

Benefacts |

Benefacts
Annual Report
2019

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Funding for Benefacts to build a data infrastructure for Irish nonprofits has been provided under a funding partnership between the Irish Government and philanthropy.



THE IRELAND FUNDS

Chairman's introduction

The Managing Director sets out the key achievements of Benefacts in 2019, demonstrating Benefacts strong commitment to supporting transparency and better understanding of key aspects of the nonprofit sector in Ireland. Such transparency is important for retaining, and further building, confidence in this important sector that achieves so much for so many people. It benefits policy making for, and oversight of, this important sector by government and its agencies as well as supporting business planning in the sector itself. Benefacts achieves impact without creating any demands on the sector through our use of data harvested from various public sources.

Our relationship with the Central Statistics Office continued to develop through 2019 as did the number and the range of organisations requesting specially commissioned reports.

But in Benefacts we do not rest on our laurels. This area of data openness in the nonprofit sector is still in its relative infancy in Ireland compared to leaders in the field internationally. The team in Benefacts is ambitious and their ambition is fully supported and encouraged by the Board. Likewise the Board welcomed the initiative of our principal funder, the Department of Public Expenditure and Reform, in commissioning an independent evaluation of the strategic value of our innovative work.

I want to record the appreciation of the Board for the continued support of the Department, and of the Ireland Funds. I also want to express our thanks to the dedicated and talented team that ensure that Benefacts achieves what it sets out to do – provide data for social good.



Tom Boland
Chairman

Managing Director's introduction

2019 was Benefacts' fifth year of operations and saw a number of further innovations in how we deploy nonprofit data as a public service. We moved our annual sector analysis report to a largely digital format, providing interactive infographics that permit users to understand the profile of each sub-sector relative to the key trends being reported: in funding, governance and employment. The users of our data on nonprofits reflect the broad reach of the sector's work: local authorities, government funders and regulators, private philanthropies, sector lead bodies and major charities, academics and private sector analysts.

Besides free services to the public, and bespoke one-off reports to specialised users, we invested much of our energy in a proof of concept project co-funded by six Public Sector Bodies: three government departments, two local authorities and a national agency. Working with an oversight group nominated by the partners, we built Benefacts Analytics which is a data-rich web application providing registered users with a single point of digital access to all of the regulatory filings of nonprofits in their scope. The benefits – for better data governance, risk mitigation and “tell us once” efficiencies – are now being appraised by the Public Sector Bodies in question.

Benefacts is an organisation which itself has benefitted heavily from philanthropic investment, and which sets out to provide a knowledge infrastructure that supports donors in making better-informed decisions. In 2019, we stepped up our effort to gather and share better information about the profile of philanthropy in Ireland.



Patricia Quinn
Managing Director

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General information

Directors	Tom Boland (Chairperson) Rory Coveney Bernie Cullinan Bob Ottenhoff (USA) Patricia Quinn (Managing Director) Philip Smith (UK) Emma Lane-Spollen
Secretary	Geraldine Sweeney
Company Number	553387
Registered Office	6 Merrion Square Dublin D02 FF95
Auditor	KPMG 1 Stokes Place St. Stephen's Green Dublin D02 DE03
Bank	Bank of Ireland St. Stephen's Green Dublin D02 HF62
Solicitors	O'Connors Solicitors 8 Clare Street Dublin D02 E021 Linda Scales and Associates Castleview House Sandymount Green Dublin D04 DF29

Directors' Report

The directors present their report for the year ended 31 December 2019.

Benefacts' purpose and key objectives

Benefacts was established to make the work of civil society organisations in Ireland more transparent and more accessible – to themselves, to their stakeholders and to the public at large. This means

- improving information about and understanding of the work of all Irish nonprofits
- promoting greater public confidence in the use of the public's money
- providing decision-makers with timely access to reliable data, collected and classified in a way that facilitates analysis
- devising and developing web-based services to help reduce bureaucratic overheads and support administrative reform, specifically in line with the Government's public service reform agenda
- providing the sector with data and informational tools that will support business planning at the level of organisations and sub-sectors

Principal activities

The principal activity of the company is the creation, maintenance and deployment of an extensive database derived from the public regulatory disclosures (including the financial statements where available) of all entities within scope, and the provision of data, information and web services derived from the database.

