

Benefacts |

Benefacts
Annual Report
2017

Benefacts,
6 Merrion Square,
Dublin D02 FF95,
Ireland.

Tel: +353 (0)1 536 7130

Email: info@benefacts.ie

www.benefacts.ie

 [@benefacts_ie](https://twitter.com/benefacts_ie)

 [benefacts](https://www.linkedin.com/company/benefacts)

Funding for Benefacts to build a data infrastructure for Irish nonprofits 2015-2017 has been provided under a unique three-year partnership between the Irish Government and philanthropy.



The
ATLANTIC
Philanthropies



THE IRELAND FUNDS

Chairman's introduction

The end of 2017 saw an important milestone for Benefacts, when we concluded a second multi-annual funding agreement with Government. This followed a searching evaluation report prepared by the Department of Public Expenditure and Reform, informed by wide consultation across user groups in central government and beyond. We greatly appreciate the trust placed in us by the Department and our other funders, notably The Atlantic Philanthropies and The Ireland Funds, and we are strongly committed to delivering on our objectives.

Much of the first phase of our work (2015-2017) was necessarily preliminary – building our technologies and processes, forming relationships, establishing a reputation for the reliability and integrity of our data. In the next three years we will be putting these assets to work for the good of civil society.

Although there are various precedents for our work in other jurisdictions, we occupy a unique space in the Irish context – as a nonprofit organisation dedicated to amplifying and clarifying the work of other nonprofits in contributing to the quality of our society.

While Irish society continues to have a high level of confidence in nonprofit organisations trust, nevertheless has become an issue for the public in terms of their expectations of Irish nonprofits - it cannot any longer be taken for granted. Benefacts sets out to provide information in a readily accessible form to help everyone be better informed and have a greater confidence that nonprofit organisations are operating to the highest standards of governance and are transparently accountable to their stakeholders and the wider public.



Tom Boland
Chairman

Managing Director's introduction

During 2017, Benefacts was able to see some of the fruits of its investment of time and effort in building an extensive database of Irish nonprofits.

Our first sector analysis report put some big numbers into the public domain: the size and reach of the sector, the number of employees involved and the profile of their earnings, the scale of public funding. Smaller pieces of analysis work for nonprofits and private organisations, including donors, confirmed our belief that there is a requirement for better data to support decision-making.

By far the greatest user of our data is still government – in many forms: government as policy-maker, as funder and as regulator of parts of the nonprofit sector. Data files, analysis supports and information reports and web services all marked the beginning of a productive relationship that will bring fresh resources to evidence-based planning and decision-making.

But the full promise of the knowledge infrastructure which Benefacts is putting in place will only be realised when the availability of data on demand begins to have an impact on the relationship between government and the nonprofit sector – reducing duplication of effort and hence transaction costs, facilitating information sharing and ultimately enhancing understanding.



Patricia Quinn
Managing Director

Contents

General information	3
Directors' report	4
Benefacts' purpose and key objectives	4
Principal Activities	4
Review of 2017	4
Strategic impact	5
Governance and organisation	9
Stakeholding interests	12
Funding and financial review	14
Directors' responsibilities statement	16
Independent auditor's report	17
Statement of income and expenditure	19
Statement of financial position	20
Cash flow statement	21
Notes to the financial statements	22

General information

Directors	<p>Tom Boland (Chairperson)</p> <p>Rory Coveney</p> <p>Bernie Cullinan</p> <p>Bob Ottenhoff</p> <p>Patricia Quinn (Managing Director)</p> <p>Philip Smith</p> <p>Anna Visser</p> <p>Brian Sheehan (resigned 24th April 2017)</p>
Secretary	Geraldine Sweeney
Company Number	553387
Registered Office	<p>6 Merrion Square</p> <p>Dublin D02 FF95</p>
Auditor	<p>KPMG</p> <p>1 Stokes Place</p> <p>Dublin D02 DE03</p>
Bank	<p>Bank of Ireland</p> <p>St. Stephen's Green</p> <p>Dublin D02 HF62</p>
Solicitors	<p>Beauchamps Solicitors</p> <p>Riverside Two</p> <p>Sir John Rogerson's Quay</p> <p>Dublin D02 KV60</p> <p>Linda Scales and Associates</p> <p>Castleview House</p> <p>Sandymount Green</p> <p>Dublin D04 DF29</p>

Directors' Report

The directors present their report for the year ended 31 December 2017.

