

The Ireland Funds
(A company limited by guarantee, not having a share capital)
Report and Financial Statements
for the year ended 31 December 2017

The Ireland Funds

(A company limited by guarantee, not having a share capital)

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The Ireland Funds

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TRUSTEES' AND OTHER INFORMATION

Trustees	Alan Foy Caroline Kennedy David McRedmond Gary McGann (appointed 06.02.18) Hugo MacNeill (resigned 02.02.17) John Fitzpatrick Mary McAleese (appointed 06.02.18) Ronan Foley Sir Anthony O'Reilly Trevor Ringland	Brendan McDonagh (appointed 06.02.18) Ciarán Murray (appointed 06.02.18) Emer Gilvarry Gerard Ryan (appointed 02.02.17) James Barry Mark Cunningham (resigned 25.05.17) Peter Rooney (appointed 06.02.18) Shaun Murphy Thomas Gallagher
Company Secretary	Nichola Lynch	
CHY (Revenue) Number	CHY10798	
Registered Charity Number	20028138	
Company Number	160956	
Registered Office and Principal Address	Denshaw House 121 – 122 Lower Baggot Street Dublin 2	
Auditors	PricewaterhouseCoopers One Spencer Dock North Wall Quay Dublin 1	
Bankers	AIB 100-101 Grafton Street Dublin 2 Permanent TSB 2-4 Upper Baggot Street Dublin 4 Rabobank International Georges Dock House IFSC Dublin 1 Bank of Ireland St Stephens Green Dublin 2 Davy Davy House 49 Dawson Street Dublin 2	
Solicitors	Mason Hayes & Curran South Bank House Barrow Street Dublin 4	

The Ireland Funds

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TRUSTEES' AND DIRECTORS' ANNUAL REPORT

for the year ended 31 December 2017

The Trustees present their Trustees' Annual Report, combining the Directors' Report and Trustees' Report, and the audited financial statements for the year ended 31 December 2017.

The charitable company is a registered charity and hence the report and results are presented in a form which complies with the requirements of the Companies Act 2014 and, although not obliged to comply with the Statement of Recommended Practice (Charities SORP effective January 2015), the Company has implemented its recommendations where relevant in these financial statements.

Trustees and secretary

The Trustees, who are also the directors of the charity, at the date of this report and those who served during the financial year together with the dates of any changes are set out on page 3.

Principal Activities

Objectives

The Ireland Funds was formed to:

- further the relief of poverty in Ireland or elsewhere including, but without prejudice to the generality of this sub clause, the provision of financial and other assistance to, or for the purpose of, any trust or body of persons whether incorporated or not, the sole purpose or objects of which are the relief of poverty in Ireland or elsewhere, and of which the capital, income and profits are applicable and applied to such purposes or objects only.
- promote peace, reconciliation and harmonious relations between all the people of Ireland by any lawful means.
- relieve all manner of human distress and suffering, both mental and physical.
- to advance education by the creation, endowment, establishment or by otherwise founding or granting educational scholarships, exhibitions and prizes and to provide funds for the conduct of seminars, meetings lectures, courses and other activities.

The Ireland Funds in Ireland is the grant making headquarters for The Ireland Funds in eleven other countries around the world, led by The Ireland Funds America. Other chapters are The Ireland Funds Australia, The Ireland Fund Canada, The Ireland Fund China, The Ireland Fund France, The Ireland Fund Germany, The Ireland Fund Great Britain, The Ireland Fund Japan, The Ireland Fund Monaco, The Ireland Funds Singapore and The Ireland Fund New Zealand. The Ireland Funds receives applications from over 1,000 non-profit organisations annually. Those applications are vetted and evaluated and recommendations for funding are made to donors in the Funds' network. The Funds focus on making grants that deliver impact in the following key areas - Arts & Culture by promoting culture and heritage and access to the arts; Community Development by investing in Ireland communities, assisting disadvantaged youth, promoting philanthropy in Ireland and assisting the elderly and Forgotten Irish; Education by providing access to education and supporting educational excellence; and Peace & Reconciliation through supporting a shared future for Northern Ireland. The Funds offer a wide range of philanthropic services to individuals, families and corporations.