Review of 2019

"I need to prepare my Board for an Oireachtas Committee hearing – what can you tell me about the governance and financial profile of our organisational members?"

Database of Irish Nonprofits

Benefacts maintains its database mainly by harvesting data under Open Data licence terms from various public sources including especially the Companies Registration Office, Revenue, the Charities Regulator, the Department of Education and the Library of the Houses of the Oireachtas. Listings for about 20,000 nonprofits that have been publicly sourced in this way are freely republished on www.benefacts.ie.

But nationally registered nonprofits are only a fraction of the organisations that go to make up Ireland's Third Sector. Since they were established under Local Government legislation in 2014, Public Participation Networks (PPNs) are a growing source of data for about 13,000 small local nonprofits, most of whom are not otherwise publicly registered. There are no regulations yet making this data openly accessible, so Benefacts harvests it from the websites of the 31 PPNs for research purposes only. The exception is Fingal PPN, which has a data exchange agreement with Benefacts.

“Can you help us do some due diligence on nonprofits that we are interested in supporting?”

“We’re preparing a study on governance and disclosure patterns by Irish charities – can you help us with trend analysis?”

“We’re interested to feed your data into our online grant application process to promote ‘tell-us-once’ – what do we need to do to make this work?”

“How can Benefacts data be used to harmonise and simplify the reporting compliance requirements on 3,000 Irish nonprofits?”

Free public website including Third Sector Analysis

Benefacts website provides a unique body of regulatory, governance and financial data harvested from the filings of 20,000 Irish nonprofits. It attracted 300,000 unique page views in 2019.

80% of traffic on the site in 2019 came from organic search - up 10% on 2018, which means that www.benefacts.ie provides a valued service to members of the public, to the sector and to specialists interested in Ireland’s Third Sector. 15,000 documents were downloaded, an increase of 20% over 2018. Most visitors are interested in listings of individual nonprofits although a growing number visited the Third Sector Analysis pages, which were presented in 2019 in a more interactive format.

Open data and data services

As in previous years, Benefacts provided a full download from its database to the Central Statistics Office at the end of each quarter, and maintained a regular feed to the State’s Open Data repository data.gov.ie. Benefacts database helps the CSO to meet its statutory function in compiling national accounts to the required level of detail, notably for the annual economic growth (GDP/GNP) results and including sector-specific work for example the Institutional Sector Accounts (ISA) and the System of Health Accounts (SHA).

In a new initiative, Benefacts launched a project in cooperation with sector interests, to build and analyse a body of evidence on the profile of philanthropy in Ireland. The first paper of the project was given at the 9th biennial conference of the European Research Network on Philanthropy (ERNOP) at Basel, and subsequently [published](#).

Webservices

The biggest single project engaging the company in 2019 was one that began the previous year; a 15-month proof of concept data analytics project in cooperation with six Public Sector Bodies (PSBs).

The main goals of the project were to demonstrate the utility of using already-filed regulatory data derived from publicly-funded nonprofits to:

- make a reliable, consistent body of data digitally available to support a variety of management functions within PSBs including but not limited to financial control, audit and risk planning, grant compliance,
- create a base register of all government-funded nonprofits to facilitate data sharing within and across agencies, and;
- facilitate grant-makers and regulators in adopting a digital-first (“tell us once”) approach to compliance reporting requirements wherever possible, whether or not the funded entities in question are registered as charities.