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. Over the period 2015-2017, we set out to

- improve information about, and understanding of the work of, all Irish nonprofits for the benefit of the sector and its stakeholders
- promote greater public confidence in the use of the public's money
- provide decision-makers in the sector and among its stakeholders with timely access to reliable data, collected and classified in a way that facilitates analysis
- devise and develop web-based services that will help to reduce bureaucratic overheads and support administrative reform, specifically in line with the Government's public service reform agenda

Principal activities

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

Review of 2017

In 2017, we produced our first annual sector analysis report, which was warmly welcomed by sector leaders at a launch in Dublin at the end of April.

In May we finished prototyping a new web-based service providing governance, compliance and risk analysis support to institutional users in Government and elsewhere.

In October, the Charities Regulator took delivery of an enhanced online register of charities designed and built by our technical team based on the search and design functionality originally created for benefacts.ie.

We logged no fewer than 8 government or institutional users of our data services throughout the year including the Comptroller & Auditor General and the Government's Economic and Evaluation Service (IGEES), and we commenced a service relationship with the nonprofit sector, providing information or analysis reports for three major charities.

In December, we concluded a new three-year funding agreement with the Government and are grateful for the continued support of The Ireland Funds.

Strategic Impact

2017 was the second full year in which Benefacts carried on its core operational activities – acquiring raw datasets from many sources, cleaning, harmonizing and digitising the data, storing it and deploying the data to a free public website. It was the first year in which the company was able to develop further uses of its data and its technical capabilities – processes that involve wide-ranging consultation and engagement with nonprofit sector interests and others.

It will take time for the impacts of the activities described here to become evident. The choices made by the company about the use of its resources were guided by our mission to transform the transparency and accessibility of Irish nonprofits, informed by our values of neutrality and impartiality, and validated in a variety of consultation processes – with funders, Governmental, and civil society interests.

Improving understanding of the work of Irish nonprofits

A free public website

www.benefacts.ie has established itself as the freely accessible one-stop shop for anyone looking for directory, governance, financial or regulatory information about 20,000 Irish nonprofits. Traffic grew by 66% in 2017.

Access to regulatory documents

As a service to the Charities Regulator, a link provides visitors to its website with access to benefacts.ie where they can access the financial statements of 4,121 charities for the first time.

Data files

In an agreement with the Central Statistics Office, Benefacts provides quarterly data feeds to supply detailed governance and financial information that augment Ireland's statutory returns to Eurostat. A widget linking users of Revenue's internal website facilitates access to benefacts.ie and promotes their understanding of the sector.

“ I use the Benefacts website as my go-to site for knowledge on all Irish nonprofits. It is super easy to use, always up to date, comprehensive and organised in the way it presents relevant and key publicly available data on a broad range of voluntary and charitable bodies in Ireland. ”

Terence O'Rourke, Chairman, Enterprise Ireland.

Open dataset

Wider access to information on the sector is facilitated by the upload of daily-updated open data files to the Irish Government’s open data portal -Data.Gov.ie – bringing together data from many regulatory sources, classifying it and presenting it in a machine-readable format, and making it accessible to local and international users.

Plans for 2018

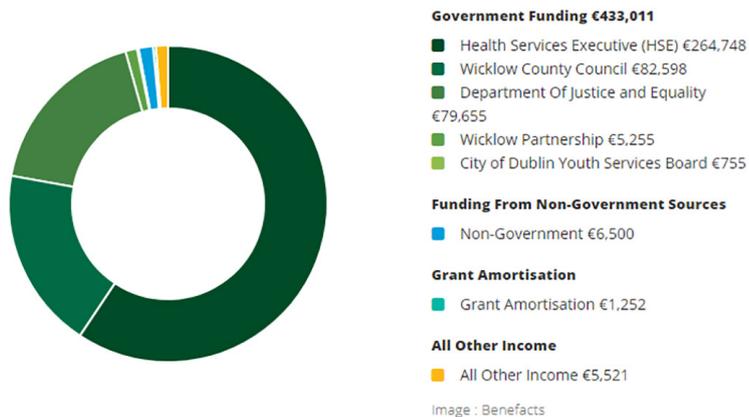
Based on user feedback, we plan to release a substantial update to benefacts.ie in mid-year, enhancing the advanced search functionality and augmenting the analysis data.

