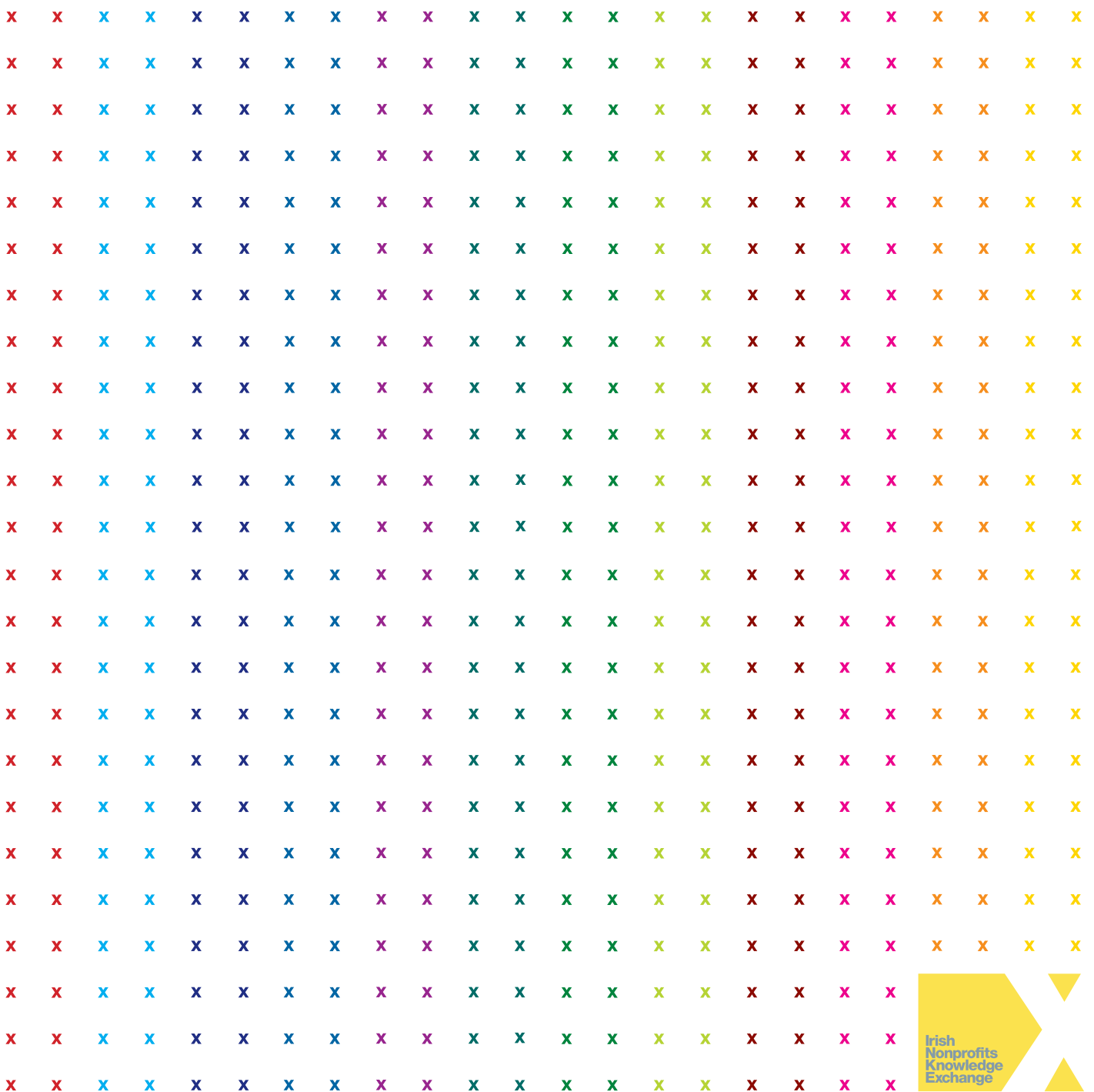


Irish Nonprofits: What do we know?

A report by Irish Nonprofits Knowledge Exchange, **January 2012**





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Preface

Nonprofit organisations are to be found in every parish and townland in the country. Their work touches all of us directly and indirectly, and they play an incalculable role in the quality of our lives and our civil society.

Since 2007, when our company started life as a feasibility research project, we have built an informational infrastructure as a service to the public, to the sector, and to government. We believe that everybody will benefit when the work of nonprofits is more visible, more transparent and more accountable.

This report illustrates how much information is already available in the public domain – our work has involved gathering, harmonising and storing it together for the first time, in a digital form that allows anybody to study the data, for any reason. This first report only scratches the surface: as more data are captured year on year, the database will become even more valuable as a source of trend, as well as comparative data.

For these reasons, perhaps the most important feature of this report is that it illustrates what we now know, and can know, about Irish nonprofits.

We hope it will show policy-makers, decision-makers and analysts how their work could be better informed by timely, reliable intelligence. We agree with sector leaders who believe that public trust, nonprofits' greatest asset, can only be enhanced with better and more accessible disclosure.

We have benefitted from support from many sources to bring the project to this point – from the sector itself, from Government departments and agencies, the European Commission, international and Irish philanthropies, the corporate sector. We hope this report validates their confidence in the project.

The Minister for Justice and Equality, who has responsibility for regulating the charity sector, said recently¹ that it might be more appropriate to think

of it as an industry. Indeed in scale it is comparable to or greater than agriculture or tourism as a source of employment, not to speak of its value in delivering services and promoting social cohesion, volunteering, social enterprise, philanthropy.

Until now, this “industry” has been hidden in plain view. This report, which we would like to be the first of many, sets out to change that.

Ian Duffy,
Chairman

Introduction

This is the first-ever report to provide access to rich data from a full, extensive population of Irish nonprofits. Before now, every study and report has been based on survey data, which – by their nature – are partial and episodic.

The 12,000 organisations in the Irish Nonprofits Database may be regulated as companies (if they are incorporated) or as tax-exempt bodies. But they are not regulated as charities despite their annual revenues of more than €6bn – a substantial portion of which comes from public sources.

This is because the Charities Act, 2009 has not yet been commenced. This means, among other things, that there has been no publicly-available source of consistent, comparably-presented, regulatory disclosure by these organisations, and that there has been no body of reliable data on tap, to support decision-making – in government, among donors, by the sector itself.

Until now.

The Irish Nonprofits Database is built on a systematic, bespoke technology which re-uses existing public domain regulatory disclosures by Irish nonprofits, storing them in a harmonised way and classifying them using internationally-recognised norms.

This system for classifying public benefit nonprofits is broader than, but fully inclusive of that provided for in the Charities Act, 2009. This means that while we wait for the commencement of the provisions of the Act establishing a public register of charities, the Irish Nonprofits Database is the only digital source of these data, and www.irishnonprofits.ie is the only public venue for voluntary disclosure by all of the nonprofits in scope.

Why is this important?

1. Nonprofits are a very significant part of the Irish economy, employing more than 100,000 people with paycosts in the order of €3.5bn, total income of more than €6bn, and holding assets valued at more than €3.5bn.
2. Nonprofits are the means of delivering a wide variety of public services – in health, social services, education, emergency relief and elsewhere – and they create an untold quantum of public good – in culture, recreation, social justice, civil and human rights.
3. Nonprofits are perhaps the principal source of social capital in our society, with more than 560,000 people engaged as volunteers², and more than 50,000 people engaged in their governance³.

² Using the CSO's estimate of 16% of the adult population
³ Documented in the Irish Nonprofits Database

Executive Summary

This report is divided into four parts.

In Part 1, we discuss **the way the sector is funded** – the chief sources of earned and unearned revenues, the profile (institutional, sectoral) of nonprofits attracting different kinds of funding. One important conclusion of the review of all of these data is that the sector can be broadly segmented into three cohorts:

- Local agencies, hundreds of which were established – many in the last ten years – to deliver specific services (citizens information, family supports, grant distribution etc.) on behalf of and virtually fully-funded by government;
- Service-providers (in housing, homelessness, healthcare, disability support, overseas aid, etc.) under the terms of service level agreements with government departments or agencies;
- Voluntary organisations of many types and sizes, with all kinds of purposes (documented in this report) whose funding typically is diverse, and often includes government grant-in-aid as well as earned revenues.

We can tell, with some accuracy, which organisations belong to the first cohort, not least because they are the subject of a committee on local government/local alignment convened by the Minister for Environment, Community and Local Government whose first report appeared at the end of 2011.

We know less about the contractualisation of service provision because it is a gradual process, not yet sufficiently well-documented in audited financial statements. This will change with the enforcement of a recent circular direction from the Department of Public Service and Reform⁴.

In the future, trends in the funding of organisations in all three cohorts, from all sources (public and private) will tell us a great deal about the values – espoused and real – of our society, inasmuch as this is manifest in where we commit our resources: something for which there is very little reliable evidence, from any source, at present.

There are other issues for all of civil society implicit in these trends, and especially for the governance of these organisations. We touch on some of the characteristics of the governance and operation of nonprofit companies – two-thirds of those in the database – for which we have current regulatory data⁵.

In Part 2, we offer, for the first time⁶, **a sub-sectoral analysis of all 12,000 nonprofits in the database**, which classifies each into one or other of the 12 sub-sectoral groups devised by the Johns Hopkins University comparative nonprofit sector project, a classification system now adopted by the UN.

In Part 3, to illustrate the power of the database to illuminate individual topics or areas, we provide **two case studies**, one on nonprofits in County Kildare, and the other on philanthropic giving. A similar analysis could be applied to any of hundreds of other topics or geographic areas, such is the granular quality of data stored in the database.

In Part 4, we explain **how we built the database and website**. We discuss the characteristics of the data sources, and trends that will influence these, making them progressively more transparent and valuable as a source of relevant information in the future. We also provide some background on the regulation of the sector as well as a glossary of terms used throughout the report.

⁴ D/PER Circular 17/2010 see www.per.gov.ie/wp-content/uploads/circ172010.pdf

⁵ The rest are unincorporated entities with charitable tax exemption, about which – with some prominent exceptions – there are virtually no regulatory data in the public domain.

⁶ In a report based on survey data published in 2006, the Centre for Nonprofit Management in TCD estimated the size of the sector at around 24,000. In this number they also counted schools, trades unions, friendly societies, religious bodies and other unincorporated associations not yet included in the Irish Nonprofits Database.

How Irish nonprofits are funded

Irish nonprofits depend on a mixture of revenue sources, the chief of which are grants and donations of various kinds from public and private entities, earnings from activities (including service fees from government), fundraising, and earnings from investments.

The audited financial statements of nonprofit companies provide a vast amount of data on the range of income – its scale and sources – that the sector receives each year, and here we report on key trends:

1. “grants” are by far the largest source of funds
2. there is considerable variety within the sector as between
 - a. nonprofits established to deliver government services and projects
 - b. nonprofits that rely for a large part of their revenues on service fees from government, and
 - c. nonprofits that receive grants from a variety of sources
3. the principle fundraising nonprofits are, in the main, availing of charitable tax exemption on charitable gifts.

In terms of the profile of their funding, their governance and their activities, it is possible to segment the entire nonprofit sector into three broad categories. These categories cut across the entire sector, and they are:

a. “Quasi-governmental” nonprofits

Organisations which have been established specifically to deliver government programmes (including administer grants) or provide services on behalf of the government, and which are almost exclusively funded by government.

These organisations include LEADER/Partnership companies, Community Employment (C.E.) Schemes, Family Support Agencies, Sports Partnerships, City and County Enterprise boards, Money Advice and Budgeting Centres, Citizens’ Advice Centres, County Childcare Committees, Drugs Task Forces and others.

Virtually all are incorporated, and in many cases their governance is subject to oversight (including the appointment of some or all of the members of the board) by a government department or agency. All are included in the Irish Nonprofits Database.

The revenue profile of these entities is illustrated in the table below using the example of City and County Enterprise Boards.

Example: City and County Enterprise Boards

The 34 City and County Enterprise Boards are principally funded by Enterprise Ireland. The members of their boards serve on a voluntary basis, but their accounts are audited by the Comptroller and Auditor General (C&AG), and they are almost entirely reliant on grant income for their purposes, which are to support business enterprise and employment creation in their local areas.

The figures below describe the income profile of City and Council Enterprise Boards and are derived from the audited financial statements for the year ended 31/12/2009.

Income profile of 34 City and County Enterprise Boards

Enterprise Ireland	€31,169,348
Department of Enterprise, Trade and Employment	€904,224
Unspecified grants	€1,357,422
Government grants	€159,148
Other income ⁷	€2,758,043
International Fund for Ireland	€69,133
Micro-trade	€56,138
LEADER	€2,339
Peace II	€12,697
Peace III	€25,921
Limerick Regeneration Agency	€20,000
	€36,534,413

b. “Service-providing” nonprofits

Organisations that have been established by civil society interests, but which source a large part of their revenues from government (or occasionally from philanthropy), increasingly in the form of contractual agreements. They may have other activities (like advocacy), and they may receive funding under a variety of funding arrangements from different government departments and agencies.

Example: Housing associations

These entities are especially populous in the health, education, social and community services sectors. Most are entirely autonomous in their governance, and many receive funding from a variety of sources, governmental and non-governmental. The revenue profile of these organisations is illustrated below with respect to the 236 housing associations in the database which are incorporated as guarantee companies.

Income profile of 236 housing associations

Legacies	€471,796
Donations and donations in kind	€3,305,273
Grants (State, philanthropic & other)	€95,126,850
Corporate donations	€3,477
Membership subscription and sponsorship	€65,136
Church collection	€115,943
Unspecified voluntary income	€343,329
Fund-raising events and activities	€2,210,950
Charity shop	€260,964
Investment income (including deposit interest)	€1,085,304
Unspecified incoming resources from generated funds	€2,883,954
Fees and income from trading activities	€12,960,962
Other activities	€591,880
Balance: uncategorised and other income	€29,394,326
Total incoming resources	€148,820,144

c. Other nonprofits

Organisations that have a wide variety of roles, including the provision of philanthropic grants or fund-raising services to a dedicated nonprofit (e.g. a hospital or college), advocacy, and other activities providing public goods that have not been commoditised in the form of a service contract with government. Their revenue profile is illustrated below using the example of nonprofits advocating for or providing services in the area of ageing.

Example: Nonprofits concerned with ageing

Of the c.8,000 incorporated nonprofits in the Irish Nonprofits database, we have financial data from the audited financial statements of 256 companies which are devoted to caring for, advocating for the needs of and representing the interests of older people.