Review of 2019

(continued)

Webservices continued

Each partner received:

- a Benchmark Report describing the profile of available data in their respective portfolio of nonprofits
- an online Funders Directory providing a base register with cleaned and normalised data for all of the entities in their scope, and
- a web application containing five years of financial and compliance data, structured under 150 columns

Up to 15 registered users participated from each partner PSB. Project governance was provided by an oversight group drawn from the participants, which met 7 times over the course of the project. Members were nominees of the Departments respectively of Employment Affairs and Social Protection, Health/HSE, Foreign Affairs and Trade, Tusla – the Child and Family Agency, Kildare and Fingal County Councils.

Benefacts Analytics – whether provided as a standalone web application or via application program interface (API) has demonstrated the utility of this kind of data to a number of the PSBs that trialled it in 2019, with benefits for funders and nonprofits alike.

Future Plans

Benefacts will look for wider cooperation and interest from PPNs in making the database more inclusive of local clubs and associations.

An update to the free public website is planned in 2020 to improve the quality of user experience, explore the potential for self-service data solutions and provide additional editorial content including a new section on Philanthropy in Ireland, which has been co-funded by Irish philanthropies. A report and research resources on philanthropy in Ireland will be prepared in stages leading up to the 10th ERNOP (European Research Network on Philanthropy) conference, which will be held in Dublin in 2021.

A number of PSBs involved in the 2018/19 trial project have expressed their interest in exploring further how Benefacts Analytics can facilitate administrative efficiencies and effectiveness measures in line with government's ICT strategy (see <https://ictstrategy.per.gov.ie/>). The provision of similar solutions to other potential users in central and local government and more widely in the philanthropy sector will be explored.

Governance and Organisation

Company Information

Benefacts is incorporated as a company limited by guarantee without share capital. It operates from its registered address in central Dublin. Its directors are appointed by the members of the company under the provisions of its constitution.

Directors' service on the board is voluntary (unpaid). The managing director is remunerated in her capacity as chief executive officer (Note 6); no other executive serves as a Director of the company. Senior managers regularly attend meetings of the Board and its sub-committees as required.

The Company Secretary is Geraldine Sweeney.

Directors of the company

The current directors are listed above in General Information (page 3) and below under the Meetings Schedule & Attendance (page 8). Non-executive Directors serve for a three-year term and for up to three successive terms.

Biographical information on all directors is published on the company's [website](#).

Competencies

Directors of Benefacts are recruited in line with a competency framework that takes account of the company's mission and values. Specifically, the company seeks to ensure that its Board has expertise in information technologies especially in the context of start-ups; in the work of nonprofits and philanthropies; in public communications; and in public governance with particular reference to the current policy and regulatory environment.

On appointment, each Director receives a copy of the governance handbook as well as a detailed briefing on the work of the company, and meets team leads to familiarise themselves with its technologies and processes.

Company Information

(continued)

Meetings

During 2019 the Board of Benefacts met 5 times; a table setting out the attendance of directors at meetings of the Board is given below. No members retired from the Board in 2019.

Non-Executive Director	Joined the Board	Meetings attended in 2019 (possible meetings)
Tom Boland	19th Dec 2016	5 (5)
Rory Coveney	4th May 2016	4 (5)
Bernie Cullinan	1st Dec 2015	3 (5)
Bob Ottenhoff (US)	2nd April 2015	3 (5)
Philip Smith (UK)	28th Nov 2014	4 (5)
Emma Lane-Spollen	27th Sept 2018	5 (5)
Executive Director		
Patricia Quinn	28th Nov 2014	5 (5)

Governance standards

So long as it was maintained up-to-date by a voluntary monitoring group, Benefacts complied on a voluntary basis with the provisions of the [Governance Code](#), which was a governance standard for nonprofit organisations promulgated by sector leaders.

During 2019, the company transitioned on a voluntary basis to a compliance regime in line with the provisions of the Governance Code for the Boards of State Bodies, in line with the provisions of its [funding oversight agreement](#) with its principal funder, the Department of Public Expenditure and Reform. This provides, among other things, for Directors to provide the company with an annually updated statement of interests, and a statement of compliance with the company's ethical and business codes of conduct. The Chairman reports annually to the Minister for Public Expenditure and Reform about the company's governance standards including its compliance with the Code where appropriate (Benefacts is not in fact a State Body).