In cooperation with local authorities and others, we will extend the scope of the database to include thousands more nonprofits whose work has a local focus.

Promoting greater public confidence in the use of the public’s money

Profiles of nonprofits derived from their regulatory filings

Profiles of individual nonprofits are still the most heavily used feature of www.benefacts.ie.



Organisation listings views were almost 300,000 in 2017 with unique users up 66% on last year. Nonprofits’ reports or constitutional documents were downloaded 12,000 times.

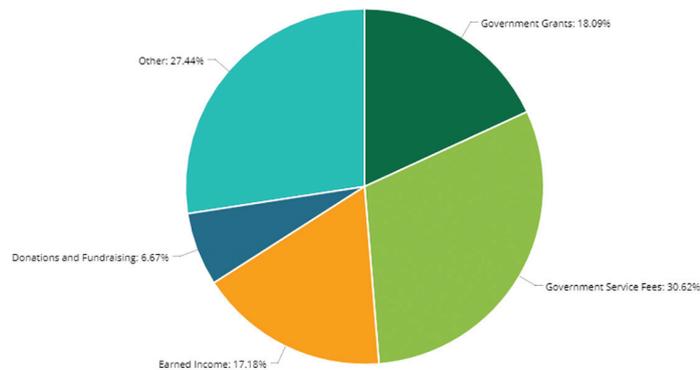
Blogs

We added regular blogs as a feature of the website, flagging issues and raising concerns about trends – for example in disclosure quality. We provided regular updates on the emerging trend of companies filing abridged financial statements. This trend is having a negative impact on information publicly available.

Sector-wide analysis

In our first annual sector report, we provided an analysis of Government spending – through grants or service fees – on 5,879 nonprofits, highlighting the intensity of funding in a few hundred quasi-public bodies, and the sub-sectoral profile of government support for the rest. The report also tracks funding from philanthropists and public fundraising – an important contribution to a field that has had limited public attention before now.

Where the €10.9b came from in 2015



Plans for 2018

A second release of benefacts.ie scheduled for mid-year will enhance the capacity of the website to answer people's questions about nonprofits' work and funding, augmented to provide more information about nonprofits' current activities.

Our second sector report will provide a more extensive analysis of trends, especially in philanthropic giving to nonprofits.

“ Just a note to say how impressed I am with your Benefacts project – what an extraordinary contribution to Irish society. Well done. ”

Niamh Brennan, Michael McCormac Professor
of Management at University College Dublin.

Provide decision-makers in the sector and among its stakeholders with timely access to reliable data, collected and classified in a way that facilitates analysis

Benefacts Analysis

Benefacts Analysis reports derived from the database, including benchmarking analysis were provided to a charity, donors, policy-makers and analysts in Government and elsewhere.

Benefacts Analytics

A prototype service, Benefacts Analytics, was actively tested during the year by end-users in the Charities Regulatory Authority, the Health Services Executive, Tusla, the Arts Council, the Department of Employment Affairs & Social Protection and other public bodies, each looking at their own segment of the sector with a customized portfolio of nonprofits. We learned a lot from working pro-actively with these agencies – especially the HSE where there were more than 70 test-users of the prototype.

The project working group drawn from government regulators, policy-makers and funders as well as philanthropies concluded that test users liked the prototype service, but that they also wanted the flexibility to extend portfolios, import bespoke datasets, and add further functionality according to their own requirements.

The working group - whose members were drawn from or nominated by our Project Advisory Group - also concluded that Benefacts Analytics was a scalable shared service solution with the potential to contribute to a reduction in the costs and the risk of error associated with current due diligence, financial appraisal and internal audit processes.

Plans for 2018

Besides growing the range of analysis reports and services, we plan to collaborate with sector leaders, with philanthropies and with a number of Government Departments, acting as sponsors for the further development and potential roll-out of Benefacts Analytics within particular groups of agencies.