These include national organisations and smaller local ones. They are civil society organisations that derive their funding from a variety of sources – grants from government and philanthropy, donations and earnings of various kinds.

The table overleaf illustrates the profile of this income, and also the degree to which it is still difficult to use audited financial statements to build a clear picture of the full range of their revenues – given the level of uncategorised income.

Income profile of 256 nonprofits concerned with ageing

Legacies	€1,233,207
Donations and donations in kind	€3,250,373
Tax relief	€853
Grants (State, philanthropic & other)	€92,046,102
Corporate donations	€494,946
Membership subscription and sponsorship	€742,713
Church collection	€153,053
Unspecified voluntary income	€1,711,887
Fund-raising events and activities	€3,900,764
Charity shop	€6,400,853
Unspecified activity for generating funds	€1,629,121
Investment Income (including deposit interest)	€1,357,618
Unspecified incoming resources from generated funds	€369,526
Fees and income from trading activities	€20,485,689
Other activities	€3,064,232
Uncategorised and other income	€78,577,416
Total incoming resources	€215,418,353

Data limitations

Whereas these data are very extensive, and the most comprehensive yet available, we should nonetheless offer the following caveats:

i. Only company data are yet available

32% of the nonprofits in the Database are unincorporated, which means that pending the commencement of the Charities Act, we have no regulatory source of financial information about them.

ii. Some nonprofit companies file abridged accounts

In contravention of the provisions of the Companies Acts, dozens of guarantee companies still report in a form that provides no analysis of their income.

iii. Some nonprofit companies only report grants in aggregate

There are some nonprofit companies that roll up all their grants and report a single figure, or they itemise one or two grants by source, but aggregate the rest. In 2009, for example, 2,923 nonprofits reported “grants” and 991 “unspecified grants”. In these cases, we do not know whether the source of the grant is private (i.e. philanthropic) or public (i.e. governmental).

iv. “Grants” are not always grants

In many cases, government procures services from nonprofits, especially in local development, health and social services. These might be reported as grants but in fact, they may be more properly considered as contracts for services.

v. Absent agreed common standards, nonprofits use different conventions for reporting

For reasons that are entirely legitimate, different nonprofits adopt different conventions for aggregating other items of expenditure, such as legacies and bequests, or the benefits of tax relief from donations by PAYE workers.

Once the Charities Act, 2009 is commenced, the Minister for Justice will set the standards for narrative reporting by charities, which will supplement the audited financial statements for companies. Standards for non-companies will cover both narrative and financial reporting aspects. Even without commencement of the Act, however, several factors already in train will improve the quality of reporting in the coming years. These are:

a) reforms already in process in International Financial Reporting Standards (IFRS) are soon likely to introduce a new reporting profile for ‘Public Benefit Entities’, which will require a breakdown of income sources. These standards will be mandatory for all company reports, rather than optional, like the SORP for Charities.

b) the provisions of Department of Public Expenditure and Reform Circular 17/2010 will come into force for accounts prepared after 1st January 2011, requiring much greater specificity in the reporting of income from

government – whether grant-aid, project-based, capital, or contractual in nature.

c) sector leaders have developed a code of best practice for fundraising, which requires itemising, and reporting on the use of donations from different sources by those fundraising nonprofits that adopt it.

In combination, these trends mean that future versions of this report will allow us to provide more detailed and comprehensive reports on the sector and how it is funded.

What does the database tell us about the funding sources of Irish nonprofits?

It might be assumed that all nonprofits that rely on donations from the public and other kinds of non-governmental fund-raising would have registered for what is known as Section 848a “approved body” tax relief, to get the tax benefits available. A majority of incorporated nonprofits do so, and we report in more detail on the following page.

However, an analysis of the company accounts of all of the incorporated nonprofits in our Database indicates that:

- some companies with charitable tax exemption do not avail of tax relief on voluntary income; and
- some nonprofit companies without charitable tax exemption nonetheless receive donations from a variety of unearned sources.

Note that we cannot report on the profile of income for unincorporated nonprofits because there is currently no regulatory requirement on these organisations to publish financial statements.

Most Irish nonprofits receive part of their funding from the government, and for many, government provides most of their funding.

The table below illustrates the profile of income to all of the incorporated nonprofits for which we have data.

Analysis of reported income to the sector at large

	Latest Year €	Prior Year €	Increase/decrease on previous year
Total incoming resources	5,751,360,932	5,741,396,974	0.17%
Legacies	8,785,907	11,780,249	-25.42%
Donations and donations in kind	81,698,463	150,807,864	-45.83%
Tax relief	2,005,526	1,791,269	11.96%
Grants (State, philanthropic & other)	2,307,341,258	2,311,309,155	-0.17%
Corporate donations	2,620,059	2,503,961	4.64%
Membership subscription and sponsorship	131,391,137	138,921,214	-5.42%
Church collections	5,466,997	5,764,574	-5.16%
Unspecified voluntary income	163,710,091	181,652,848	-9.88%
Fundraising events and activities	100,293,748	101,505,453	-1.19%
Charity shop	16,770,290	16,057,743	4.44%
Unspecified activity for generating funds	30,587,997	30,989,561	-1.30%
Investment income (including deposit interest)	43,797,847	54,134,494	-19.09%
Unspecified incoming resources from generated funds	27,471,547	30,042,937	-8.56%
Fees and income from trading activities	746,148,244	754,500,498	-1.11%
Other activities	20,491,568	21,165,572	-3.18%
Uncategorised and other income	2,062,780,253	1,928,469,582	6.96%

Governance and operations

The available data – about incorporation, directors, financial turnover, employee numbers, accounting conventions – allow us to report on various aspects of the governance and operations of incorporated nonprofits. We currently have no data on these features for non-incorporated nonprofits.

Governance

The responsibilities of directors of guarantee companies are very similar to those of directors of private (for-profit) companies. Typically, board directors serve on a non-executive, i.e. unpaid, basis. In the absence of shareholders, the voluntary board plays a key role in weighing and meeting the needs of stakeholders, including beneficiaries, funders, and the public.

All limited companies (including companies limited by guarantee) must have at least two directors, and in many cases (unlike commercial companies of similar scale) nonprofit companies have many more directors. It is a Revenue requirement for Charitable, or CHY, status that an organisation have at least three directors.

The names, birthdates and home addresses of the company secretary and each director, and their date of appointment (and retirement) are the subject of mandatory reporting to the Companies Registration Office (CRO). By law, each company is supposed to publish in its own literature the names of its secretary and directors together with other regulatory data⁸ (although many do not). These data are published on www.irishnonprofits.ie, in the microsite of each nonprofit company.

Many nonprofit organisations, particularly those with executive, service-providing roles were established as, or converted to limited liability companies. This was both to limit the legal liability of those involved in the company in respect of its financial commitments and obligations, and to provide a separate legal entity to hold assets.

Directorship details in the Irish Nonprofits Database

Having built it with a full list of every director who has served in every nonprofit company from the date of incorporation, INKEx updates its database with revisions to the names and other details of directors of nonprofit companies on a daily basis as these are filed with the CRO.

Personal details facilitate identification but are subject to Data Protection regulations. These are stored securely, and we only use them in aggregate to facilitate verification and analysis.

We know that not every nonprofit company updates its CRO filings (for example as regards directors' names) in a timely way: some reported directors may already have resigned, and others may have been appointed but are not yet registered with the CRO.

Notwithstanding this, the data used for the analysis below are as provided by the CRO, and downloaded on 28th November 2011.

What does the database tell us about issues of governance?

The date of incorporation of the nonprofit companies is not necessarily the same as the dates of foundation – many nonprofits start life as an unincorporated association.

Based on the date of incorporation of the 8,164 nonprofit companies still trading and stored in the Irish Nonprofits Database in December 2011, and even allowing for natural wastage of organisations over time, we can see a proliferation in the numbers of nonprofit companies established during the first decade of this century.

Most of the 4,747 most recently-incorporated (i.e. since 2000) nonprofits are in the community, development, housing, social services, culture and recreation sectors.

Date of incorporation

	Before 1950	1950 -1959	1960 -1969	1970 -1979	1980 -1989	1990 -1999	2000 -2010	Unknown (error)⁹
Number of trading nonprofits incorporated	69	46	98	236	752	2211	4747	5

There are 52,429 board members serving on Irish nonprofit boards

Some of these are people who serve on more than one board. See below for more information about these. The average number of board members per organisation is six, and the number of people serving, analysed by sector, is as follows:

Profile of nonprofit board of directorships

	Number of directors currently serving	Number of organisations	Average number of directors
1. Culture and recreation	10,949	1,696	6.5
2. Education and research	2,209	337	6.6
3. Health	1,903	277	6.9
4. Social services	9,214	1,576	5.8
5. Environment (including animal protection)	1,884	315	6.0
6. Social and community development, housing, employment and training	15,435	2,250	6.9
7. Law, advocacy, politics	2,176	312	7.0
8. Philanthropic intermediaries and voluntarism promotion	3,120	485	6.4
9. International	1,566	280	5.6
10. Religion	981	197	5.0
11. Business and professional associations, unions	2,700	379	7.1
12. Not elsewhere classified	292	60	4.9

⁹ In a small number of cases, the incorporation data from the CRO are unusable.

Nonprofit directors serve for five years on average

The Irish Nonprofits Database holds data for all of the Directors who have served at any time on any nonprofit board. For those that are still serving, we know only the number of years they have served to date. In the case of those Directors whose resignation is reported from companies still trading, the average term of service is five years.

More than 7,000 people serve on more than one nonprofit board

An analysis of the names of Directors currently serving on the boards of Irish nonprofit companies indicates that 7,474 serve on more than one board:

- 4,705 people serve on two or more boards
- 1,468 people serve on three or more boards
- 610 people serve on four or more boards
- 691 people serve on five or more boards

Some other trends we have noted:

Most nonprofits provide no narrative report

Only a small number of Irish nonprofit companies use the facility of the Directors’ Report to provide narrative information about the activities of the company in the year on which they are reporting. In most cases it appears that these statements are drafted on behalf of the directors using a standard ‘boilerplate’ template.

The approach to reporting of income is diverse

The greatest diversity to reporting standards is to be found in the approach to presenting income. Whereas SORP requires a high degree of specificity with regard to sources and kinds of income, the Accounting Standards Board standard permits income to be reported as a single line and some nonprofits aggregate income from all sources into a single figure. Some nonprofit companies aggregate grants from various sources into a single figure and others report income from each distinct source.

Few nonprofits report using SORP

The Statement of Recommended Practice for Charities, which is mandatory for charities in the UK, is elective in the Republic of Ireland and only a very small proportion

(fewer than 3%) of companies adopt it as a voluntary standard. See Part 4 of this report for an explanation of Charities SORP: the table below reports on the number of nonprofits in each sub-sector that report to this standard.

Numbers of nonprofits that report using charities SORP analysed by sub-sector

Sector	
1. Culture and recreation	29
2. Education and research	8
3. Health	8
4. Social services	17
5. Environment (including animal protection)	2
6. Social and community development, housing, employment and training	16
7. Law, advocacy, politics	15
8. Philanthropic intermediaries and voluntarism promotion	24
9. International	40
10. Religion	6
11. Business and professional associations, unions	1
12. Not elsewhere classified	1
Total	167

Employment profile

Under the requirements of Generally Accepted Accounting Principles, or GAAP reporting, Irish companies’ audited financial statements are supposed to include the average number of full-time employees over the course of the year being reported, and most do.

The numbers on the facing page are derived from the most recently available accounts for the nonprofits in our database – in most cases 2009. In that year, on the face of the evidence available it appears that 2,972 companies had no employees – in other words, their operations were either fully voluntary or dormant, or the organisation hasn’t analysed payroll and/or employee numbers separately. There were 3,154 companies that reported employing staff, and the profile of these is analysed as follows;

Profile of employment in nonprofit companies

	0 employees	1-5 employees	6-10 employees	11-50 employees	50-100 employees	More than 100 employees
Culture and recreation	983	261	111	123	9	6
Education and research	146	64	22	49	10	6
Health	129	40	17	24	9	22
Social services	463	343	203	251	28	32
Environment (including animal protection)	187	46	14;	18	2	0
Social and community development housing employment and training	1,111	354	137	397	20	20
Law advocacy politics	108	69	28	41	2	5
Philanthropic intermediaries and voluntarism promotion	271	58	18	25	9	3
International	140	53	10	13	1	3
Religion	118	26	10	12		1
Business and professional associations unions	200	84	22	18	3	
Not elsewhere classified	29	4	2	5		
	3,885	1,402	594	976	93	98

Number of reported employees in nonprofit companies

More than 100 employees	1%
51 to 100 employees	1%
11 to 50 employees	14%
6 to 10 employees	9%
1 to 5 employees	20%
0 employees	55%

In 570 cases, nonprofit companies report payroll costs, but do not report employee numbers; in these cases, we have looked at average salary costs for a company of this sector and scale, and applied this norm to the payroll figure to get an estimated number of full-time employees.

Data limitations in reporting sector employment

We know that the figures on the previous page under-report the true level of employment in the sector in four important respects:

- They do not report the number of part-time employees
- They do not report the time input by volunteers or interns
- They do not report the work of FÁS Community Employment (C.E.) workers, only that of the supervisors of FÁS C.E. schemes. In the case of C.E. schemes we understand that a multiplier of at least 11 can be applied to the reported number of supervisors – in other words the reported number of 2,049 employees in the 152 FÁS C.E. organisations probably represents fewer than 10% of the total number of workers on the schemes
- They do not report the number of full-time employees in nonprofits that are not incorporated – i.e. in 3,863 of the 12,027 nonprofits in the database.

44% of nonprofit companies reported neither payroll costs nor employee numbers in accounts for the year ended 31st December 2009. Assuming the financial statements are a reliable source of the data on employment, these nonprofit companies either operate on a fully voluntary basis, or they are subsidiaries whose parent companies report on employee numbers in their own accounts.

Most purely voluntary companies have a low financial turnover.

The majority (71%) of those without staff had total income of less than €50,000; a further 22% had a turnover of less than €1,000.

Irish nonprofits reported payroll costs of €2.8bn in 2009

Based on those organisations for which we had two years' worth of reported financial data, the level of expenditure on payroll increased by 4% between 2008 and 2009.