The Ireland Funds is a charitable company limited by guarantee not having a share capital.

Financial review

The company participated in a successful year for The Ireland Funds around the world. It did so by welcoming an unprecedented number of overseas donors to Ireland, by meeting their requests for assistance in identifying suitable projects and by developing donors in Ireland: by engaging with the not-for-profit sector through seminars, meetings and site visits; by vetting and monitoring applications for grants, making grants, making grant recommendations and evaluating and measuring the impact of grants made.

During the year, 68% of total expenditure represented monies awarded in grants to other non-profit organisations.

Income raised through fundraising events increased by 27% to €266,481 in 2017 from €210,110 in 2016.

In 2017, The Ireland Funds in Ireland received €1,722,353 (donor advised restricted funds) from donors in Ireland, up from €1,211,339 in 2016.

At the end of 2017, the accumulated funds amounted to €1,665,822 (2016: €1,511,385). The net outgoing resources for the year showed a surplus of €154,437 (2016: deficit €198,080).

By its Articles of Association the company is prohibited from making any distribution of funds to its members.

The Ireland Funds

(A company limited by guarantee, not having a share capital)

TRUSTEES' AND DIRECTORS' ANNUAL REPORT *(continued)*

for the year ended 31 December 2017

Risk management

Risk is managed, both in the short term and long term, utilising the standard day to day procedures and management processes adopted by The Ireland Funds along with internal controls and risk management processes. A Governance Committee oversees governance within the Company. The key objective of the Committee is to formalise the governance approach and structures and to ensure that every Trustee understands their role and contribution. A Governance Handbook for all Trustees including a letter of appointment and a Risk Register and other standard governance items is in place. The Ireland Funds Governance Handbook will be reviewed again in 2018.

The Trustees have responsibility for and are aware of the risks associated with the operating activities of The Ireland Funds. They are confident that adequate systems of internal control are in place and that these controls provide reasonable assurance against such risks.

The internal control systems aim to ensure compliance with laws and policies, efficient and effective use of The Ireland Funds resources, safeguard The Ireland Funds' assets and maintain the integrity of the financial information produced.

The key risks identified for the financial year ended 31 December 2017 were:

Funding and financial risks

The principal financial challenges facing The Ireland Funds are in the areas of institutional fundraising. The Ireland Funds is dependent for its income on grant management fees, events and programmes and corporate partnership income. The Ireland Funds needs to continue to identify and develop new sources of income in order to reduce the risk of income fluctuations.

The Ireland Funds is working to manage costs by maintaining the most efficient steps to ensure that it gets the best value for money from all of its expenditure. The Ireland Funds regularly reviews its investment strategy to mitigate the uncertainty of exposure to fluctuations in the financial markets. In addressing the risk of fraud, The Ireland Funds has developed financial management and reporting systems to help mitigate this risk, which are reviewed on a regular basis.

Compliance and regulations

The Ireland Funds adheres to the sector's recommended codes of practice such as the Statement of Recommended Practice (SORP). The Ireland Funds has adopted The Governance Code, a Code of Practice for Good Governance of Community, Voluntary and Charitable Organisations in Ireland. The Code was launched in 2012 and its aim is to provide guidelines to help people on the boards of community and voluntary organisations on good governance.

The Ireland Funds complies with the Statement of Guiding Principles for Fundraising. This statement offers donors and potential donors clarity on what they may expect from the charity, its representatives and its management. The Statement offers a set of overarching principles and guidance about how fundraising should be approached and organised.

The Charities Regulatory Authority as provided for in the Charities Act 2009 came into operation in 2014. Implementation of the Charities Act 2009 provides the framework needed to increase transparency and accountability across the charities sector and to support the good practice that is essential to a strong and vibrant charities sector. The Ireland Funds supports the implementation of the Charities Act 2009 and is registered with the Charities Regulatory Authority (CRA number 20028138).