Devise and develop web-based services that will help to reduce bureaucratic overheads and support administrative reform, specifically in line with the Government's public service reform agenda

Web services

Using the search and design solutions we had developed for our own website, we worked closely during the second half of the year with the Charities Regulatory Authority who were very pleased to take delivery of a significantly enhanced online public register of charities on time.

Unique identifier for nonprofits

We have contributed to various forums discussing the potential for providing a base register with a unique business identifier (UBI) for every nonprofit organisation (against which all of their other registered numbers are mapped) to facilitate information sharing and the "digital first" agenda. This has the potential to help relieve nonprofits of the burden of filing the same information with many different public authorities, and hence reduce the administrative cost of doing business with the government.

Plans for 2018

We will work with sectoral and stakeholding interests to explore the scope for our technologies to play a role ensuring that Irish nonprofits are on the map when decisions affecting them are being made.

Governance and Organisation

Company Information

Benefacts is incorporated as a company limited by guarantee without share capital. It operates out of 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) and no other executive serves as a Director. Senior managers are regularly in attendance at meetings of the Board and its sub-committees or working groups, as required.

The Company Secretary is Geraldine Sweeney.

Directors of the company

The current directors are listed in General Information (page 3) and below. Non-executive Directors serve for a three-year term and for up to three successive terms. No new directors were appointed during 2017. Two Directors (one ex-officio), having reached the end of their first three-year term, were appointed for a second term.

Tom Boland was appointed Chairman of the Board from 8th February 2017.

Brian Sheehan resigned on 24th April 2017.

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 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 2017 the Board of Benefacts met 9 times; a table setting out the attendance of directors at meetings of the Board is given below.

	Joined the Board	Retired from the Board	Meetings attended in 2017 (possible meetings)
Tom Boland	19th Dec 2016		9 (9)
Rory Coveney	4th May 2016		8 (9)
Bernie Cullinan	1st Dec 2015		5 (9)
Bob Otttenhoff (US)	2nd April 2015		7 (9)
Patricia Quinn	28th Nov 2014		9 (9)
Brian Sheehan	28th Nov 2014	24th April 2017	2 (2)
Philip Smith (UK)	28th Nov 2014		6 (9)
Anna Visser	5th October 2016		8 (9)

Governance standards

The company complies on a voluntary basis with the provisions of the Governance Code – a governance standard for nonprofit organisations, promulgated by sector leaders.

This provides, among other things, for Directors to review their own performance, 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.

Audit, Governance and Risk

The Audit, Governance and Risk committee met 4 times, and all of its members - Bernie Cullinan (Chair), Philip Smith and Patricia Quinn - participated in all of the meetings. A non-director with senior audit experience in the nonprofit sector (John McNamara) joined the Committee in October 2017. In her capacity as Head of Finance, Paula Nyland attended every meeting of the committee.

The work of the committee was chiefly concerned with financial strategy, review of management accounts, approval of financial and other business procedures, governance standards, and the review of business risk including reports from the management team on risk management and mitigation.

Company Information

(continued)

During 2017, Benefacts had an average of 15 full-time equivalent staff:

- three 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 the fulfilment of other web-based services;
- eight full-time equivalents with financial accounting expertise, who are responsible for analysing financial statements and harvesting the data contained in them;
- one with digital communications and data analysis skills, with responsibility for web content and communications including social media;
- three with sector knowledge, general management 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.

“ Benefacts analytics has proven to be a complementary tool in the Regulatory oversight process. A welcome development for the Charitable Sector. ”

Susanna Lyons, Head of Regulation,
Housing Agency

Stakeholding Interests

From the outset Benefacts has placed a high value on engagement with stakeholding interests - nonprofit sector leaders, funders, nonprofits listed on its website, regulatory sources of data, data users, sectoral interests, civil society/the general public.