Irish nonprofit companies employed an estimated 100,000 people in 2009

Whereas there is one nonprofit that reports employing 3,545 people, and there are 98 that employ more than 100 people, the vast majority of nonprofits employ fewer than five people each.

Audit costs

Audit costs vary greatly, with many auditors providing services to nonprofits without charge. We know the level of audit fees because they are a mandatory reporting disclosure.

About 19% of nonprofit companies report auditor's remuneration of €0, implying a high level of pro bono contribution on the part of the accounting profession to the work of nonprofits.

Even given that level of in-kind contribution, total reported remuneration of auditors by nonprofit companies in our database amounted to €19m – of which €17m was for audit fees and €2m for other services.

There are 820 nonprofits that report paying auditors for other services. We assume these are accounting services – other than audit – provided in the main to small companies without a qualified accountant.

Given the small scale of many nonprofit companies, and the fact that there is a basic level of work that must be done irrespective of size, audit fees represent a substantial financial burden for small nonprofits. Based on a sample of nonprofits with income of €50,000 or less, total remuneration to auditors amounted to 4.5% of expenditure as compared to larger nonprofits, where the norm is less than 1%.



Part 2

Sub-sectoral analysis

This part of our report applies an internationally-recognised classification system to nonprofits in Ireland and analyses them by sub-sector.

Classifying Irish Nonprofits

Nonprofits take many forms: community & voluntary organisations, non-governmental organisations (NGOs), charities, advocacy organisations, membership organisations. There are also various ways of grouping nonprofits together: we think of the arts sector, human rights campaigners, international NGOs.

The Charities Act, 2009, once it is commenced – i.e. brought into effect – will require every charity to define its purpose using one or other of the branches of charitable activity specified (see Part 4). However, the scope of the Irish Nonprofits Database is wider than this.

In this section, to introduce some consistency in describing the work of all of the nonprofits in our database, we have used the UN classification system, first developed by the Comparative Nonprofit Sector project at Johns Hopkins University (the “JHU/UN classification system”). See Part 4, section entitled “The Irish Nonprofits Database and www.irishnonprofits.ie” for further detail about the definition of a nonprofit, and about the twelve sub-sectoral groups.

This approach allows our data to be compared with the analysis of Irish nonprofits previously undertaken by the Centre for Nonprofit Management in TCD, which used the same classification system, albeit with a survey sample only. It also permits transnational comparisons with other countries, more than 40 of which report using this method in their systems of national accounts.

Classifying nonprofit companies

In assigning each nonprofit in the database to one or other sub-sectoral group, we were not starting from scratch. Upon registration with the CRO, every company is required to select a NACE¹⁰ code to define their business activities. NACE is a pan-European classification system. It assigns a unique 4-6 digit code to each industry sector – for example ‘social work activities without accommodation’ is coded DA8532. These codes are used as the common basis for statistical classifications of economic activities within Ireland. While it is not a perfect system (many companies fail

to select a code) we have been able to map the NACE coding of many nonprofit companies onto the JHU/UN classification system. We have also used the objects clause (extracted from each company’s Memorandum and Articles of Association) as an indication of the main purpose of each nonprofit company.

Classifying unincorporated nonprofits

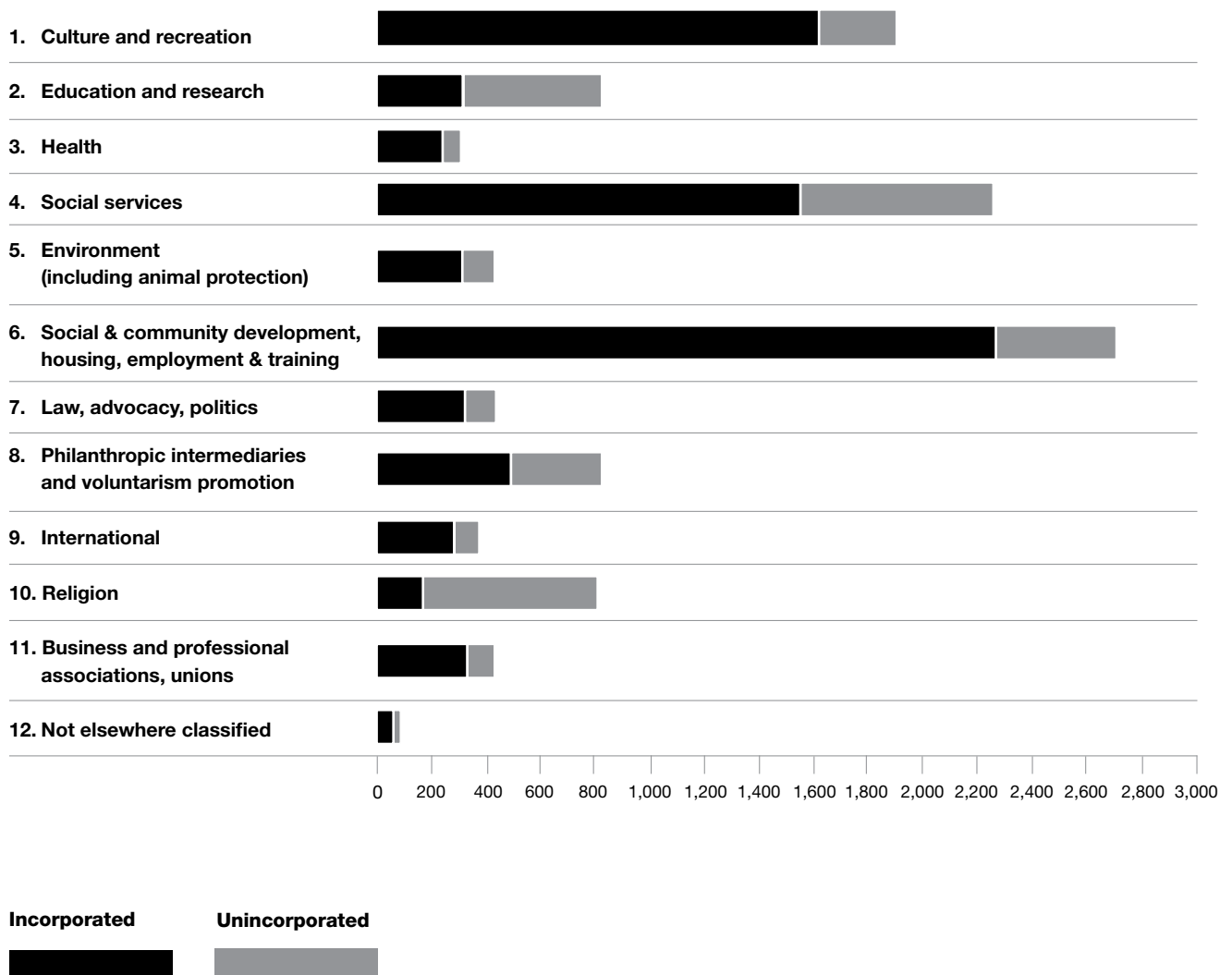
We have very limited data about the 3,863 nonprofits that are not incorporated: Revenue publishes only their name, CHY number and registered address, and does not disclose the charitable purposes for which tax relief has been granted.

Using the name and other available – mainly web-based – sources for information about these unincorporated nonprofits with a CHY number, we have assigned a sub-sectoral classification to all of these. Where no information is available, we have assigned them to Group 12 (not classified, or classifiable by us).

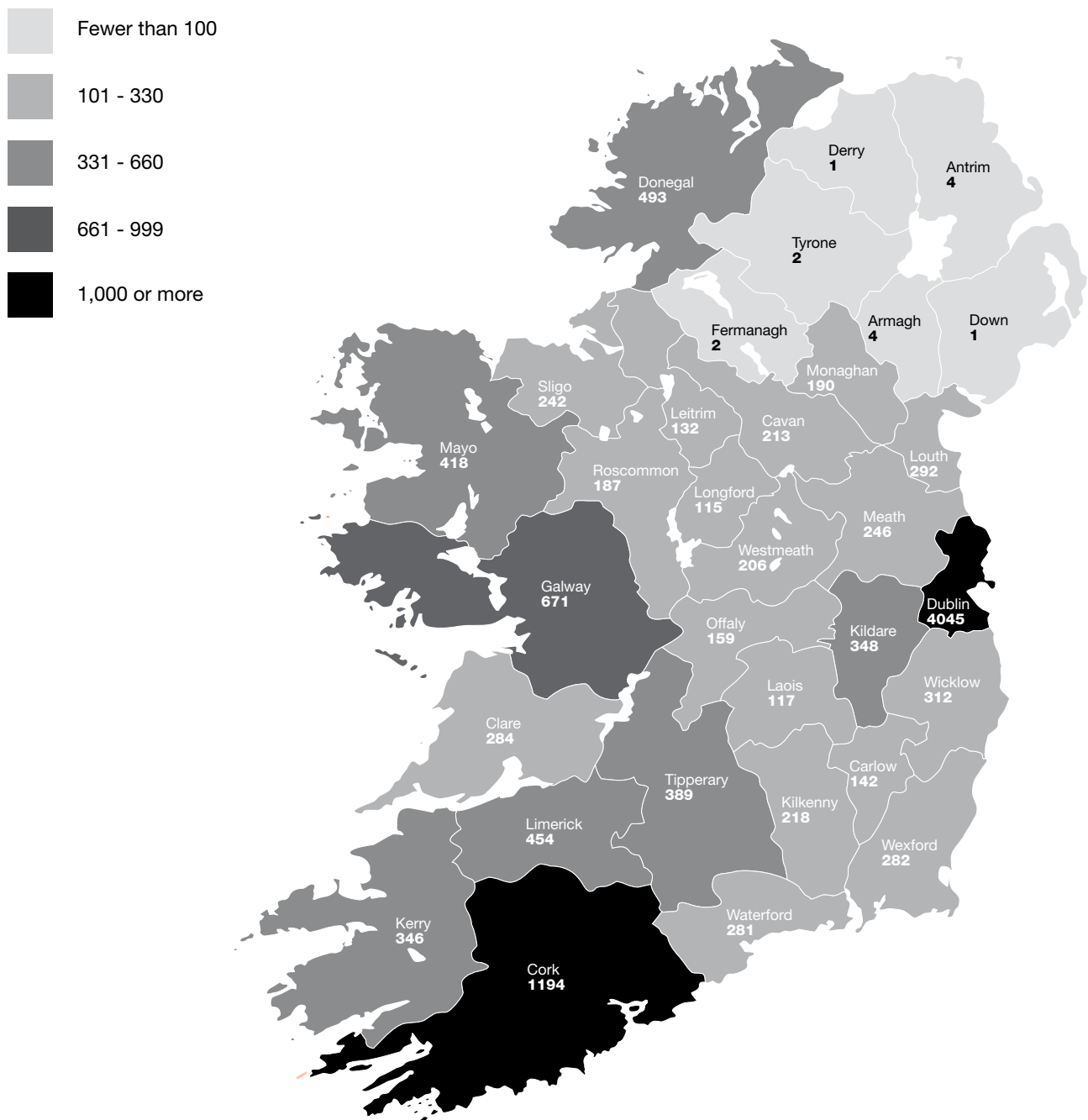
The sub-sectoral groups include many categories of activity that would typically be thought of as being part of the ‘community and voluntary sector’, as well as some (like professional associations and institutes) that are not customarily thought of as civil society organisations at all. An explanation of the criteria for inclusion is included in Part 4 of this report.

In their listing on our website, nonprofits are asked to self-classify into one or more of the UN sub-sectoral groups. We have referred to this wherever possible – although for the purposes of this analysis, we have assigned each organisation exclusively to one group only, following the UN’s own guidelines. Thus for example an organisation established to operate a hospital, or a university, is classified in Health (Group 3) or Education (Group 2) respectively; an organisation established exclusively to raise funds for such an enterprise is classified in Group 8: Philanthropy because it is a fundraising organisation.

Institutional analysis of nonprofits in the Irish Nonprofits Database



Geographic distribution of organisations in the Irish Nonprofits Database



1 Culture and Recreation

Culture and arts; media and communications; visual arts, architecture, ceramic art; performing arts; historical, literary and humanistic societies and museums; zoos and aquariums; sports: amateur sport, training, physical fitness and sport competition services; recreation and social clubs; service clubs.

Of the **1,963 nonprofits concerned with culture or recreation**, about **650 are culture, arts or heritage organisations** including artists' studios and retreats; choirs bands and orchestras – amateur and professional; production companies in theatre, opera and dance; heritage centres and museums; Irish language promotion organisations including publishers in both languages; festivals and event management companies; resource and service organisations for artists and arts organisations; community radio and TV companies and others.

A number are major cultural institutions, including the Chester Beatty Library, the National Concert Hall, the Abbey Theatre, the Irish Museum of Modern Art, Marsh's Library and the Crawford Gallery.

Sports and recreation nonprofits form the remainder of this group including more than 70 football clubs; social clubs for young and old and for collectors of various kinds (including more than 50 motor clubs); dozens of sports associations, arenas and recreation centres; Croke Park and a handful of GAA local clubs; 25 golf clubs and numerous clubs for other sports including archery, athletics, ballooning, basketball, boxing, bowling, coursing, cricket, cycling, diving, fishing, flying, gymnastics, hiking, hockey, hunting, martial arts, motor cycling, rowing, rugby, sailing, shooting, tennis, walking and yoga.

Governance

Incorporated nonprofits	1,696
Unincorporated nonprofits	267
Number of company directors currently serving	10,949
Average number of directors per company	6.5

Numbers of employees reported

(data available for 1,493 nonprofit companies)

51 to 100 employees	1%
11 to 50 employees	8%
6 to 10 employees	7%
1 to 5 employees	18%
No employees	66%

Corporate and tax exempt status

Incorporated		Unincorporated		
1,234	319	143	228	39
	Tax exempt	Donations scheme		

Comparative income trends

	Latest Year €	Prior Year €	Increase/decrease on previous year
Total incoming resources	526,326,922	515,546,557	2.09%
Legacies	795	0	n/a
Donations and donations in kind	1,976,706	2,213,929	-10.72%
Tax relief	29,658	15,083	96.63%
Grants (State, philanthropic & other)	99,968,142	104,603,800	-4.43%
Corporate donations	382,819	355,658	7.64%
Membership subscription and sponsorship	21,386,696	21,774,821	-1.78%
Church collections	22,715	15,711	44.58%
Unspecified voluntary income	3,361,842	3,603,389	-6.70%
Fundraising events and activities	6,907,609	5,111,461	35.14%
Charity shop	57,833	56,732	1.94%
Unspecified activity for generating funds	918,795	1,559,058	-41.07%
Investment income (including deposit interest)	2,511,917	4,560,894	-44.92%
Unspecified incoming resources from generated funds	973,414	1,198,136	-18.76%
Fees and income from trading activities	113,504,816	114,599,376	-0.96%
Other activities	2,981,346	2,650,778	12.47%
Uncategorised and other income	271,341,819	253,227,731	7.15%

2

Education and Research

Elementary primary and secondary education; higher education; other education; vocational/technical schools; adult/continuing education; research; medical research; science and technology; social sciences, policy studies.