Audit, Governance and Risk

The Audit, Governance and Risk Committee met 5 times during the year. The work of the Committee is chiefly concerned with financial strategy and oversight, review of management accounts, approval of financial and other business procedures, governance standards, and the review of business risk and mitigation. The Committee also monitors governance compliance reporting. The terms of reference of the Committee are published on the company's website.

The Committee includes one non-Director with senior audit experience in the nonprofit sector, John McNamara. The other members are Bernie Cullinan (Chair) and Philip Smith. All members of the Committee participated in all five of the meetings during the year.

In their respective capacities as Managing Director and Head of Finance and Operations, Patricia Quinn and Paula Nyland attended every meeting of the Committee.

Company Information

(continued)

People

During 2019, Benefacts had an average of 16 full-time equivalent staff:

- six with specialist data management, programming and IT skills, who are responsible for the design and quality of the database, the production and maintenance of the website and web-based services;
- seven full-time equivalents (15 people working part-time) with financial accounting expertise, who are responsible for harvesting information from financial statements and analysing the data;
- three with sectoral, general management, external engagement and project governance experience, who manage the project and deliver on its accountabilities to funders and other stakeholders.

Staff are encouraged to maintain their skills and professional networks, and are supported to do so. Staff performance is reviewed and managed through a formal process.

Funding

Core funding

2019 was the second year of Benefacts' second three year funding agreement with the Department of Public Expenditure and Reform, whose funding is €2.85m between 2018 to 2020, or €950,000 per annum. The Ireland Funds likewise have continued to provide core support under their Small Grants Round Flagship Awards, in the amount of €157,291 in 2019.

Project funding

Six government partners provided co-funding for a proof of concept project (Benefacts Analytics) as detailed in Note 3 to the financial statements. This involved a commitment in aggregate to provide €150,000 in grant aid in 2018 and a further €150,000 in the first half of 2019. Tusla have continued funding for phase two of the project with payment of €13,274 in 2019 and an expected amount of €85,395 in 2020.

A number of philanthropies agreed to co-fund the Benefacts Philanthropy in Ireland project (€20,000 in 2019), detailed further below in Note 3.

Other earned revenues

Service fees and cost recovery from a range of customers - in the public, private and nonprofit sectors - provided €32,320 in revenues.

Financial review

Income

During 2019, Benefacts received core grants from the Department of Public Expenditure and Reform (€950,000) and the Ireland Funds (€157,291). Project funding was provided by the Department of Employment and Social Protection (€25,000); the Department of Foreign Affairs and Trade (€25,000); the Department of Health (€25,000); Tusla (€38,274); Fingal County Council (€25,000); and Kildare County Council (€25,000). Other philanthropic support amounted to €20,000 and earned fees for services were €32,320.

Expenditure

The expenditure of €1.35m in 2019 detailed in Note 4 was mainly associated with the costs of keeping the database up to date during the year; maintaining and further developing the free public website; developing the data warehouse; and developing, testing and providing a range of data and web applications.

Financial review

(continued)

Risk profile, reserve policy

Aside from the business risks associated with data production and publication, the main financial risks to the company in 2019 were associated with identifying projects and funding to ensure continued development of data, analysis and analytic solutions derived from the database.

Operational risk was mitigated by quality assurance and verification processes; in relation to financial risk the company agreed detailed performance/reporting arrangements and payment schedules with all of its funders, and made provision for a prudent cash reserve equivalent to an average of ten weeks expenditure. This is less than the reserve provision (three months expenditure) in 2018 but given the profile of contractual arrangements is considered adequate.

Financial Plan

As a social enterprise providing public as well as market goods, Benefacts' funding model is to recover its costs through a hybrid of core grant, project grant, donations and earned revenues.

