029)
Net book value: At 31 December	16,870	13,130	30,000	17,484

13. CAPITAL COMMITMENTS

At the Balance Sheet date, the Company had no capital expenditure commitment.

14. INVESTMENTS

	2018 €	2017 €
Market value:		
Endowment fund (a)/(c)/(e)	40,192,452	43,728,503
Term fund (b)/(d)/(f)	2,520,081	3,051,396
Term fund in transit*	99,970	-
Carrying value/market value of Investments at 31 December	42,812,503	46,779,899

*Term fund in transit relates to fund received at the end of year and yet to be invested.

THE COMMUNITY FOUNDATION FOR IRELAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

14. INVESTMENTS (CONTINUED)

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

	2018 €	2017 €
(a) Carrying value of investment as at 1 January	43,728,503	40,771,411
Net withdrawals to investments at cost:		
Income	954,585	971,250
Expenditure	(196,293)	(190,973)
Transfers	(1,619,932)	(1,571,697)
(Loss)/ Gain on revaluation of investments	(2,674,411)	3,748,512
Carrying value/market value of investments at 31 December	<u>40,192,452</u>	<u>43,728,503</u>
(b) Total endowment investments at end of financial year divided between distinct classes of investments as below:		
	2018 €	2017 €
Investment in quoted equities	27,903,641	30,182,246
Investment in bonds	7,532,505	7,301,407
Cash	613,833	770,396
Cheque in transit	65,499	66,394
Property	2,348,198	2,789,010
Alternatives	1,728,776	2,619,050
	<u>40,192,452</u>	<u>43,728,503</u>
(c) Total endowment investments at end of financial year are further analysed among markets as below:		
	2018 €	2017 €
Investment within Ireland	97,948	108,161
Investment in Eurozone	16,799,903	10,164,470
Investment outside Ireland and Eurozone	23,229,103	33,389,478
Cheque in transit	65,498	66,394
	<u>40,192,452</u>	<u>43,728,503</u>

* Note: Currency hedging is in place such that, in overall terms, the net exposure to Eurozone was 69.3% (beginning of 2018), 73% (end of 2018).

THE COMMUNITY FOUNDATION FOR IRELAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

14. INVESTMENTS (CONTINUED)

Term funds at 31 December were represented by investments as follows:

	2018 €	2017 €
(d) Carrying value of investments as at 1 January	3,051,396	2,959,122
Net withdrawals to investments at cost:		
Expenditure	(422,302)	(182,496)
(Loss)/gain on revaluation of investments	(109,013)	274,770
Carrying value of investments at 31 December	<u>2,520,081</u>	<u>3,051,396</u>

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

	2018 €	2017 €
Investment in quoted equities	1,454,547	1,775,474
Investment in bonds	501,705	790,147
Cash	329,491	110,386
Property	120,086	226,680
Alternatives	114,252	148,709
	<u>2,520,081</u>	<u>3,051,396</u>

(f) Total term investments at end of financial year are further analysed among markets as below:

	2018 €	2017 €
Investment within Ireland	398,290	187,133
Investment in Eurozone	511,073	750,390
Investment outside Ireland and Eurozone	1,610,718	2,113,873
	<u>2,520,081</u>	<u>3,051,396</u>

THE COMMUNITY FOUNDATION FOR IRELAND

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

15. DEBTORS & PREPAYMENTS: (Amounts falling due within one year)

	2018 €	2017 €
Amounts due by holding company - The Foundation for Investing in Communities (note 20)	104,338	52,583
Prepayments	1,254	1,254
	<u>105,592</u>	<u>53,837</u>

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

	2018 €	2017 €
Trade creditors	5,228	7,541
Accruals	385,219	346,843
Amounts due to fellow subsidiary - Business in the Community Ireland (note 20)	34,767	5,729
	<u>425,214</u>	<u>360,113</u>

17. FINANCIAL INSTRUMENTS

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

	2018 €	2017 €
Financial assets		
<i>Measured at undiscounted amount payable</i>		
Amounts due from group companies (note 15)	104,338	52,583
Financial liabilities		
<i>Measured at undiscounted amount payable</i>		
Trade creditors (note 16)	5,228	7,541
Amounts due to group companies (note 16)	34,767	5,729

18. ANALYSIS OF CHARITABLE FUNDS

(a) Analysis of endowment fund movements

	Opening Balance 1 January 2018 €	Income €	Expenditure €	Transfers €	Unrealised Gains €	Closing Balance 31 December 2018 €
Total	43,728,503	954,585	(196,293)	(1,619,932)	(2,674,411)	<u>40,192,452</u>

THE COMMUNITY FOUNDATION FOR IRELAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

18. ANALYSIS OF CHARITABLE FUNDS (CONTINUED)

(b) Analysis of restricted fund movements

	Opening Balance 1 January 2018 €	Income €	Expenditure €	Transfers €	Closing Balance 31 December 2018 €
Endowment Fund	677,105	-	(1,442,087)	1,488,236	723,254
Term Fund (Farmleigh)	378,056	408,055	(154,387)	(118,256)	513,468
Donor Advised Funds	7,305,875	6,317,378	(6,416,186)	(167,040)	7,040,027
Total	8,361,036	6,725,433	(8,012,660)	1,202,940	8,276,749

(c) Analysis of unrestricted fund movements

	Opening Balance 1 January 2018 €	Income €	Expenditure €	Transfers €	Closing Balance 31 December 2018 €
Total	751,497	350,188	(719,658)	416,992	799,019

(d) Analysis of designated fund movements

	Opening Balance 1 January 2018 €	Income €	Expenditure €	Transfers €	Closing Balance 31 December 2018 €
Promotion	6,001	-	(1,599)	-	4,402
Systems Replacement	60,385	-	-	-	60,385
Benchmarking	6,000	-	-	-	6,000
Deferred Income	52,408	-	-	-	52,408
Office Relocation	37,500	-	(7,500)	-	30,000
Total	162,294	-	(9,099)	-	153,195

(e) Analysis of term fund movements

	Opening Balance 1 January 2018 €	Income €	Expenditure €	Transfers €	Unrealised losses €	Closing Balance 31 December 2018 €
Total	3,051,396	-	(422,302)	-	(109,013)	2,520,081

THE COMMUNITY FOUNDATION FOR IRELAND

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

19. FINANCIAL COMMITMENTS

At 31 December the company had annual commitments under a non-cancellable operating lease expiring as follows:

Premises:

	2018	2017
	€	€
Less than one year	36,276	43,645
One to five years	108,828	183,120
Greater than five years	-	-
	<u>145,104</u>	<u>226,765</u>

20. ULTIMATE CONTROLLING PARTY

The charity's ultimate parent controlling party is The Foundation for Investing in Communities which is an Irish registered charity CHY 13966, incorporated in Ireland, Company Number: 296139, Charities Registration Number: 20044879, which also wholly controls, Business in the Community Ireland, a related subsidiary to CFI.

21. SUBSEQUENT EVENTS

There have been no events subsequent to the year-end that require any adjustment to, or additional disclosure in the 2018 financial statements.