There are **815 nonprofits concerned with education or research currently in the database. About half, mostly unincorporated (i.e. with a CHY number only), are primary or secondary schools, their boards of management or parents' associations.**

Fundraising bodies for these institutions, where they exist, are classified in Group 8: Philanthropic intermediaries and voluntarism promotion.

The focus of research bodies includes agriculture, Alzheimers disease, ancestry, arthritis, autism, bioprocessing, cardiovascular health, charities, children's health, clinical oncology, criminal justice, co-operatives, diabetes, economics, ecumenics, education, equality, evangelization, geneology, health, telematics, Hellenic studies, history, industry, informatics, mathematics, marine studies, mammals, meningitis, mental health, miscarriage, motor neurone disease, multiple sclerosis, nutrition, orthopaedic studies, pastoral care, radiation, reflexology, sexually-transmitted diseases, social sciences, spatial data, social studies, suicide, taxation and technology.

There is a significant number of primary and secondary schools not yet included in the Irish Nonprofits Database, as they are not incorporated and they do not have CHY charitable tax exemption, although they avail tax relief as education institutions.

Governance

Incorporated nonprofits	337
Unincorporated nonprofits	478
Number of company directors currently serving	2,209
Average number of directors per company	6.6

Numbers of employees reported

(data available for 297 nonprofit companies)

More than 100 employees	2%
51 to 100 employees	3%
11 to 50 employees	17%
6 to 10 employees	7%
1 to 5 employees	22%
No employees	49%

Corporate and tax exempt status

Incorporated			Unincorporated	
126	145	66	400	78
Tax exempt		Donations scheme		

Comparative income trends

	Latest Year €	Prior Year €	Increase/decrease on previous year
Total incoming resources	321,515,381	342,721,135	-6.19%
Legacies	28,910	0	n/a
Donations and donations in kind	6,198,807	25,296,680	-75.50%
Tax relief	5,361	1,675	220.06%
Grants (State, philanthropic & other)	97,520,786	91,229,280	6.90%
Corporate donations	89,250	50,702	76.03%
Membership subscriptions and sponsorship	2,656,576	2,548,603	4.24%
Church collections	0	0	n/a
Unspecified voluntary income	20,181,316	22,907,737	-11.90%
Fundraising events and activities	1,902,268	2,385,971	-20.27%
Charity shop	0	0	n/a
Unspecified activity for generating funds	0	0	n/a
Investment income (including deposit interest)	6,781,437	6,237,012	8.73%
Unspecified incoming resources from generated funds	223,736	415,827	-46.19%
Fees and income from trading activities	97,138,489	94,416,902	2.88%
Other activities	1,685,999	2,096,366	-19.58%
Uncategorised and other income	87,102,446	95,134,380	-8.44%

3 Health

Hospitals and rehabilitation; nursing homes; mental health and crisis intervention; psychiatric hospitals; other health services; public health and wellness education; health treatment, primarily outpatient; rehabilitative medical services; emergency medical services.

There are **391 nonprofits concerned with health**. **About 70 are hospitals** – some of the largest nonprofits in the database – and **more than 20 are hospices**.

There are professional institutes or associations for practitioners, among others, in the following areas: addiction, audiology, autism, bereavement counselling, bio-medical/clinical engineering, bio-energy therapies, holistic alternative therapies, Chinese medicine, chiropody, chiropractice, clinical microbiology, cognitive behavioral therapy, community health nursing, complementary care, corneal and ocular medicine, counselling, dentistry, dermatology, disability and senior citizens, endometriosis, epilepsy, family planning and women’s health, fertility, gastroenterology, genetic and inherited disorders, gene and cell therapy, general practice, haematology, haemophilia, haemochromatosis, head injury, health management, heart and lung transplant, home birth, homeopathy, Huntington’s disease, infectious diseases, lung fibrosis, medical laboratory science, melanoma, mental health, migraine, mitochondrial disease, molecular medicine, motor neurone disease, multiple births, multiple sclerosis, naturopathy, natural health, nephrology, neuro developmental therapy, nursing, occupational therapy, optometry, orthopaedic medicine, osteoporosis, paediatric medicine, physical and intellectual disabilities, podiatry, public health, pulmonary hypertension, Prader Willi syndrome, psychology, psychotherapy, rebirthing psychotherapy, rheumatology, sexual health, spina bifida and hydrocephalus, spinology, suicide prevention, thoracic medicine, toxicology and vaccine injury.

The rest are nursing homes; doctor on call and community care services; ambulance services and other care providers including addiction centres and disability support centres.

Governance

Incorporated nonprofits	277
Unincorporated nonprofits	114
Number of company directors currently serving	1,903
Average number of directors per company	6.9

Numbers of employees reported

(data available for 241 nonprofit companies)

More than 100 employees	9%
51 to 100 employees	4%
11 to 50 employees	10%
6 to 10 employees	7%
1 to 5 employees	17%
No employees	53%

Corporate and tax exempt status

Incorporated			Unincorporated	
95	109	73	98	16
Tax exempt		Donations scheme		

Comparative income trends

	Latest Year €	Prior Year €	Increase/decrease on previous year
Total incoming resources	1,719,710,923	1,626,502,969	5.73%
Legacies	766,939	1,616,951	-52.57%
Donations and donations in kind	4,857,870	6,236,513	-22.11%
Tax relief	10,741	0	n/a
Grants (State, philanthropic & other)	745,888,829	763,342,271	-2.29%
Corporate donations	127,089	127,757	-0.52%
Membership subscription and sponsorship	3,603,538	3,404,593	5.84%
Church collections	118,150	138,009	-14.39%
Unspecified voluntary income	1,903,031	1,104,474	72.30%
Fundraising events and activities	6,218,245	6,531,426	-4.79%
Charity shop	0	0	n/a
Unspecified activity for generating funds	11,600,799	10,127,153	14.55%
Investment income (including deposit interest)	2,707,612	4,493,507	-39.74%
Unspecified incoming resources from generated funds	2,989,577	2,935,192	1.85%
Fees and income from trading activities	113,036,790	109,855,572	2.90%
Other activities	810,483	759,542	6.71%
Uncategorised and other income	825,071,230	715,830,009	15.26%

4 Social Services

Child welfare; child services and day care; youth services and youth welfare; family services; services for people with disabilities; services for the elderly; self-help and other personal social services; disaster/emergency relief prevention and control; temporary shelters; refugee assistance; income support and maintenance.

There are **2,260 nonprofits concerned with social services**. Over one-third provide childcare including crèches, playschools, and playgroups. Another one-third are involved in the provision of community services and resources, including family resource centres, and services devoted to particular groups, including young people, older people and Travellers.

The rest are involved in providing supports for a wide range of social and physical needs, self-help networks and/or the delivery of a variety of social services including care and other supports for adoption, bereavement, domestic violence, drug and alcohol addiction, immigrants, asylum-seekers, marriage counselling, meals on wheels, mountain and sea rescue and respite care.

Governance

Incorporated nonprofits	1,576
Unincorporated nonprofits	684
Number of company directors currently serving	9,214
Average number of directors per company	5.8

Numbers of employees reported

(data available for 1,320 nonprofit companies)

More than 100 employees	3%
51 to 100 employees	2%
11 to 50 employees	19%
6 to 10 employees	15%
1 to 5 employees	26%
No employees	35%

Corporate and tax exempt status

Incorporated		Unincorporated		
526	817	233	600	84
Tax exempt		Donations scheme		

Comparative income trends

	Latest Year €	Prior Year €	Increase/decrease on previous year
Total incoming resources	1,038,930,896	1,036,500,125	0.23%
Legacies	2,822,393	1,821,213	54.97%
Donations and donations in kind	11,740,893	11,536,323	1.77%
Tax relief	10,842	14,814	-26.81%
Grants (State, philanthropic & other)	377,870,784	359,128,505	5.22%
Corporate donations	1,507,917	909,664	65.77%
Membership subscription and sponsorship	1,049,051	1,223,611	-14.27%
Church collections	334,555	414,858	-19.36%
Unspecified voluntary income	9,656,251	11,106,497	-13.06%
Fundraising events and activities	44,296,267	43,927,620	0.84%
Charity shop	8,240,352	7,588,742	8.59%
Unspecified activity for generating funds	2,115,627	1,743,839	21.32%
Investment income (including deposit interest)	4,784,830	4,908,596	-2.52%
Unspecified incoming resources from generated funds	4,565,263	4,981,478	-8.36%
Fees and income from trading activities	223,546,494	240,003,701	-6.86%
Other activities	5,761,694	5,179,189	11.25%
Uncategorised and other income	340,627,683	342,011,475	-0.40%

5 Environment (including animal protection)

Pollution abatement and control; natural resources conservation and protection; environmental beautification and open spaces; animal protection and welfare; wildlife preservation and protection.

In the Irish Nonprofits Database

There are **401 nonprofits concerned with environmental protection**. About half are involved in animal welfare protection or support including refuges, sanctuaries and societies for the prevention of cruelty to animals, and bodies concerned with animal husbandry, or conservation of birds, butterflies, cattle, dogs, horses, ponies, donkeys, sheep or particular breeds thereof. There are more than 50 group water schemes and a handful of graveyard preservation organisations.

The rest of the nonprofits in this sector are concerned with environmental protection, recycling, farming, agriculture or aquaculture.

Governance

Incorporated nonprofits	315
Unincorporated nonprofits	112
Number of company directors currently serving	1,884
Average number of directors per company	6

Numbers of employees reported

(data available for 267 nonprofit companies)

More than 100 employees	0%
51 to 100 employees	1%
11 to 50 employees	7%
6 to 10 employees	5%
1 to 5 employees	17%
No employees	70%

Corporate and tax exempt status

Incorporated		Unincorporated		
205	67	43	95	17
	Tax exempt	Donations scheme		

Comparative income trends

	Latest Year €	Prior Year €	Increase/decrease on previous year
Total incoming resources	70,283,435	84,929,508	-17.24%
Legacies	541,668	652,116	-16.94%
Donations and donations in kind	614,579	1,121,062	-45.18%
Tax relief	1,703	2,623	-35.07%
Grants (State, philanthropic & other)	9,853,344	18,220,161	-45.92%
Corporate donations	41,226	0	n/a
Membership subscription and sponsorship	3,498,142	3,741,393	-6.50%
Church collections	0	0	n/a
Unspecified voluntary income	1,008,123	1,211,247	-16.77%
Fundraising events and activities	1,596,052	1,321,182	20.80%
Charity shop	186,490	156,078	19.49%
Unspecified activity for generating funds	239,720	316,945	-24.37%
Investment income (including deposit interest)	2,077,904	3,736,194	-44.38%
Unspecified incoming resources from generated funds	1,086,307	556,697	95.13%
Fees and income from trading activities	36,454,683	36,754,738	-0.82%
Other activities	618,889	649,078	-4.65%
Uncategorised and other income	12,464,605	16,489,994	-24.41%

6 Social and community development, housing, employment and training

Economic, social and community development; community and neighborhood organisations; housing associations and assistance; employment and training including job training programmes; vocational counselling and guidance; vocational rehabilitation and sheltered workshops.

There are **2,735 organisations in this group, the largest in the database**. It includes more than 300 housing associations; **more than 150 companies established** to run **FÁS Community Employment Schemes**; job creation and youth training companies; LEADER/Partnership and community enterprise companies; community service or recreation centres; money advice and budgeting services; business development support, tidy towns or tourism companies; resident’s associations and community councils.

Governance

Incorporated nonprofits	2,250
Unincorporated nonprofits	485
Number of company directors currently serving	15,435
Average number of directors per company	6.9

Numbers of employees reported

(data available for 2,039 nonprofit companies)

More than 100 employees	0%
51 to 100 employees	1%
11 to 50 employees	19%
6 to 10 employees	7%
1 to 5 employees	17%
No employees	55%

Corporate and tax exempt status

Incorporated			Unincorporated	
1,158	927	165	411	74
Tax exempt			Donations scheme	

Comparative income trends

	Latest Year €	Prior Year €	Increase/decrease on previous year
Total incoming resources	849,610,491	841,685,139	0.94%
Legacies	7,500	54,834	-86.32%
Donations and donations in kind	5,213,215	4,103,031	27.06%
Tax relief	3,097	6,967	-55.55%
Grants (State, philanthropic & other)	458,798,460	460,600,089	-0.39%
Corporate donations	204,066	669,025	-69.50%
Membership subscription and sponsorship	13,214,429	15,081,887	-12.38%
Church collections	46,989	48,783	-3.68%
Unspecified voluntary income	4,196,405	4,405,373	-4.74%
Fundraising events and activities	3,193,142	3,544,899	-9.92%
Charity shop	385,236	365,391	5.43%
Unspecified activity for generating funds	68,651	120,783	-43.16%
Investment income (including deposit interest)	3,836,399	5,593,241	-31.41%
Unspecified incoming resources from generated funds	3,221,638	3,097,233	4.02%
Fees and income from trading activities	58,310,277	60,346,833	-3.37%
Other activities	4,329,611	4,603,520	-5.95%
Uncategorised and other income	294,581,376	279,043,250	5.57%

7 Law, advocacy, politics

Civic and advocacy organisations; civil rights associations; ethnic associations; law and legal services; crime prevention and public policy; rehabilitation of offenders; victim support; consumer protection associations; political parties and organisations.

There are **401 organisations in this diverse group**. Some are easy to classify – specifically the 15 rape crisis centres, 45 citizens’ information centres, legal aid centres, prisoners’ rehabilitation projects and ethnic associations for the people of America, China, France, Italy, Germany, Ghana, Kenya, Lithuania, Moldova, Nigeria, Romania, Sierra Leone and Ukraine respectively residing in Ireland.