In 2018, to augment its core funding from government, the company entered into two-year funding agreements with six partners in central and local government to support their appraisal of the value of Benefacts data presented in structured form as a web application for their respective administrative purposes. The Benefacts Analytics proof of concept project finished in October 2019, and the company is now exploring with the six original partners and others how the learnings from the pilot project can create value for public sector bodies and the thousands of nonprofit organisations with which they have funding relationships.

In 2020, Benefacts is moving into the next phase of this far-reaching project, which makes regulatory data for each nonprofit receiving public funding digitally available to registered users in public sector bodies (PSBs). This cloud-based application respects data security and personal privacy while at the same time promoting the "tell us once" benefits sought by government and the sector alike.

The projected expenditure of €1.6m in 2020 reflects the cost of maintaining and continuously improving Benefacts core database and free public web services, as well as the technical development and further research costs associated with meeting the needs of PSBs. These are fully in line with the provisions of the national digital strategy in terms of data as an enabler, digital first, build to share and improving governance through ICTs (Information and Communications Technology). Pending a government decision about succession funding beyond the term of its current 3-year agreement at the end of the year Benefacts is continuing discussions with a range of PSBs and other funders and managing costs in a prudent way, with a plan to develop existing and new services in line with their needs.

Results for the year

The financial results of the company for the reporting period are set out in the Statement of Income and Expenditure and in the related notes.

Research and development

The company continued to develop database systems and data analytical tools during the year.

Events since the balance sheet date

No significant events have occurred since the year end.

Financial review

(continued)

Accounting records

The directors believe that they have complied with the requirements of sections 281 to 285 of the Companies Act 2014 with regard to maintaining adequate accounting records by employing accounting personnel with appropriate expertise and by providing adequate resources to the financial function.

The accounting records of the company are maintained at 6 Merrion Square, Dublin D02 FF95.

Disclosure of Relevant Audit Information

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

In accordance with Section 383(2) of the Companies Act 2014, KPMG, Chartered Accountants, will continue in office.

This report was approved by the board and signed on its behalf by:



Tom Boland (Chair)



Philip Smith (Director)

7 February 2020

Statement of directors' responsibilities in respect of the directors' report and the financial statements

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 and of its profit or loss for that year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the company and enable them to ensure that the financial statements comply with the Companies Act 2014.

They are responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities. The directors are also responsible for preparing a directors' report that complies with the requirements of the Companies Act 2014.

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

On behalf of the board



Tom Boland (Chair)



Philip Smith (Director)

Independent auditor's report to the members of Benefacts

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Benefacts ('the Company') for the year ended 31 December 2019 set out on pages 15 to 24, which comprise the Statement of Income & Expenditure; the Statement of Financial Position; the Cash Flow Statement and related notes, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

In our opinion, the accompanying financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2019 and of its result for the year then ended;
- have been properly prepared in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

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 further described 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 ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), 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.

We have nothing to report on going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Other information

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the directors' report. The financial statements and our auditors report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Based solely on our work on the other information, we report that:

- we have not identified material misstatements in the directors' report
- in our opinion, the information given in the directors' report is consistent with the financial statements;
- in our opinion, the directors' report has been prepared in accordance with the Companies Act 2014.

Independent auditor's report to the members of Benefacts (continued)

Opinions on other matters prescribed by the Companies Act 2014

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

Respective responsibilities and restrictions on use

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 12 the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they 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.

A fuller description of our responsibilities is provided on IAASA's website at https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf

The purpose of our audit work and to whom we owe our responsibilities

Our 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.