Environmental and external risks

The Ireland Funds' programmes and events are vulnerable to changes in the external environment in which it operates. The Ireland Funds actively monitors the external context in order to anticipate political, social or economic risks, so that plans can be put in place to minimise any negative impact on organisational activities or the reputation of the Company.

Structure, governance and management

Legal status and principal activities

The Ireland Funds were founded in 1976 by Sir Anthony O'Reilly, former President, Chairman and CEO of the H.J. Heinz Company and by fellow Pittsburgh businessman, the late Dan Rooney, owner of the Pittsburgh Steelers football team and former US Ambassador to Ireland.

The Ireland Funds is the registered name of the company. The company was incorporated in Ireland on 22 June 1990 as a company limited by guarantee, not having a share capital. The registered company number is 160956. The Ireland Funds is recognised by the Revenue Commissioners as having registered charity status - registration number CHY 10798.

The Ireland Funds financial statements are applicable to The Ireland Funds in Ireland. Each of the overseas Ireland Funds is a registered charity or not for profit organisation in its own jurisdiction.

The Ireland Funds

(A company limited by guarantee, not having a share capital)

TRUSTEES' AND DIRECTORS' ANNUAL REPORT *(continued)*

for the year ended 31 December 2017

Trustees and Management

The Ireland Funds is administered by the Trustees who are appointed for three year terms which are renewable. The Trustees are listed on page 3. The Trustees represent a diverse range of relevant expertise. No Trustee can be appointed to any salaried position of the company. Six new Trustees were appointed during and after the year end and there were two resignations during the year.

The Trustees monitor the work of The Ireland Funds in detail at each board meeting. There are at least five board meetings held throughout the year. In between meetings, the day-to-day management of the organisation is delegated to the Director Ireland, Caitriona Fottrell.

Financial information is subject to detailed review at Board level. The Trustees are supported in this area by a Finance Committee which meets at least four times per annum and reports to the Trustees on all financial issues. The Finance Committee is chaired by a Trustee and its function is to keep under review the financial management of The Ireland Funds, its efficiency, effectiveness and accountability. Other committees formed to support the work of the Trustees include the Nominating and Governance Committee.

Accounting Records

To ensure that adequate accounting records are kept in accordance with Sections 281 to 285 of the Companies Act, 2014, the directors have established appropriate books to adequately record the transactions of the company. The directors also ensure that the company retains the source documentation for these transactions. The accounting records are maintained at the company's office at Denshaw House, 121-122 Lower Baggot Street, Dublin 2.

Statement on Relevant Audit Information

In accordance with Section 330 of the Companies Act 2014, so far as each person who was a Trustee at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow Trustees, each Trustee has taken all the steps he/she is obliged to take as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of the information.

Auditors

The auditors, PricewaterhouseCoopers, have indicated their willingness to continue in office in accordance with the provisions of Section 383 (2) of the Companies Act, 2014.

Reserves policy

The charity has considered the reserves required and have taken into account their current and future liabilities. The Trustees aim to maintain free reserves in unrestricted funds at a level which equates to a minimum of six months of unrestricted operational expenditure. The Trustees consider that this level will provide sufficient funds to respond to applications for grants and ensure that support and governance costs are covered.

Key management personnel remuneration

Trustees are required to disclose all relevant interests and register them with the Director Ireland and in accordance with the Charity's policy withdraw from decisions where a conflict of interest arises.

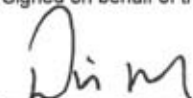
The pay of the charity's Director Ireland is reviewed annually to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

Reference and administrative information

Director Ireland –
Caitriona Fottrell

Other administrative information is set out on page 3.