Many nonprofits describe advocacy as forming part of their work. In assigning nonprofits to this category, where the nonprofit in question has not disclosed this information on our website, we have tried to identify those whose main purpose is to advocate for a particular group or cause. These include nonprofits advocating for issues related to addiction, acquired brain injury, anaphylaxis, autism awareness, charities, children’s rights, civil rights, climate justice, consumer rights, deafness, Down syndrome, drugs awareness, education, emigrants, equality, the environment, gays, human rights, infertility, lesbians, men, missing persons, natural contraception, parents, patients, people with disabilities of various kinds, people suffering from mental illness, prisoners, racism, refugee integration, religious tolerance, social justice, suicide prevention, trafficking of women, transgender equality, Travellers, unmarried and separated fathers, vegetarianism, victims’ rights and women.

Governance

Incorporated nonprofits	312
Unincorporated nonprofits	89
Number of company directors currently serving	2,176
Average number of directors per company	7

Numbers of employees reported

(data available for 253 nonprofit companies)

More than 100 employees	2%
51 to 100 employees	1%
11 to 50 employees	16%
6 to 10 employees	11%
1 to 5 employees	27%
No employees	43%

Corporate and tax exempt status

Incorporated			Unincorporated	
99	136	77	72	17
	Tax exempt		Donations scheme	

Comparative income trends

	Latest Year €	Prior Year €	Increase/decrease on previous year
Total incoming resources	235,043,560	231,542,302	1.51%
Legacies	215,633	267,145	-19.28%
Donations and donations in kind	6,372,732	7,316,240	-12.90%
Tax relief	11,892	0	n/a
Grants (State, philanthropic & other)	128,711,444	124,416,568	3.45%
Corporate donations	66,353	54,680	21.35%
Membership subscription and sponsorship	1,235,435	1,210,729	2.04%
Church collections	214,422	191,897	11.74%
Unspecified voluntary income	16,258,807	17,885,715	-9.10%
Fundraising events and activities	11,450,347	12,379,797	-7.51%
Charity shop	0	0	n/a
Unspecified activity for generating funds	10,719,263	10,351,752	3.55%
Investment income (including deposit interest)	1,870,424	1,830,656	2.17%
Unspecified incoming resources from generated funds	6,964,140	6,814,234	2.20%
Fees and income from trading activities	7,260,457	6,879,149	5.54%
Other activities	2,289,167	2,705,970	-15.40%
Uncategorised and other income	41,403,044	39,237,770	5.52%

8 Philanthropic intermediaries and voluntarism promotion

Grant-making foundations; volunteerism promotion and support; fund-raising organisations.

There are **1,316 nonprofits in this group**. The vast majority are fundraising charities established to endow a specific institution or charitable purpose. These are mostly unincorporated entities with charitable tax exemption from Revenue and are described below.

Fund-raising charities include:

- numerous charitable funds or bequests established by or in the memory of individuals;
- fund-raising vehicles to benefit specific (named) organisations (especially dioceses, hospitals, parishes, schools) or general purposes including arts organisations, childhood cancer, church repair, education, environmental benefits, equestrian education, homeless persons, Holocaust education, hospice care, medical research, monuments, musical education, older people, patients, people with disabilities, religion, research, science, Special Olympics, student hardship;
- charitable funds established by the employees of specific businesses, including Aer Lingus, AIB, Bank of Ireland, CIE busmen, civil servants, ESB, Guinness workers, Intel, Irish Rugby Football Union, RTE, Siemens, Ulster Bank;
- scholarship funds;
- benevolent funds in favour of a specified groups;
- funds established to support an overseas charitable purpose (such as orphanages) or other activities in locations such as Africa, Albania, Belarussia, Bosnia, Calcutta, Chernobyl, Cambodia, India, Kenya, Malawi, Nepal, Romania, Sri Lanka, Zimbabwe;
- local fund-raising groups or funds such as Rotary Clubs and Community Enterprise Funds.

More than 20 nonprofits in this group are volunteer-promoting organisations. Most are locally-based volunteering centres (part of the Volunteering Ireland network), and a number promote volunteering overseas.

The rest are grant-making philanthropies. Uniquely in the Irish Nonprofits Database we have two sources of information about these entities: their listing in the database as nonprofits in their own right, and the reported grants they give to other Irish nonprofits. We have reported in more detail on these philanthropies in Part 3, where we provide a case study of the sector.

Governance

Incorporated nonprofits	485
Unincorporated nonprofits	831
Number of company directors currently serving	3,120
Average number of directors per company	6.4

Numbers of employees reported

(data available for 384 nonprofit companies)

More than 100 employees	1%
51 to 100 employees	2%
11 to 50 employees	6%
6 to 10 employees	5%
1 to 5 employees	15%
No employees	71%

Corporate and tax exempt status

Incorporated		Unincorporated		
155	189	141	672	159
	Tax exempt	Donations scheme		

Comparative income trends

	Latest Year €	Prior Year €	Increase/decrease on previous year
Total incoming resources	319,427,252	364,557,123	-12.38%
Legacies	2,421,139	3,836,488	-36.89%
Donations and donations in kind	18,507,967	58,800,593	-68.52%
Tax relief	76,301	130,166	-41.38%
Grants (State, philanthropic & other)	116,185,939	115,075,047	0.97%
Corporate donations	15,023	28,300	-46.92%
Membership subscription and sponsorship	1,398,822	928,465	50.66%
Church collections	140,995	85,950	64.04%
Unspecified voluntary income	18,487,900	22,298,502	-17.09%
Fundraising events and activities	16,671,010	16,667,915	0.02%
Charity shop	1,882,061	1,792,640	4.99%
Unspecified activity for generating funds	3,173,250	3,499,588	-9.33%
Investment income (including deposit interest)	14,661,844	16,167,487	-9.31%
Unspecified incoming resources from generated funds	6,211,726	8,107,499	-23.38%
Fees and income from trading activities	34,554,993	36,496,211	-5.32%
Other activities	470,647	676,978	-30.48%
Uncategorised and other income	84,567,635	79,965,294	5.76%

9 International

International activities; exchange/friendship/cultural programmes; development assistance associations; international disaster and relief organisations; international human rights and peace organisations.

There are **389 organisations in this group in the Irish Nonprofits Database**. Most are concerned with delivering overseas aid, including about 10% with a religious mission. There is also a handful of resource and service or membership organisations serving the sector, as well as international friendship/exchange organisations.

A small number of these entities are major international NGOs, most of them incorporated, including most of the members of Dóchas, the Irish association of non-governmental development organisations.

We have limited information about the 150 entities that are unincorporated. Only one (Trocaire) is a member of Dóchas. Most of the rest appear to be missionary organisations, international friendship associations, and nonprofits focusing on a targeted relief to particular needs, regions or groups, in Africa, Ethiopia, Bosnia, Haiti, Gambia, Chernobyl, Moldova, Rwanda, Somalia, Sao Paulo, Thailand, Romania, Bucharest, Belarus, Malawi, Soweto, Tanzania and Uganda respectively.

Please note: following the guidelines promulgated by the UN for the correct use of the classification system, we have classified nonprofits wholly concerned with fundraising for international purposes in Group 8: Philanthropic intermediaries and voluntarism promotion.

Governance

Incorporated nonprofits	280
Unincorporated nonprofits	109
Number of company directors currently serving	1,556
Average number of directors per company	5.6

Numbers of employees reported

(data available for 220 nonprofit companies)

More than 100 employees	1%
51 to 100 employees	0%
11 to 50 employees	6%
6 to 10 employees	5%
1 to 5 employees	24%
No employees	64%

Corporate and tax exempt status

Incorporated		Unincorporated		
84	89	107	68	41
Tax exempt		Donations scheme		

Comparative income trends

	Latest Year €	Prior Year €	Increase/decrease on previous year
Total incoming resources	428,870,373	444,739,891	-3.57%
Legacies	983,904	310,725	216.65%
Donations and donations in kind	20,937,366	28,622,759	-26.85%
Tax relief	1,371,606	1,188,388	15.42%
Grants (State, philanthropic & other)	252,689,282	256,149,724	-1.35%
Corporate donations	79,013	246,093	-67.89%
Membership subscription and sponsorship	5,698,221	5,149,642	10.65%
Church collections	0	0	n/a
Unspecified voluntary income	85,406,365	92,355,197	-7.52%
Fundraising events and activities	7,223,495	8,439,046	-14.40%
Charity shop	6,018,318	6,098,160	-1.31%
Unspecified activity for generating funds	1,751,892	3,270,443	-46.43%
Investment income (including deposit interest)	2,952,800	3,942,079	-25.10%
Unspecified incoming resources from generated funds	1,219,221	1,919,035	-36.47%
Fees and income from trading activities	9,497,933	9,312,064	2.00%
Other activities	38,666	36,206	6.79%
Uncategorised and other income	33,002,291	27,700,330	19.14%

10 Religion

Religious congregations and associations, associations of congregations, churches.

Besides churches, there are **29 dioceses, 12 Christian centres and 36 convents** in the Irish Nonprofits database.

Churches in this group include the Apostolic, Baptist, Christian Fellowship, Church of Ireland, Evangelical, Georgian Orthodox, Greek Orthodox, Indian Orthodox, Lutheran, Methodist, Muslim, Nigerian Pentacostal, Presbyterian, Restoration Ministries, Roman Catholic, Romanian Orthodox, Romanian Pentacostal, Russian Orthodox, Scientology, Seventh-Day Adventist, Unitarian, Vinayakaand and other denominations respectively.

Besides a handful of religious publishers and representative bodies, and many convents, dioceses, monasteries, parishes and vestries, the rest of the entities in this group are religious assemblies, associations congregations, companies, fellowships, institutes, legionaries, missionaries, movements, sodalities and orders of brothers and sisters too numerous to list by name.

Governance

Incorporated nonprofits	197
Unincorporated nonprofits	617
Number of company directors currently serving	981
Average number of directors per company	5

Numbers of employees reported

(data available for 167 nonprofit companies)

More than 100 employees	1%
51 to 100 employees	0%
11 to 50 employees	7%
6 to 10 employees	6%
1 to 5 employees	15%
No employees	71%

Corporate and tax exempt status

Incorporated		Unincorporated		
84	57	56	388	229
		Donations scheme		
	Tax exempt			

Comparative income trends

	Latest Year €	Prior Year €	Increase/decrease on previous year
Total incoming resources	39,023,928	43,178,566	-9.62%
Legacies	997,026	3,220,777	-69.04%
Donations and donations in kind	4,605,855	4,860,908	-5.25%
Tax relief	466,263	438,364	6.36%
Grants (State, philanthropic & other)	6,884,157	6,644,237	3.61%
Corporate donations	76,803	62,082	23.71%
Membership subscription and sponsorship	110,137	326,139	-66.23%
Church collections	4,589,171	4,869,366	-5.75%
Unspecified voluntary income	1,412,291	1,211,061	16.62%
Fundraising events and activities	74,280	243,314	-69.47%
Charity shop	0	0	n/a
Unspecified activity for generating funds	0	0	n/a
Investment income (including deposit interest)	389,833	468,145	-16.73%
Unspecified incoming resources from generated funds	16,525	17,606	-6.14%
Fees and income from trading activities	4,822,944	5,964,220	-19.14%
Other activities	161,575	159,451	1.33%
Uncategorised and other income	14,417,068	14,692,896	-1.88%

11

Business and professional associations, unions

Business and professional associations; labour unions; chambers of commerce; institutes.

This group includes **170 professional associations**, **72 chambers of commerce** (including the Arab-Irish, Belgium-Luxembourg, Ireland-Poland, Ireland-Spain, Irish-American, Irish-Canadian, Irish-French, Irish-German, Irish-Italian, Nigerian-Irish chambers or business associations), **37 institutes** and **9 unions** which are constituted as companies limited by guarantee.¹¹

Besides **many local business associations**, included in this group are **associations or institutes** of accounting technicians, actuaries, advertisers, alcohol and addiction counsellors, archaeologists, architects, auctioneers, bankers, book-keepers, bookmakers, brokers, chartered accountants, chartered secretaries, chartered surveyors, chefs, clerks of works, corporate governance practitioners, corporate treasurers, counsellors, country house owners, craft butchers, doctors, electrical manufacturers, engineers, exporters, fishermen, forensic engineers, foresters, fund-raising professionals, funeral directors, fur-breeders, gas-installers, hygiene professionals, internet service providers, makeup artists, MBA graduates, medical herbalists, motor bus owners, notaries, nurses, pawnbrokers, pharmaceutical managers, physiotherapists, plastic surgeons, poultry-processors, psychoanalytic physiotherapists, psychotherapists, public accountants, public relations consultants, service station operators, sheep-breeders, social auditors, solicitors, speech and language therapists, tour operators, travel agents and vintners.

Governance

Incorporated nonprofits	379
Unincorporated nonprofits	72
Number of company directors currently serving	2,700
Average number of directors per company	7.1

Numbers of employees reported

(data available for 327 nonprofit companies)

More than 100 employees	0%
51 to 100 employees	1%
11 to 50 employees	5%
6 to 10 employees	7%
1 to 5 employees	26%
No employees	61%

Corporate and tax exempt status

Incorporated	Unincorporated			
337	31	11	51	21
			Donations scheme	
			Tax exempt	

Comparative income trends

	Latest Year €	Prior Year €	Increase/decrease on previous year
Total incoming resources	192,998,053	197,725,813	-2.39%
Legacies	0	0	n/a
Donations and donations in kind	671,660	695,467	-3.42%
Tax relief	18,062	-7,862	-329.74%
Grants (State, philanthropic & other)	10,069,774	9,064,002	11.10%
Corporate donations	30,000	0	n/a
Membership subscription and sponsorship	74,582,654	80,422,703	-7.26%
Church collections	0	0	n/a
Unspecified voluntary income	1,818,548	3,526,425	-48.43%
Fundraising events and activities	739,520	919,461	-19.57%
Charity shop	0	0	n/a
Unspecified activity for generating funds	0	0	n/a
Investment income (including deposit interest)	1,028,686	1,562,325	-34.16%
Unspecified incoming resources from generated funds	0	0	n/a
Fees and income from trading activities	46,169,574	36,630,517	26.04%
Other activities	1,283,987	1,555,349	-17.45%
Uncategorised and other income	56,585,588	63,357,426	-10.69%

12 Not elsewhere classified

Or not readily classifiable.

These are the organisations that we were unable readily to classify.

Included in this group are organisations with obscure names or abbreviated names, where the Memorandum of Association is not available (in the case of companies) or where the entity is unincorporated and has no online presence.