David Meagher
for and on behalf of KPMG
Chartered Accountants, Statutory Audit Firm

1 Stokes Place
St. Stephen's Green
Dublin 2

7 February 2020

Statement of Income and Expenditure

for year ended 31 December 2019

	<i>Note</i>	Year ended 31 Dec 2019	Year ended 31 Dec 2018
		€000	€000
Income	3	1,347	1,338
Cost of operations	4	<u>(942)</u>	<u>(948)</u>
Gross surplus		405	390
Administrative expenses	4	<u>(405)</u>	<u>(390)</u>
Surplus on ordinary activities before taxation	4	-	-
Tax on surplus on ordinary activities		-	-
Surplus for the financial year		<u>-</u>	<u>-</u>

Statement of Financial Position

as at 31 December 2019

	Note	31 Dec 2019 €000	31 Dec 2018 €000
Fixed assets			
Tangible assets	7	<u>20</u>	<u>8</u>
Current assets			
Debtors	8	48	47
Cash at bank and in hand	9	<u>381</u>	<u>415</u>
		429	462
Creditors: amounts falling due within one year	10	<u>449</u>	<u>470</u>
		(20)	(8)
Net current liabilities		<u> </u>	<u> </u>
Net assets		<u> </u> <u> </u>	<u> </u> <u> </u>
Reserves			
Income and expenditure account		<u> </u>	<u> </u>
		<u> </u> <u> </u>	<u> </u> <u> </u>

On behalf of the board



Tom Boland (Chair)



Philip Smith (Director)

7 February 2020

Cash Flow Statement

for year ended 31 December 2019

	<i>Note</i>	Year ended 31 Dec 2019	Year ended 31 Dec 2018
		€000	€000
Cash flows from operating activities			
Surplus for the year		-	-
<i>Adjustments for:</i>			
Depreciation		6	4
(Increase)/decrease in trade and other debtors		(1)	36
Decrease in trade and other creditors		(21)	(12)
Net cash from operating activities		(16)	28
Cash flows from investing activities			
Purchase of tangible assets	7	(18)	(7)
Net cash from investing activities		(18)	(7)
Net (decrease)/increase in cash and cash equivalents		(34)	21
Cash and cash equivalents at beginning of year		415	394
Cash and cash equivalents at end of year		381	415

Notes

(forming part of the financial statements)

1. Basis of preparation

Benefacts (the 'company') is a company limited by guarantee and incorporated and domiciled in Ireland. The registered number of the company is 553387 and the registered address of the company is 6 Merrion Square, Dublin, D02 FF95.

These financial statements were prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"). There have been no material departures from the Standard. The presentation currency of these financial statements is Euro. All amounts in the financial statements have been rounded to the nearest €1,000.

Going Concern

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company will have resources to enable it to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

2. Accounting policies

2.1 Income

Income is recognised in the Statement of Income and Expenditure when the effect of the transaction or other event results in an increase in the company's assets. Income from grant agreements is recognised when the activity has been undertaken. Income already received in relation to future years but not yet expended is shown in creditors as deferred income.

2.2 Operating leases

Rentals in respect of operating leases are charged to the Statement of Income and Expenditure as incurred.

2.3 Taxation

Taxation on income and expenditure is recognised in the statement of income and expenditure. Corporation taxation for the period is up to date. The company is in compliance with Circular 44/2006 "Tax Clearance Procedures: Grants, Subsidies and Similar Type Payments".

2.4 Basic financial instruments

Cash and cash equivalents comprise cash balances and call deposits.

2.5 Employee benefits

Retirement benefits for members of the company's defined contribution scheme are funded over employees' period of service by way of contributions which are charged to the Statement of Income and Expenditure as they become payable.

2.6 Government grants

Government grants are credited to the income and expenditure account in periods in which the related costs are incurred. Because the company is in receipt of government funding, these financial statements have been presented according to the standards set out in the Department of Public Expenditure and Reform Circular 13/2014 “ Management of and Accountability for Grants from Exchequer Funds”.

2.7 Tangible assets

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets over their expected useful lives using the straight-line method. The rate applicable for computer hardware is 3 years and the rate applicable for furniture is 10 years.

2.8 Impairment of assets

At each reporting period fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying value is reduced to its estimated recoverable amount, and an impairment loss is recognised in the statement of income and expenditure.

3. Income

Income was derived from government and philanthropic grants, and from fees for services.

All Government grants are restricted to the delivery of the project goals as specified within the contracts between the company and its respective funders.