Funders

We engage with funders and other institutional stakeholders in Government by means of a Project Advisory Group (PAG), whose terms of reference were agreed with the funders. The Benefacts PAG was chaired during 2017 by a senior official of the Department of Foreign Affairs and Trade, and it includes a representative from each of the funding stakeholders. Its other members include a representative from each of the Central Statistics Office; the Charities Regulatory Authority; the Health Services Executive; the Housing Agency and Government Departments respectively of Foreign Affairs, Public Expenditure and Reform, Environment, Community & Local Government, and Health.

During 2017 the PAG met 4 times, and its work included noting the approach to preparing a sector analysis report, reviewing reports from the working group on Benefacts Analytics and contributing to a comprehensive evaluation of the company and its work undertaken by the Department of Public Expenditure and Reform.

Listed nonprofits

Benefacts re-uses public information derived from various public sources (listed on benefacts.ie), under the provisions of Open Data regulations. It is not necessary nor would it be practical for us to establish contact with all of the ~20,000 nonprofit entities in the scope of our database. That said, we take our responsibilities as curators of other organisations' data very seriously and we respond quickly and actively to every query or expression of concern about data published on benefacts.ie.

During 2017 we received 109 direct queries or requests for review from listed nonprofits – we also get useful feedback on social media. Most queries were resolved within a week.

Regulators and registrars

Benefacts model involves acquiring data from various different sources listed on our website. Sometimes there are inconsistencies in data about the same organisations, derived from different sources. We flag these, resolve them where possible, and keep the public regulators and registrars advised of what we are doing. We also co-operate with the bodies who manage two voluntary codes – the Governance Code, and the Best Practice Fundraising Standards – and republish lists of self-reported compliant entities with their approval.

Stakeholding interests

(continued)

Data users including Sectoral interests

During 2017, we took the opportunity to make presentations to or engage with a variety of data users including the managers and trustees of charities, internal auditors, regulators, public policy-makers, professional consultants and academics. Their input and insights inform the design of our services.

Civil society/general public

A Stakeholders Forum convened through public advertisement and invitation met 3 times during the year, to provide feedback on Benefacts plans and activities including its first sector analysis report. The Forum was jointly chaired by Niamh Gallagher and John Hannigan and its members were:

Ian Brady (Davy), Jacki Conway (Barnardos), Ivan Cooper (The Wheel), Lucy Franks (Misean Cara), Niamh Gallagher (Women for Election), John Hannigan (Circle Voluntary Housing), Gillian Leo (Samaritans), Grainia Long (ISPCC), Ed Mulhall (Independent Media Specialist), and Diarmaid O'Corrbui (Carmichael Centre).

“ At a time when data, information and time are at a premium it is good to have somewhere you can go, that you can trust, and know that you are getting useful, reliable data and information. ”

John Hannigan, CEO Circle Voluntary Housing Association

Funding and Financial Review

Funding

2017 was the third year of a set of three-year funding agreements between Benefacts, government and philanthropies. The quantum of government funding was matched by the philanthropic contributions; the amounts received over the life of the agreements are set out in Note 3 of the financial statements.

In December 2017, following an extensive evaluation process, the Department of Public Expenditure and Reform agreed to provide further grants of €0.95m per annum to Benefacts in 2018, '19 and '20 – the same level as that provided in 2017. This amounts to some almost 60% of the company's funding requirement, and the balance will be found from further philanthropic giving, pilot projects and other fees.

Financial review

During 2017, Benefacts received grants from the Department of Public Expenditure and Reform (€0.95m), The Ireland Funds (€0.11m) and other philanthropic sources (€0.02m).

The expenditure of €1.26m in 2017 detailed in Note 4 was mainly associated with the costs of keeping the database up to date during the year; maintaining and developing the free public website; and of developing, testing and providing a range of data services as described in the directors' report.

Risk profile, reserve policy

Aside from the business risks associated with data production and publication, the main financial risks to the business in 2017 were associated with unforeseen delays or obstacles in reaching funding agreements, or in receiving payment.

Quality assurance and verification processes mitigated operational risk, and in relation to financial risk the Company agreed performance/reporting arrangements and payment schedules with all of its funders, and made provision for a prudent cash reserve at the level of an average of three months expenditure.

Future planning

In June, Benefacts submitted a second three-year strategy and business plan 2018-2020 to the Department of Public Expenditure and Reform and to other prospective funders.