This group also includes organisations that do not readily fit into one or other of the other 11 categories.

Governance

Incorporated nonprofits	60
Unincorporated nonprofits	5
Number of company directors currently serving	292
Average number of directors per company	4.9

Numbers of employees reported

(data available for 40 nonprofit companies)

11 to 50 employees	13%
6 to 10 employees	5%
1 to 5 employees	10%
No employees	72%

Corporate and tax exempt status

Incorporated						
50	8	2	5	0		
					Unincorporated	
					Donations scheme	
					Tax exempt	

Comparative income trends

	Latest Year €	Prior Year €	Increase/decrease on previous year
Total incoming resources	9,619,718	11,767,846	-18.25%
Legacies	0	0	n/a
Donations and donations in kind	813	4,359	-81.35%
Tax relief	0	1,051	-100.00%
Grants (State, philanthropic & other)	2,900,317	2,835,471	2.29%
Corporate donations	0	0	n/a
Membership subscription and sponsorship	2,957,436	3,108,628	-4.86%
Church collections	0	0	n/a
Unspecified voluntary income	19,212	37,231	-48.40%
Fundraising events and activities	21,513	33,361	-35.51%
Charity shop	0	0	n/a
Unspecified activity for generating funds	0	0	n/a
Investment income (including deposit interest)	194,161	634,358	-69.39%
Unspecified incoming resources from generated funds	0	0	n/a
Fees and income from trading activities	1,850,794	3,241,215	-42.90%
Other activities	59,504	93,145	-36.12%
Uncategorised and other income	1,615,968	1,779,027	-9.17%

Kildare

County Kildare, in the eastern part of Ireland, has a population of 209,622¹², a number that grew substantially over the last twenty years. The principal towns are Athy, Celbridge, Clane, Kildare, Leixlip, Naas and Newbridge. The north and east of the county are more densely populated and urban in character; the south and west are predominantly rural. Kildare is home to a constituent college of the National University of Ireland (Maynooth College), and is a major centre of the Irish horse industry.

Corporate and tax exempt status of nonprofits in County Kildare

Incorporated		Unincorporated	
136	71	30	81
	Tax exempt		Donations scheme

Sectoral profile

There are 348 nonprofits with registered addresses in County Kildare. The sectoral profile of these is illustrated in the chart on page 49. We have very limited data on the 81 unincorporated entities with a CHY number.

For the 207 for which we have detailed data, we can say that:

- about 45 are community or social service organisations, directly funded by government departments and agencies to deliver services locally, and

- a range are voluntary organisations funded through a variety of means – government, private giving, fundraising events, and earnings
- 127 are run on an entirely voluntary basis

The largest sub-sectors are development, culture and recreation, and social services. Kildare is home to two prominent charities, Trocaire and the Jack and Jill Foundation¹³.

¹² <http://www.cso.ie/px/pxeirestat/Statire/SelectVarVal/saveselections.asp>
¹³ See www.irishnonprofits.ie for more information about any nonprofit mentioned in this report

As regards to the other nonprofits in Kildare, we know that:

- The majority of education and research nonprofits are unincorporated, and include primary and secondary schools, and research institutes.
- Health nonprofits are represented by a hospital trust and doctor on call service. In addition to these, the Health Services Executive (HSE), a statutory agency based in Naas, has charitable tax exemption.
- Environmental nonprofits include groups concerned with butterflies, trees, woodland, peatland conservation and wind energy, group water schemes and tidy towns associations. Animal welfare nonprofits include the Irish Pony Society, the Rare Breeds Society and a number of refuges and animal rescue organisations.
- Law, advocacy and politics nonprofits include the North Kildare and the South Kildare Citizens' Information Services, and organisations promoting intercultural understanding, and inclusion for people with intellectual disabilities.
- The majority of philanthropic nonprofits are unincorporated trusts and fund-raising organisations benefiting named institutions including, for example, Clongowes Wood College, Maynooth University and Barratstown Gang Camp. Benevolent funds (mostly unincorporated) include the Irish Jockey's Trust, the Irish Racehorse Trainers Benevolent Fund Association, the Jockey's Emergency Fund, the Qualified Riders Accident Fund and the National Equestrian Educational Trust. Voluntarism promotion is represented by the Kildare Volunteer Centre.
- Besides Trocaire, Kildare-based nonprofits working in the international sphere include Lithuanian, Polish and Ukrainian cultural or friendship associations, the association of Irish families for Russian adoptions, and nonprofits working to alleviate poverty or suffering in Africa and Bosnia.
- The 23 religious organisations are all churches (Baptist, Bible Fellowship, Church of Ireland, Roman Catholic, Redeemed Christian), vestries, orders or congregations (Holy Family, Holy Ghost Fathers, Missionary Sisters, Preachers, Salesian Fathers, Sisters of Charity).

- Business and Professional Associations and Unions include 7 business associations and chambers of commerce, and the Irish Auditing and Accounting Supervisory Authority, a statutory body (with charitable tax exemption) established under the provisions of the Companies Act 2003.

Sector analysis

Culture and recreation	19%
Education and research	8%
Health	1%
Social services	13%
Environment (including animal protection)	5%
Social and community development, housing, employment and training	25%
Law, advocacy, politics	2%
Philanthropic intermediaries and voluntarism promotion	12%
International	4%
Religion	7%
Business and professional associations and unions	4%
Not elsewhere classified	0%

Income

For the 180 nonprofit companies for which we have data, we can identify trends in income from different sources as follows (note this does not include data on Trocaire, a major international NGO, or other unincorporated nonprofits in Kildare):

Comparative income trends

	Latest Year €	Prior Year €	Increase/decrease on previous year
Total incoming resources	96,286,043	99,919,047	-3.64%
Legacies	55,721	4,630	1103.48%
Donations and donations in kind	5,422,107	7,388,982	-26.62%
Tax relief	27,184	20,933	29.86%
Grants (State, philanthropic & other)	22,765,344	21,725,305	4.79%
Corporate donations	24,000	0	n/a
Membership subscription and sponsorship	21,386,696	21,386,697	0.00%
Church collections	98,220	114,129	-13.94%
Unspecified voluntary income	3,488,651	3,967,868	-12.08%
Fundraising events and activities	2,349,635	3,242,255	-27.53%
Charity shop	0	0	n/a
Unspecified activity for generating funds	0	0	n/a
Investment income (including deposit interest)	1,280,422	1,012,935	26.41%
Unspecified incoming resources from generated funds	2,670,545	2,784,152	-4.08%
Fees and income from trading activities	10,781,728	10,912,926	-1.20%
Other activities	334,468	336,312	-0.55%
Uncategorised and other income	25,601,322	27,021,923	-5.26%

In the most recent year for which financial data are available, income analysed in the previous table was distributed in different sub-sectors as follows:

Total income

Culture and recreation	21%
Education and research	9%
Health	0%
Social services	23%
Environment (including animal protection)	2%
Social and community development, housing, employment and training	20%
Law, advocacy, politics	7%
Philanthropic intermediaries and voluntarism promotion	10%
International	2%
Religion	2%
Business and professional associations and unions	4%

Employment profile

Although the majority of nonprofits report neither employees nor payroll costs, there are more than 1,447 people working in nonprofit companies registered with addresses in Kildare. The distribution of these by sub-sector is illustrated in the following table.

Most of these are employed in social and community development and social services. and in culture and recreation.

In the case of 25 nonprofits, payroll costs account for more than 75% of total income, and for a further 30, payroll costs amount to more than 50% of income.

- 3 nonprofits report 100 or more employees,
- 30 report 10 or more employees
- 62 report fewer than ten employees.

Employees

Culture and recreation	14%
Education and research	10%
Health	3%
Social services	25%
Environment (including animal protection)	0%
Social and community development, housing, employment and training	30%
Law, advocacy, politics	9%
Philanthropic intermediaries and voluntarism promotion	6%
International	0%
Religion	1%
Business and professional associations, unions	2%

Philanthropy

Compared to other developed countries, philanthropic giving in Ireland is relatively undeveloped – whether from individuals and families, corporations, or entities constituted for the purposes of grant-giving. We report here on the latter including corporate philanthropic foundations.

As we have seen already in the sub-sectoral analysis of philanthropic intermediaries and voluntarism promotion, the majority of nonprofits involved in philanthropy for which regulatory data are available are unincorporated entities, which means that (pending the commencement of the Charities Act) we have very limited information about them: Revenue does not disclose the charitable purpose for which tax exemption was granted.

In fact, the principal source of data about the activities of Irish-registered philanthropic organisations is the audited financial statements of the nonprofit companies that are the beneficiaries of their grants. An analysis of these is provided below.

It is remarkable that there are many nonprofits listed as philanthropies in the database – i.e. whose legal objects or other published evidence show them to be constituted to make grants, and/or whose accounts show they have distributed philanthropic resources – but for which we have no evidence of grant expenditure from the income receipts reported in the database. We assume that this is because

- their donations were not itemised by name in the financial accounts of their beneficiaries,
- they distributed their funds to non-incorporated entities, or projects or to entities established outside of the Republic Ireland and/or
- they did not make grants.

Note that besides grants from philanthropies (referred to below) and other sources, Irish nonprofits raise funds from a variety of other unearned sources including corporate donations, legacies and bequests, fund-raising events, church collections, membership subscriptions etc. These are reported on elsewhere in this report.

Philanthropies active in Ireland

Using a definition of philanthropic grant-maker as an organisation whose purposes are chiefly to distribute grants and undertake other activities for public benefit, we can identify four distinct groups of philanthropies in Ireland, based on an analysis of the sources of grant income in the database. These are listed overleaf. Each listed source is followed by the number of grants reported in Irish nonprofits audited financial statements for 2009.

Philanthropy types (% of all grants)

Grant makers (numbers of reported grants in 2009)

Irish grant-making philanthropies (44%)

Ashoka Ireland (1); Community Foundation for Ireland (38); Community Foundation for Northern Ireland (1); Foras Eireann/Shaw Trust (2); Gwanda Trust (1); The Ireland Funds (4); Iris O’Brien Foundation (2); JP McManus Foundation (5); Katharine Howard Foundation (7); Lions Club (1); National Youth Council Ireland (1); One Foundation (11); People in Need (44); Peter McVerry Trust (2); Self Help Africa (1); St Stephen’s Green Trust (6); The Daisychain Foundation (1).

Overseas (including Northern Ireland) grant-making philanthropies (20%)

The Atlantic Philanthropies (16); Barmherzigkeit International (1); Bill and Melinda Gates Foundation (1); Carnegie UK Trust (1); ChildFund International (1); CS Mott Foundation (1); Fisher Foundation (1); Grundtvig (1); Habitat for Humanity International (1); Joseph Rowntree Charitable Trust (6); Lucca Leadership UK (1); Meningitis Trust (UK) (1); My CFO Foundation (1); Oak Foundation (1); St Martins Centre Trust (1); Stop Climate Chaos coalition (1); The Kennel Club Charitable Trust (1).

Corporate philanthropies* (18%)

AIB Better Ireland Awards (6); Dublin Bus Community Support Programme (5); Electric Aid (18); IFSC Dublin Inner City Trust (1); Vodafone Ireland Foundation (4).

Religious philanthropies (18%)**

African Missionaries (1); CBS Rice Trust (2); Church Mission Society (1); Daughters of Charity (1); Dominican Order (2); Loreto Foundation (2); Presentation Sisters (2); Sacred Heart Home Trust (1); Salesian Sisters (1); Sisters of Mercy (5); Spiritans Congregation Ireland (1); Society of St Vincent de Paul (13).

* By corporate philanthropy we mean a donation from an entity constituted by its commercial parent to receive applications and make philanthropic donations. Corporate donations are documented seperately as a source of income elsewhere in the database.

** By religious philanthropy we mean grants made by religious entities to non-related nonprofits: i.e. (as far as we can tell) these are not transfers from one part of a religious congregation or church body to another related party.

Aggregate value of reported philanthropic donations in 2009

Irish philanthropies	47%
International philanthropies	40%
Corporate philanthropy	3%
Religious philanthropy	10%

The scale of reported grants

There is no question but that the level of philanthropic giving to Irish nonprofits – from whatever type of source – is significantly greater than that reported here. In particular the major hospital and university foundations are silent as to the sources of their grants, reporting them almost invariably in their audited financial statements as “grants”.

In addition, as we have already noted, there are many beneficiaries of philanthropic donations – including schools and churches – which are not yet in our database.

Targets of reported philanthropic donations

	Number of philanthropic grants reported in 2009	Average value of gift €	Grants as an average % of the turnover of beneficiaries	Aggregate value of reported philanthropic donations in 2009 €
Irish philanthropies	84	91,533	10.60%	7,688,776
International philanthropies	37	179,359	22.10%	6,636,273
Corporate philanthropy	34	14,881	5.08%	505,939
Religious philanthropy	34	47,745	8.67%	1,623,326

Even given these qualifications about the profile of such philanthropic giving as is reported, we can say a number of things:

1. Institutional philanthropy is a very limited and a minor source of revenue for Irish nonprofits

Even allowing for under-reporting of the sources of grants in reports (for reasons we have already discussed), it is worth noting that there are fewer than 200 grants from any philanthropic source reported by the 7,100 Irish nonprofits for which we have detailed audited financial information.

2. Grants from international philanthropies are the largest and most significant

There are two significant features to the profile of international foundations: the presence of The Atlantic Philanthropies as a source of major donations, and the success of some international NGOs in attracting major gifts from other international philanthropies.

The value of these donations as a proportion of income is double that of local philanthropies, thereby indicating perhaps a different approach to philanthropic spending (and a different scale of available resources).

3. Philanthropies target their giving

The targets of funding, analysed by value, are illustrated in the next table. Note however that health, the biggest single sector to benefit, reflects one grant (to the Irish Hospice Foundation) from The Atlantic Philanthropies.

4. A significant number of nonprofits receive funding from more than one philanthropic source

This may reflect various factors, including the possibility of collaboration between funders, and/or the effectiveness of the fundraisers concerned. Of the 189 nonprofits that reported philanthropic donations in 2009:

- 18 received donations from two different philanthropic sources
- 7 received donations from three different philanthropic sources
- 2 received donations from four different philanthropic sources.

5. Nonprofits that are funded by philanthropies are also substantially funded by the State

With only one exception, all of the nonprofits that receive grants from more than one philanthropic source are also funded by government, usually from multiple sources.