Eight separate government grants were received in 2019. According to the terms of respective funding agreements:

- 1) the grant from the Department of Public Expenditure and Reform funded the maintenance and development of a database of Irish civil society organisations; the design, creation, production and maintenance web-based services including a free public website and uploads to www.data.gov.ie and data services for institutional users including the Central Statistics Office.
- 2) grants from six funders (Department of Health, Department of Foreign Affairs & Trade, Department of Employment Affairs & Social Protection, Tusla, Fingal County Council, Kildare County Council) funded the Benefacts Analytics pilot project. Tusla have funded a further development of the Benefacts Analytics pilot in 2019/20.

Income was received from the following:

Sources	Term of funding	Purpose	Full Commitment	2019	2019	2019	2019	2018
				€'000	€'000	€'000	€'000	€'000
Grants								
Department of Public Expenditure and Reform (DPER)	2018-2020	Nonprofits DB and Website	2,850	311	950	298	963	968
Department of Health	2018-2019	Analytics Pilot - Phase 1/Grant	50	-	25	-	25	25
Department of Employment and Social Protection	2018-2019	Analytics Pilot- Phase 1/Grant	50	-	25	-	25	25
Department of Foreign Affairs and Trade	2018-2019	Analytics Pilot- Phase 1/Grant	50	-	25	-	25	25
Tusla	2018-2019	Analytics Pilot- Phase 1/Grant	50	-	25	-	25	25
Tusla	2018-2019	Analytics Pilot - Phase 2/Grant	99	-	13	-	13	-
Kildare County Council	2018-2019	Analytics Pilot- Phase 1/Grant	50	-	25	-	25	25
Fingal County Council	2018-2019	Analytics Pilot- Phase 1/Grant	50	-	25	-	25	25
Department of Employment Affairs and Social Protection	2018	Analysis Project/Grant	-	-	-	-	-	25
Fees for Services								
The Housing Agency	2018-2019	Data Analysis Report/Fee	-	-	-	-	-	2
Department of Justice and Equality	2018	Data Analysis Report/Fee	-	-	-	-	-	20
Charities Regulator	2018	Web Services/Fee	-	-	-	-	-	17
Oireachtas Library and Research Service	2018	Data Analysis Report/Fee	-	-	-	-	-	2
Dun Laoghaire-Rathdown County Council	2019-2020	"Digital First Project"/Fee	14	-	7	-	7	-
Kildare County Council	2019	Training	-	-	1	-	1	-
Other Earned Income		Data Analysis Report/Fee	-	-	25	-	25	6
Philanthropic and Corporate Donations								
The Ireland Funds		Philanthropic Grant	-	60	157	49	168	140
The Community Foundation		Philanthropic Grant	-	-	10	-	10	-
St Stephen's Green Trust		Philanthropic Grant	-	-	5	-	5	-
Katharine Howard Foundationn		Philanthropic Grant	-	-	5	-	5	-
Arthur Cox		Corporate Donation	-	-	-	-	-	8
			3,263	371	1,323	347	1,347	1,338

4. Expenditure

Expenditure comprises:

	2019	2018
	€'000	€'000
Cost of Operations		
Database production	455	441
Website and Database development	268	300
Data analysis	219	207
	942	948
Administrative Expenses		
Core management & governance	208	176
Communications & engagement	94	89
Fixed overheads	97	119
Auditor's remuneration	6	6
	405	390
	1,347	1,338

5. Directors

No director received or is due fees for services as a director. In respect of the costs of participating in meetings of the Board, expenses of €2,152 were reimbursed to one director.