This involves extension of the scope of the database, further development of the website, cooperation with end-users in developing applications for the data including analysis, and web-based services targeted on users in the public, nonprofit, philanthropic, media, research and other communities.

Financial review

(continued)

Results for the year

The financial results of the Company for the reporting period are set out in the income and expenditure account and in the related notes.

Research and development

The company conducted development of systems and data analytical tools.

Events since the balance sheet date

No significant events have occurred since the year end.

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 2.

Disclosure of information to the auditor

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)



Anna Visser (Director)

21 February 2018

Directors' responsibilities statement

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

Irish Company law requires the directors to prepare the financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with FRS102 under Irish Generally Accepted Accounting Practice (Irish Accounting Standards and applicable law). 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 state of affairs of the company for that year.

In preparing those 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 Irish Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2014. 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. 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 about Benefacts 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.



Tom Boland (Chair)



Anna Visser (Director)

Independent auditor's report to the members of Benefacts

Report on the audit of the financial statements

We have audited the financial statements of Benefacts ('the Company') for the year ended 31 December 2017 set out on pages 19 to 27, which comprise the Statement of Income & Expenditure; the Statement of Financial Position; the Cash Flow; and the 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 2017 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 financial statements. The other information comprises the information included in the directors' report other than the financial statements and our auditor's report thereon. 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 that work, we report that

- we have not identified material misstatements in the directors' report or other accompanying information;
- 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 16, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for 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.

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 management either intends to liquidate the Company or to cease operations, or has 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

21 February 2018

Statement of Income and Expenditure

for year ended 31 December 2017

	<i>Note</i>	Year ended 31 Dec 2017	Year ended 31 Dec 2016
		€000	€000
Income	3	1,265	1,292
Cost of operations		<u>(994)</u>	<u>(986)</u>
Gross surplus		271	306
Administrative expenses		<u>(270)</u>	<u>(306)</u>
Surplus on ordinary activities before taxation	4	1	-
Tax on surplus on ordinary activities		<u>(1)</u>	-
Surplus for the financial year		<u><u>-</u></u>	<u><u>-</u></u>

Statement of Financial Position

as at 31 December 2017

	<i>Note</i>	31 Dec 2017 €000	31 Dec 2016 €000
Fixed assets			
Tangible assets	7	<u>5</u>	<u>9</u>
Current assets			
Debtors	8	83	65
Cash at bank and in hand	9	394	610
		477	675
Creditors: amounts falling due within one year	10	482	684
Net current liabilities		<u>(5)</u>	<u>(9)</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)



Anna Visser (Director)

21 February 2018

Cash Flow Statement

for year ended 31 December 2017

	<i>Note</i>	Year ended 31 Dec 2017	Year ended 31 Dec 2016
		€000	€000
Cash flows from operating activities			
Surplus for the year		-	-
<i>Adjustments for:</i>			
Depreciation		6	4
(Increase) in trade and other debtors		(18)	(29)
(Decrease)/increase in trade and other creditors		(202)	166
Net cash from operating activities		(214)	141
Cash flows from investing activities			
Purchases of equipment	7	(2)	(3)
Net cash from investing activities		(2)	(3)
Net (decrease)/increase in cash and cash equivalents		(216)	138
Cash and cash equivalents at beginning of year		610	472
Cash and cash equivalents at end of year		394	610

Notes

(forming part of the financial statements)

1. Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 102 which is the Financial Reporting Standard applicable in the UK and Republic of Ireland (“FRS 102”) as issued in September 2015, however amendments arising from the implementations of the EU Accounting Directive have been disapplied. 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 the company 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 upto 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

Cash and cash equivalents comprise cash balances and call deposits.

2.5 Employee benefits

Retirement benefit

Pension 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.