In the most recent year for which financial data are available, all of the reported income from institutional philanthropy was distributed in different sub-sectors as follows:

Objects of philanthropic giving by sub-sector

Culture and recreation	0%
Education and research	7%
Health	48%
Social services	6%
Environment (including animal protection)	1%
Social and community development, housing, employment and training	13%
Law, advocacy, politics	11%
Philanthropic intermediaries and voluntarism promotion	13%
International	1%

What do we mean by ‘nonprofit’?

We use the word nonprofit to include organisations that might otherwise be described as charities, community and voluntary organisations, non-governmental organisations. It is a neutral inclusive term, whose meaning has been subject to some intensive work as to definition and classification.

We have adopted the classification scheme for defining nonprofits that was developed by the Comparative Nonprofit Sector Project (CNP) at Johns Hopkins University in the 1990s¹⁴. That project set out to build a framework that would allow for a comparative analysis of the scope, structure, financing and impact of nonprofit activity by civil society organisations around the world, a framework that is now also adopted by the United Nations (UN).

The framework has a 5-part functional/structural definition, and a 12-part classification system.

Functional/structural definition

As a general rule, following the CNP approach, organisations in the Irish Nonprofits Database are

- **Organised**
- **Private**
- **Non profit-distributing**
- **Self-governing**
- **Voluntary**

Looking at each of these terms:

Organised

means organised or institutionalised to some extent. What is important is not that the organisation be registered or legally recognised, but that it have some institutional reality with a legal charter of incorporation. Excluded are purely ad hoc and temporary gatherings of people with no real structure or organisational identity.

Private

means institutionally separate from government. This does not mean that nonprofit organisations may not receive significant government support or that government officials cannot sit on their boards. Rather they must be “nongovernmental” in the sense of being structurally separate from the instrumentalities of government and they do not exercise governmental authority.

Non-profit-distributing

means not returning profits generated to their owners or directors. Nonprofit organisations may accumulate a surplus in a given year but this must be reinvested into the basic mission of the agency and not distributed to the organisation’s owners, members, founders or governing board.

Self-governing

means equipped to control their own activities. Some organisations that are private and nongovernmental may nevertheless be so tightly controlled either by governmental agencies or private businesses that they essentially function as parts of these other institutions even though they are structurally separate.

To meet this criterion, organisations must control their activities to a significant extent, have their own internal governance procedures, and enjoy a meaningful degree of autonomy.

Voluntary

means involving some meaningful degree of voluntary participation. This involves two different but related considerations:

1. the organisation must engage volunteers in its operations and management either on its board or through the use of volunteer staff and voluntary contributions; and
2. “voluntary” also carries the meaning of “non-compulsory.” Organisations in which membership is required or otherwise stipulated by law are excluded from the nonprofit sector. These include some professional associations that require membership in order to be licensed to practice a trade or profession.

International classification

The other approach to defining the sector is to classify nonprofits into one or other of the following 12 sub-sectoral groups:

1. Culture and recreation
2. Education and research
3. Health
4. Social services
5. Environment (including animal protection)
6. Social and community development, housing, employment and training
7. Law, advocacy, politics
8. Philanthropic intermediaries and voluntarism promotion
9. International
10. Religion
11. Business and professional associations, unions
12. Not elsewhere classified (or classifiable by us)

Nonprofits and charitable regulation

Although the definition of ‘nonprofit’ includes charities, we do not use the first as a synonym for the second, for reasons that are explained overleaf.

Charitable Tax Exemption from Revenue

After many years in preparation, a law was recently enacted to consolidate the legislation relating to Irish charities, and to create a sole authority charged with regulation of this important sector of Irish society.

Although the Charities Act was enacted in early 2009, its provisions are not yet in force. The Act provides for

- the establishment of a regulatory authority
- the publication of a register of charities
- the adoption of standards, and sanctions for non-compliance,
- appeal procedures and other practical provisions

Until the Act is commenced, there is no such thing as a “registered charity” in Ireland.

However, Irish nonprofits may avail of certain tax reliefs if they are recognised by the Revenue Commissioners (Revenue) to be charitable in nature – that is, if their purposes are to relieve poverty, advance education or religion, and/or promote other purposes of benefit to the community, and if on wind-up their assets are transferred to some other body with similar charitable purposes. Revenue assigns a charity (CHY) number to every entity that receives tax exempt status. A small number of these operate in Northern Ireland but they must satisfy Revenue that their centre of management and control is in the Republic of Ireland.

Revenue considers each case for charitable tax exemption on its merits, and provides detailed information about the conditions for approval on its website, www.revenue.ie/charities.

Revenue does not require an entity to be incorporated before granting charitable tax exemption. According to information available in December 2011 there were 7,874 entities with a CHY number, 4,011 of which are incorporated and 3,863 unincorporated.

Charitable tax relief

Under the Taxes Consolidation Act (TCA), 1997 charitable tax reliefs take two main forms:

1. exemption from paying certain taxes (pursuant to Section 207/208 TCA, 1997) including corporation tax, deposit interest retention tax, etc.
2. the power to claim tax relief on donations received (pursuant to Section 848A TCA, 1997) – which is also known as the “Donations Scheme”. Tax relief on donations from PAYE-only workers can be claimed by the charities themselves, while self-assessed individuals and companies claim relief in their own accounts and tax returns.

Organisations must apply for these reliefs separately, and the first is a prerequisite for the second. It is a condition of Section 848A approval that a charitable body has held charitable tax exemption under Section 207 for not less than two years.¹⁵

Those bodies granted charitable tax exemption under Section 207 TCA 1997 are assigned a CHY number, and Revenue publishes and regularly updates the list of bodies with this exemption. Revenue publishes a separate list of bodies approved under the Donations Scheme.

It is sometimes assumed that the presence of a CHY number indicates that the organisation is approved under the Donations Scheme, but in fact only about a quarter of nonprofits have sought and received this specific type of relief. As at December 2011, of the 7,984 nonprofits approved under Section 207, 1,927 were also eligible under the Donations Scheme.

Tax-exempt nonprofits

The number of nonprofits in either list fluctuates from month to month, as Revenue grants charitable tax status to some organisations and withdraws it from others.¹⁶ Between September and October 2011, for example, seven organisations were removed from the list of

¹⁵ There are also approved bodies, other than charities, who can avail of this scheme and these are as described in Schedule 26A of the TCA 1997 as amended.

¹⁶ Data are derived from the lists of nonprofits enjoying one or both exemptions as published on www.revenue.ie/charities dated 20th October 2011.

approved bodies under Section 207, and 41 new ones were added. Revenue does not indicate who these are: INKEx is able to identify CHY “births and deaths” because it uploads the data into the Irish Nonprofits Database.

“Registered charity”

Sometimes nonprofits refer to themselves as “registered charities” and the presence of a CHY number might appear to support this. However, as Revenue themselves would point out, the number is indicative merely of the nonprofit’s tax status and indeed the public is not able to tell from the presence of a CHY number alone whether the entity in question enjoys Section 207 status alone or the additional benefits of Section 848a status. To claim the benefit of tax reliefs on qualifying gifts, the nonprofit must be awarded the relevant status and process the claim through Revenue.

Institutional type and status of nonprofits with a CHY number

(i) Incorporated entities

Revenue grants tax exempt status to any body that satisfies its criteria – there is no requirement that the entity form a limited company, although many are incorporated, as we have already noted.

As at December 2011, 4,011 of the 7,874 organisations with a CHY number in our database are incorporated. 3,883 are incorporated as public companies limited by guarantee and 68 as private companies limited by shares. The rest are single-member private companies limited by shares (45), private guarantee companies with share capital (8) and others (7).

At any given time, nonprofit companies listed on the Revenue website as having charitable tax exemption may be in the course of being dissolved or struck off by the CRO. This time-lag between the two sets of regulatory data arises because Revenue updates its published list of charitable entities only periodically (currently about every eight weeks), whereas the Irish Nonprofits Database is updated with information from the CRO daily.

Typically – with a few prominent exceptions – it is nonprofits with executive or service-providing roles that have established as, or converted to limited liability companies. This is both to limit the legal liability of those involved in respect of the organisation’s financial commitments and obligations, and to provide a separate legal entity to hold assets.

(ii) Unincorporated entities

We know nothing about the constitutional form of the 3,863 unincorporated entities (as of December 2011) because Revenue does not disclose this information for reasons of confidentiality. It does not publish information about their charitable purposes or indeed, any other information about them at all besides their registered name, CHY number and registered address.

Nor does Revenue disclose the institutional status of any entities with a CHY number. INKEx has identified incorporated and unincorporated entities that also have a CHY number by using other information in its database – in the case of companies, from the audited financial statements, where the presence of charitable tax exemption (and the CHY number) ought to be disclosed.

Sectoral analysis

Whereas the Memorandum of Association tells us the purpose for which incorporated entities were established, in the case of unincorporated entities with a CHY number, we have limited information on which to assign them a sub-sectoral classification for the purpose of this study. We have used their name and other published sources – chiefly websites, where available, to do this. An analysis of unincorporated entities with charitable tax exemption, indicating the profile of those that use the Donations Scheme is presented in the table overleaf.

It indicates that the international and religious sectors have the highest proportion of unincorporated nonprofits benefitting from tax-efficient giving, followed by the advocacy and philanthropy sectors. This is not surprising since most religious organisations are congregations that are legally unincorporated associations of individuals with no particular reason to incorporate.

Analysis of unincorporated CHYs

	Number of unincorporated bodies with CHY (Section 207) status	Of which those able to receive tax-efficient gifts under Section 848a	Section 848a as a % of Section 207
1. Culture and recreation	267	39	15%
2. Education and research	478	78	16%
3. Health	114	16	14%
4. Social services	684	84	12%
5. Environment (including animal protection)	112	17	15%
6. Social and community development, housing, employment and training	485	74	15%
7. Law, advocacy, politics	89	17	19%
8. Philanthropic intermediaries and voluntarism promotion	831	159	19%
9. International	109	41	38%
10. Religion	617	229	37%
11. Business and professional associations, unions	72	21	29%
12. Not elsewhere classified	5	0	0%

Fundraising nonprofits

The table on the following page illustrates the extent to which nonprofit companies have received donations from a variety of unearned income sources.

We cannot report on the profile of income for unincorporated nonprofits because until the Charities Act comes into force, there is currently no regulatory requirement on these organisations to publish financial statements.

If precedent is a guide, it seems likely that many nonprofit companies will seek charitable registration, given the definition of charitable purposes in the Charities Act. For example,

- 370 arts and culture nonprofit companies have a CHY number, but 281 do not, including theatres, dance companies, arts festivals and community arts companies;
- 222 environmental or animal protection nonprofit companies have a CHY number but 205 do not – including societies for the prevention of cruelty to animals, wildlife trusts, animal and heritage conservation nonprofits.

The charitable status of other unincorporated nonprofits

In addition to all of these companies, there is an unknown number of nonprofits including religious congregations, churches of all denominations and other entities not included in the Irish Nonprofits Database. These will also be required to register if they hold themselves out to be charities, and fall under the definition of charities promulgated under the Charities Act.

The governance of nonprofits with a CHY number

The average age (from date of incorporation) of nonprofit companies with charitable tax exemption is 14 years (or 18 years in the case of those with Section 848a tax relief on fundraising). Compared to the average age of all nonprofit companies in the database (13 years), it appears that nonprofits with charitable tax exemption are, on average, marginally more long-established than those without.

There are some exceptions to the standards normally applied by Revenue in granting CHY status. These are the 135 nonprofit companies with charitable tax exemption which report the payment of emoluments to directors, and the 68 private companies limited by shares (already mentioned above). Under Company Law, these private companies are permitted, to file abridged financial statements, which limits the volume of information about them in the Irish Nonprofits Database.

Typically the nonprofit companies in these exceptional categories are longer-established - the oldest was incorporated in 1900, and fifteen more are over 30 years old. This longer-established group includes schools, churches, church-owned entities in publishing and social care, and companies working in a variety of other sub-sectors including healthcare, environment, local and international development.

Finally, it is worth noting that there is a number of statutory agencies (including the Higher Education Authority, the Health Services Executive, the Irish Auditing and Accounting Standards Authority and various vocational education committees including those in Bray, Cork, Dublin, Limerick and Waterford cities) that currently have charitable tax exemption. Even though these latter do not qualify for inclusion in the Irish Nonprofits Database (because they are not autonomous of Government) we store their summary data (i.e., not including governance or financial information) and publish them on irishnonprofits.ie so as to provide public access to a full register of those organisations that will be deemed charities on commencement of the provisions of the Act.

The Charities Act, 2009

“Charities” represent a sub-set of all nonprofit organisations. The Charities Act, 2009 provides a legal definition of a charity for the first time in Irish law.

According to the Act, a charitable organisation is any body (other than those explicitly excluded) that promotes a charitable purpose only, and uses all of its resources for this, other than money spent on remunerating its staff or, in the case of members of a religious congregation, on providing for their accommodation and care.

Excluded from the Charities Act

Certain categories of nonprofits are explicitly excluded from definition as a charity – these include bodies established for the promotion of athletic or amateur games or sports, political parties or advocates of political change, trades unions, chambers of commerce and some others.

These organisations are nonetheless included in the Irish Nonprofits Database because they fall within the definition of public benefit civil society organisations used by the UN.

“Charitable purposes” which must be for the public benefit are defined in the Charities Act to mean

1. the prevention or relief of poverty or economic hardship;
2. the advancement of education;
3. the advancement of religion;
4. any other purpose that is of benefit to the community.

“Of benefit to the community” is further defined to mean:

- a. the advancement of community welfare including the relief of those in need by reason of youth, age, ill-health or disability;
- b. the advancement of community development including rural or urban regeneration;
- c. the promotion of civic responsibility or voluntary work;
- d. the promotion of health including the prevention or

relief of sickness, disease or human suffering;

- e. the advancement of conflict resolution or reconciliation;
- f. the promotion of religious or racial harmony and harmonious community relations;
- g. the protection of the natural environment;
- h. the advancement of environmental sustainability;
- i. the advancement of the efficient and effective use of the property of charitable organisations;
- j. the prevention or relief of suffering of animals;
- k. the advancement of the arts, culture, heritage or sciences; and
- l. the integration of those who are disadvantaged and the promotion of their full participation in society.