6. Employees

In respect of services as an executive, the total remuneration of the managing director for the year ended 31 December 2019 was €135,759 (2018: €135,759), including a retirement benefit contribution of €7,077 (2018: €7,077). Although the number of full-time equivalents did not change between 2018 and 2019, there was a change in the balance of higher-paid employees. This and a small increase in remuneration had the effect of increasing total payroll costs. Total staff costs during the year were as follows:

	2019	2018
	€000	€000
Wages and salary costs	849	773
Social security costs	91	82
Retirement benefit costs	38	34
	978	889

6. Employees *(continued)*

The number of staff whose total remuneration was in excess of €60,000 was as follows:

	2019	2018
	Number	Number
€60,000- €70,000	1	1
€70,001 - €80,000	3	2
€80,001 - €90,000	-	-
€90,001 - €100,000	-	-
€100,001 - €110,000	-	-
€110,001 - €120,000	-	-
€120,001 - €130,000	1	1
	<u>5</u>	<u>4</u>

Benefacts operates a defined contribution scheme for its employees, to which the company makes an employer contribution. The assets of the scheme are invested with an independent pensions provider which is also the scheme's registered administrator. Retirement benefit payments recognised as an expense during the year amount to €37,981 (2018: €34,489) and no amounts were due to the scheme at 31 December 2019.

Total compensation of two key management personnel (including retirement benefits) in 2019 amounted to €211,378 (2018: €210,253).

The number of full-time and part-time employees ranged between 22 and 25 during the year.

The average number of full-time equivalent employees during the year was as follows:

	2019	2018
	Number	Number
Full-time	7	7
Part-time	9	9
	<u>16</u>	<u>16</u>

7. Tangible assets

	Computer hardware	Furniture	Total
	€'000	€'000	€'000
Cost			
At 1 January 2019	24	1	25
Additions	18	-	18
At 31 December 2019	42	1	43
Depreciation			
At 1 January 2019	17	-	17
Charge for the year	6	-	6
At 31 December 2019	23	-	23
Net book amount			
At 31 December 2019	19	1	20
Net book amount			
At 1 January 2019	7	1	8

8. Debtors

	2019	2018
	€'000	€'000
Trade Debtors	1	-
Prepayments	45	45
Other Debtors	2	2
	48	47

9. Cash and cash equivalents

The cash balance held on the Statement of Financial Position at 31 December 2019 is the equivalent of 10 weeks average expenditure which is lower than the cash reserve policy of three months average expenditure. However given the profile of contractual commitments it is considered adequate from a going concern perspective.

10. Creditors: amounts falling due within one year

	2019	2018
	€'000	€'000
Trade Creditors	2	19
Other Creditors	31	24
Accruals	69	56
Deferred Income	347	371
	449	470

The deferred income represents grant income received which exceeded the costs incurred in the reported period. This deferred income will be fully released to the statement of income and expenditure in 2020.

11. Operating leases

Non-cancellable operating lease rentals are payable as follows:

	2019	2018
	€'000	€'000
Less than one year	-	37
	-	37

12. Contingent liabilities

Grant income could be repayable to the funders, were the company to fail persistently to comply with the terms of the funding agreements in any material respect.

13. Related parties/ transactions with key management personnel

FRS102 Section 33.2 (iii), requires the company to disclose transactions with "related parties", the definition of which includes key management personnel.

In 2019, the company's key management personnel comprised the six non-executive directors of the Board and two employees of the company namely the managing director and the head of finance and operations. As set out in Note 5, no fees were paid to directors for services as directors, and none of the employees received any compensation outside of the remuneration set out in Note 6.

There were no other related party transactions during the reporting period to 31 December 2019. In 2018 the company received a corporate donation of €7,500 from Arthur Cox. The company and Arthur Cox are related parties as Philip Smith is a board member of Benefacts and a partner in Arthur Cox.

14. Approval of financial statements

The directors approved the financial statements on 7 February 2020.

Data for social good

Benefacts Database of Irish Nonprofits has been created using public data harvested from many sources and is a unique and authoritative source of regulatory, financial and governance data on Ireland's Third Sector.

Extracts from the database including a profile of every listed nonprofit and an analysis of the sector are freely available on www.benefacts.ie

Working with partners in all sectors, Benefacts provides data, information and analysis to meet the needs of Irish nonprofits and their stakeholders.

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