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

All grants are restricted to the delivery of the project goals as specified within the contracts between the company and its respective funders. The purpose of all the grants was the creation of a database of Irish civil society organisations, and the design, creation, production and maintenance of a series of web-based services including a free public website and services for institutional users. Income was received from the following funders:

	2015 -2017 €'000	2017 €'000	2017 €'000	2017 €'000	2017 €'000	2016 €'000
	Full Commitment	Opening Balance Deferred Grant	Funding Received	Closing Balance Deferred Grant	Total Income	Total Income
Department of Public Expenditure and Reform (D/PER)	1,950	-	950	329	621	650
The Atlantic Philanthropies	1,400	571	-	-	571	442
The Ireland Funds	410	-	113	60	53	200
Other Income	-	-	20	-	20	-
	3,760	571	1,083	389	1,265	1,292

4. Surplus on ordinary activities before taxation

The surplus on ordinary activities is stated after:

	2017	2016
	€'000	€'000
Cost of Operations		
Once-off setup costs	-	94
Database	479	465
Web services delivery	233	212
Data services	282	215
	994	986
Administrative Expenses		
Core management & governance	76	101
Marketing/communications	108	130
Fixed overheads	80	70
Auditor's remuneration	6	5
	270	306
	1,264	1,292

5. Directors

No director received or is due fees for services as a director. Expenses were reimbursed to two directors (€1,151) in respect of business related expenses.

6. Employees

In respect of services as an executive, the managing director received total remuneration of €116,030 for the year ended 31 December 2017 (2016: €107,710), including a pension contribution of €6,049 (2016: €5,615).

Total staff costs during the year were as follows:

	2017	2016
	€000	€000
Wages and salary costs	795	795
Social security costs	83	84
Retirement benefit costs	24	27
	902	906

6. Employees (continued)

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

	2017	2016
	Number	Number
€60,000- €70,000	2	2
€70,001 - €80,000	-	1
€80,001 - €90,000	-	-
€90,001 - €100,000	-	1
€100,001 - €110,000	1	1
	<u>3</u>	<u>5</u>

Benefacts operates a defined contribution scheme for its employees, to which the company contributes an employer contribution. The assets of the scheme are invested with an independent pensions provider which is also the scheme's Registered Administrator. Pension payments recognised as an expense during the year amount to €24,107 (2016: €21,174) and no amounts were due to the scheme at 31 December 2017.

Total compensation of four key management personnel (including pension benefits) in 2017 amounted to €291,919 (2016: €357,454).

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

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

	2017	2016
	Number	Number
Full-time	7	9
Part-time	8	6
	<u>15</u>	<u>15</u>

7. Tangible assets

	Computer hardware €'000
Cost	
At 1 January 2017	16
Additions	2
At 31 December 2017	18
Depreciation	
At 1 January 2017	7
Charge for the period	6
At 31 December 2017	13
Net book amount At 31 December 2017	5
Net book amount At 1 January 2017	9

8. Debtors

	2017 €'000	2016 €'000
Prepayments	83	11
Other Debtors	-	54
	83	65

9. Cash and cash equivalents

The cash balance held on the Statement of Financial Position at 31 December 2017 largely reflects the cash reserve policy of three months average expenditure as considered prudent from a going concern perspective.

10. Creditors: amounts falling due within one year

	2017 €'000	2016 €'000
Trade Creditors	10	19
Other Creditors	23	53
Accruals	60	40
Deferred Income	389	571
	482	684

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 2018.

11. Operating leases

Non-cancellable operating lease rentals are payable as follows:

	2017	2016
	€'000	€'000
Less than one year	38	25
Between one year and five years	73	-
	<u>111</u>	<u>25</u>

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 2017, the company’s key management personnel comprised the non-executive directors of the Board and four employees of the company namely the managing director and the heads respectively of operations, finance and IT. 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.

Other related party transactions

There were no other related party transactions during the reporting period to 31 December 2017 (2016: nil).

14. Approval of financial statements

The directors approved the financial statements on 21 February 2018.

Data for social good

Benefacts has created the Database of Irish Nonprofits - a unique and authoritative source of regulatory, financial and governance data on nonprofits in Ireland.

Benefacts harvests data from many public sources, curates it and makes it freely and widely available on www.benefacts.ie and <https://data.gov.ie>.

Working with partners in the nonprofit and public sectors, Benefacts has developed a number of online and bespoke data solutions for the benefit of the sector and its stakeholders.

Contact us at:

info@benefacts.ie

6 Merrion Square, Dublin D02FF95, Ireland

www.benefacts.ie