Other regulatory disclosures

The core data in the Irish Nonprofits Database are derived from regulatory disclosures, re-used under the provisions of Re-Use of Public Sector Information Regulations.¹⁷

When the Charities Act, 2009 is brought into force, disclosures to the Charities Regulatory Authority (CRA) will be the most consistent source of regulatory data about those Irish nonprofits that qualify for regulation under the Act.

Even in advance of the creation of the CRA, nonprofits operate in an environment that is formally and informally regulated in various ways. The following conditions apply to varying degrees to very many nonprofits:

- Company Law requirements;
- the powers of the Comptroller & Auditor General (C&AG);
- Revenue requirements on granting charitable tax relief;
- the conditions imposed by government and private funders.

Company law

The Companies Acts 1963-2009 apply to nonprofits that are companies limited by guarantee. Directors of these companies have similar responsibilities to directors of commercial companies. In fact, the burden of disclosure on nonprofits is higher, because companies limited by guarantee are deemed in law to be 'public' since there is no limit to the number of their members. This means they are ineligible to avail of the thresholds that permit smaller private companies to file abridged financial statements, and they must file – and therefore publish, via the CRO – the full audited financial statements that they have prepared for their members.

Public audit

Under additional powers conferred in the Comptroller and Auditor General (Amendment) Act 1993¹⁸, Section 8 provides that the C&AG may inspect the accounts, books and other records of any body that has received in aggregate more than 50% of its revenues from government.

Based on the data available from 2009, this potential for inspection applies to at least 4,395 nonprofit companies, with total revenues from government sources of more than €2bn¹⁹. This is certainly an under-statement since some nonprofits still report all of their unearned income as 'voluntary income' or simply 'income' without specifying the source, and in many cases, this certainly includes grant income.

Exemption from certain taxes

Under the terms of Sections 207 and 848A TCA 1997, qualifying nonprofits are able to avail of exemptions from certain taxes and to receive the tax benefit of charitable donations within specified terms. Because the Charities Act provides that every nonprofit with a CHY number on the date of commencement will be deemed to be a charity²⁰, we have already reported in some detail on the character of charitable tax exemption, above.

Funders' conditions

Very many nonprofits receive funding from government by way of grants or contracts for services. In 2010, the Department of Public Expenditure & Reform (then part of the Department of Finance) issued a circular direction²¹, to every government department and grant-making agency, requiring that new disclosure standards be enforced on every recipient of State funds. In the future, nonprofits must report in their published financial statements in greater detail on the sources and terms of their government funding. This is altogether separate from any reporting standards that may be imposed when the Charities Act comes into force.

¹⁷ European Communities (Re-use of Public Sector Information) Regulations (S.I. 279 of 2005).

¹⁸ <http://www.irishstatutebook.ie/1993/en/act/pub/0008/>

¹⁹ We are unable to estimate the level of government grant income to ~3700 unincorporated nonprofits with a CHY number because there is no regulatory source of financial data about these organisations pending the enforcement of the Charities Act.

²⁰ Charities Act 2009, Section 40.

²¹ per.gov.ie/wp-content/uploads/circ172010.pdf

The Irish Nonprofits Database and www.irishnonprofits.ie

Inclusion in the Irish Nonprofits Database

Pending implementation of the Charities Act 2009 and hence the creation of a public register of charities, the Irish Nonprofits Database (with extracts published on our free public website www.irishnonprofits.ie) is the only frequently updated available source of extensive data about nonprofits in Ireland. Inclusion in the database is automatic and free.

The database includes available regulatory data for nonprofits we define as in scope (i.e. with reference to the UN classification system already described) derived from two distinct regulatory sources:

1. the CRO (for limited companies); and
2. the Revenue Commissioners (Revenue) for entities of any incorporated type with charitable tax exemption under the provisions of Section 207 of the Taxes Consolidation Act 1997 (which grants relief from certain taxes) and Section 848a of the same Act which permits tax-efficient giving.

We don't claim that the 12,027 nonprofits in our database²² are all of the nonprofit entities of any kind active in Ireland – they certainly are not. There are countless local societies, clubs and associations of all kinds and for all sorts of purposes, which are absent from our database because they are neither incorporated as companies nor do they have charitable tax exemption.

In the future, we would like to include further sets of public benefit nonprofits not fully represented at present including schools, friendly societies, trades unions and political parties. With the cooperation of local authorities, national representative bodies and others we may find a way of including local clubs, societies and associations as well.

Maintaining the Irish Nonprofits Database

INKEEx builds the contents of its database from regulatory filings – information disclosed by nonprofits to the Companies Registration Office (CRO) and to Revenue,

and in turn published by those regulatory authorities.

a) Company records

Company records are made available by the CRO as a daily-updated feed to a number of licensed commercial re-sellers and INKEEx acquires companies' regulatory data from one of these. The data take two forms:

1. Regulatory filings (company's registered name and address, directors' and secretaries' details including dates of appointment and resignation etc) are imported to the database as a daily feed. This means INKEEx is notified in a timely way of company "births and deaths" and also of companies listed for strike-off, or companies that have been dissolved.
2. Company documents (Memoranda and Articles of Association, Audited Financial Statements). Constitutional documents are filed when each company is founded and updates also must be filed with the CRO. Audited financial statements must be filed annually. INKEEx receives a copy of these as an image file for every company in scope and re-keys the data into digital form, for storage in the database.

All of the data are subject to continuous fluctuation as regulatory companies are formed and dissolved, and as they file new returns daily.

Audited financial statements as a source of financial disclosure

Company law requires that every company produce audited financial statements each year and that these be adopted at an annual general meeting of the company. The accounts form part of the report of the company's directors to its members. Once adopted by the members of the company they are filed with and published by the CRO as a matter of public disclosure.

Although in Ireland the Accounting Standards Board (ASB) sets the conventions and standards for financial statements, there is nonetheless a great deal of diversity in the approach to presenting financial information. To

²² Extracted on 15th December: the number is subject to small daily fluctuation

use these financial statements as a comparative source of financial data for its database INKEx built a financial data schema and glossaries enabling the entries to be harvested in a consistent way.

Financial information on funding sources in the database

INKEx uses the audited financial statements of Irish nonprofit companies, stored in the Irish Nonprofits Database to document nonprofit companies' sources of funding.

All reported sources of income are captured from the balance sheet and the income and expenditure account – or the statement of financial affairs in the case of accounts prepared to the SORP standard.

Many nonprofits list every source of grant and donation in their accounts by name: it is considered best practice as an accounting standard, although it is not mandatory. Some nonprofits simply aggregate income from all sources into a single line (“income”). Despite their range and quality, therefore, there are persistent limitations in the granularity of the data.

Sources of grants, where these are reported, are itemised in the database by name. We have collected data on spending by more than 550 unique grantors in the audited accounts of their beneficiaries. These grantors include foreign governments and governmental organisations, Irish government departments and agencies, local authorities, private, corporate and religious philanthropies – Irish and international.

b) Revenue data

Revenue publishes and regularly updates two lists on its website: those organisations with charitable tax exemption under Section 207 and Section 848a respectively of the TCA 1997. The data provided are: the registered name, CHY number and registered address in every case. The registered address is often not the place where the organisation carries on its business, and is sometimes the address of an agent.

The Guidestar model

Following the Guidestar model originally developed in the USA we have built our customised database to clean, import, store and re-publish Irish regulatory data from a variety of sources. These data are consistently available to us according to standards that are enforced by a mandatory reporting regime and available under the terms of Re-use of Public Sector Information Regulations²³.

Whereas most of the other regulatory data are already available in digital form, INKEx digitises the contents of audited financial statements into a harmonised schema, stores them in its database, and publishes summary extracts in a comparable and consistent format on the micro-site of each nonprofit company.

The database which we built in 2010, contains a comprehensive set of audited financial information for just over 7,000 nonprofits. This is fewer than the full list of nonprofit companies in the database because some companies (incorrectly) file abridged statements, some are private companies limited by shares, others have had their accounts withdrawn by the CRO for one reason or another, and newer companies have not yet filed audited financial statements (they have 18 months following incorporation to do so). We hold data from audited financial statements for all the nonprofits in scope for the year ended 2009 in most cases. This means that we have data for 2008 and 2009, because each set of accounts shows the current and the prior year's figures. Our plan is to resume keying of 2010 and 2011 accounts during 2012, and thereafter to key new sets of accounts as they are published by the CRO.

How www.irishnonprofits.ie is produced

On www.irishnonprofits.ie, each nonprofit company is provided with a five-page micro-site which we pre-populate with regulatory data including a list of their directors and their financial profile. For the 3,863 non-companies with a CHY number, we provide a simple directory listing.

Listed nonprofits are free to upload contact details, social media links and other information, as well as additional disclosures about their values, mission, beneficiaries, programmes, activities and governance.

Each nonprofit company has secure access to their own micro-site for this purpose – and in fact www.irishnonprofits.ie has provided many of these with their own micro website for the first time, thereby putting many small nonprofits online who previously had no access to the Web.

On publication, these voluntary additional disclosures are also stored in the Irish Nonprofits Database – however, the data from which this report are derived are solely regulatory in nature.

Glossary

“Approved body” tax status

Please see “Charitable or CHY tax status”, below

C&AG

Office of the Comptroller and Auditor General. Its role is to provide independent assurance that public money is properly managed and spent to good effect and to contribute to improvements in public administration

Charity

A body that, broadly speaking, applies its resources exclusively in pursuit of a charitable purpose.

Charities Act, 2009

The Charities Act was signed into law on 28 February 2009. It will only become effective when commencement orders are made by the Minister for Justice and Equality. The Charities Act provides for the establishment of a regulator for charities and seeks to reform the law of charities by ensuring greater accountability and to protect against fraud and the abuse of charitable status.

Charitable purpose

Irish law defines a charitable purpose as:

- (a) the prevention or relief of poverty or economic hardship;
- (b) the advancement of education;
- (c) the advancement of religion;
- (d) any other purpose that is of benefit to the community provided the activity is for a public benefit. (For a list of such purposes as described in the Charities Act, see Part 4 of this Report)

Charitable or CHY tax status

An “eligible charity” or “approved body” which has been assigned a CHY number by the Revenue Commissioners. The presence of a CHY number indicates that the body is recognised as “charitable” by the Revenue Commissioners for tax purposes. The tax code provides several exemptions from tax for charities, including for Income Tax (Sections 207 and 208, Taxes Consolidation Act, 1997). Section 848A of the Taxes Consolidation Act, 1997 provides for a scheme of tax relief for certain “eligible charities” and other “approved bodies” in respect of donations received.

Companies Acts 1963-2009

This is the legislation governing the incorporation, operation and regulation of companies in Ireland.

Comparative Nonprofit Sector Project (CNP)

The project carried out at the Centre for Civil Society Studies at the John Hopkins Institute for Policy Studies at Johns Hopkins University to analyse the scope, structure, financing, and role of the private nonprofit sector in 45 countries around the world.

Companies Registration Office (CRO)

The statutory authority in the Republic of Ireland for registering new companies and business names. The CRO also receives and registers incorporation and post incorporation documents and enforces the filing obligations imposed on companies pursuant to the Companies Acts.

CRA

Charities Regulatory Authority – to be established following the commencement of the Charities Act, 2009.

Directors

The Directors (under company law) of an organisation which is a company limited by guarantee. ‘Charity Trustees’ are defined in the Act and are those persons having day to day control of a charitable entity and includes directors of an incorporated entity.

DoF Circular 17/2010

Department of Finance (now Department of Public Expenditure and Reform) Circular Number 17 of 2010 on the Requirements for Grants and Grants-in-Aid.

Donation and donation in kind

A donation is a gift of money (may be cash), a donation in kind is given in goods or services rather than in money (or cash).

Fees and income from trading activities

Income received by the organisation for carrying out its primary activities e.g. theatre ticket sales.

GAAP

Generally Accepted Accounting Principles used in the preparation of annual accounts and financial statements.

Grants

Funds disbursed by one party (grantor) to a recipient (grantee). The grantor may be a Government department or agency, a philanthropic foundation or trust.

IFRS

International Financial Reporting Standards are international accounting standards adopted by the International Accounting Standards Board (“IASB”) used in the preparation of annual accounts and financial statements.

Incorporated

An entity which has been registered as a company with the CRO in order to provide it with separate legal status from its members, directors and staff.

Investment income

Income from listed or unlisted investments, subsidiaries, associates and related parties, money market funds (deposit interest etc) and other unspecified investment income.

Irish Nonprofits Database - www.irishnonprofits.ie

The Database has been established by the Irish Nonprofits Knowledge Exchange (INKE), it aims to become a resource for donors, regulators and the non-profit sector itself.

Legacy

A gift made under a Will.

Memorandum and Articles of Association

These documents set out the name, constitution, principal objects/activities and internal rules of a company.

NACE

NACE is the acronym for “Nomenclature statistique des activités économiques dans la Communauté européenne” and is the European classification system which groups organisations according to their economic activities.

Nonprofit

An organisation which does not derive profit for investors from its activities but instead reinvests any surpluses towards the achievement of its purposes. See Part 4 of this Report for more detail.

ODCE

The Office of the Director of Corporate Enforcement. Its role is to improve the compliance environment for corporate activity in the Irish economy.

Other activities

Income from ancillary activities (e.g. costume rental by a theatre production company) received by the organisation in the course of carrying out its main public benefit activities.

Philanthropy

The promotion of the welfare of others often by the donation of money/assets to a nonprofit organisation.

Regulatory filings

This includes statutory filings of company records (including constitutional documents and audited financial statements) with the CRO and Revenue Commissioners.

SORP

The Statement of Recommended Practice, Accounting and Reporting by Charities (2005) (“SORP”) was developed by the Charity Commission for England and Wales, and by the Scottish Regulator. Its use is not mandatory in Ireland but many Irish charities and nonprofits have begun to adopt it in the preparation and presentation of financial statements.

TCA, 1997

Taxes Consolidation Act 1997. Its provisions include charitable tax exemption.

Unspecified activity for generating funds

Income from a variety of (unspecified) activities including trading, fundraising etc. Usually appears as a single aggregate figure on the face of the financial statements.

Unincorporated entity

An association of individuals, which has not been registered as a company with the CRO.

Unspecified voluntary income

Income voluntarily given from any source (e.g. gifts, grants donations legacies), without expectation of material return. Usually appears as a single aggregate figure on the face of the financial statements as “voluntary income”.

Uncategorised and other income

Uncategorised income is income not readily identifiable, usually a single aggregate figure on the face of the financial statements not analysed in the notes or disclosures.

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