Signed on behalf of the Board



David McRedmond
Director

Date: 17/9/18



Alan Foy
Director

Date: 17/9/2018

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STATEMENT OF TRUSTEES' RESPONSIBILITIES

for the year ended 31 December 2017

The Trustees are responsible for preparing the financial statements in accordance with applicable Irish law and Generally Accepted Accounting Practice in Ireland including the accounting standards issued by the Financial Reporting Council.

Company law requires the Trustees as the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the net income or expenditure of the charity for that year. The directors have elected to prepare the financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (Charity SORP FRS102) (effective 1 January 2015). In preparing these financial statements the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards and identify the standards in question, subject to any material departures disclosed and explained in the financial statements;
- state whether the Charities SORP (effective January 2015) has been followed;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees confirm that they have complied with the above requirements in preparing the financial statements.

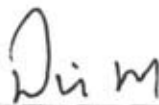
The Trustees are responsible for keeping proper accounting records which disclose accurately at any time the financial position of the charity and to enable them to ensure that the financial statements are prepared in accordance with accounting standards generally accepted in Ireland and with Irish Statute comprising the Companies Act 2014, and all Regulations to be construed as one with those Acts. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

In so far as the Trustees are aware:

- there is no relevant audit information (information needed by the charity's auditor in connection with preparing the auditor's report) of which the charity's auditor is unaware, and
- the Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Signed on behalf of the Board



David McRedmond
Director

Date: 17/9/18



Alan Foy
Director

Date: 17/9/2018



Independent auditors' report to the members of The Ireland Funds

Report on the audit of the financial statements

Opinion

In our opinion, The Ireland Funds's financial statements:

- give a true and fair view of the company's assets, liabilities and financial position as at 31 December 2017 and of its net income for the year then ended;
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council of the UK, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and promulgated by the Institute of Chartered Accountants in Ireland and Irish law); and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

We have audited the financial statements, included within the Report and Financial Statements, which comprise:

- the Balance Sheet as at 31 December 2017;
 - the Statement of Financial Activities for the year then ended;
 - the Statement of Changes in Funds for the year then ended;
 - the Cash Flow Statement and
 - the notes to the financial statements, which include a description of the significant accounting policies.
-

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)") and applicable law.

Our responsibilities under ISAs (Ireland) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, which includes IAASA's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.



Reporting on other information

The other information comprises all of the information in the Report and Financial Statements other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Trestees' and Directors Annual Report, we also considered whether the disclosures required by the Companies Act 2014 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (Ireland) and the Companies Act 2014 require us to also report certain opinions and matters as described below:

- In our opinion, based on the work undertaken in the course of the audit, the information given in the Trestees' and Directors Annual Report for the year ended 31 December 2017 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.
- Based on our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Trestees' and Directors Annual Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Trustees' responsibilities set out on page 8, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view.

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

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

Auditors' responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the IAASA website at:

https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf

This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with section 391 of the Companies Act 2014 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



Other required reporting

Companies Act 2014 opinions on other matters

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.

Companies Act 2014 exception reporting

Directors' remuneration and transactions

Under the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of that Act have not been made. We have no exceptions to report arising from this responsibility.

A handwritten signature in blue ink, appearing to read 'Aisling Fitzgerald'.

Aisling Fitzgerald
for and on behalf of PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
Dublin

17 September 2018

The Ireland Funds

(A company limited by guarantee, not having a share capital)

STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 December 2017

	Notes	Un-restricted fund 2017 €	Restricted fund 2017 €	Endowment fund 2017 €	Total funds 2017 €	Un-restricted fund 2016 €	Restricted fund 2016 €	Endowment fund 2016 €	Total funds 2016 €
Income and endowments									
<i>Donations and legacies:</i>									
Ireland generated donations		88,268	-	-	88,268	123,429	-	-	123,429
Management fees		407,184	-	-	407,184	357,180	-	-	357,180
Grant management income		30,606	-	-	30,606	32,802	-	-	32,802
Charitable grants received		-	1,722,353	2,842	1,725,195	-	1,211,339	-	1,211,339
Charitable activities - Programmes		62,640	-	-	62,640	62,974	-	-	62,974
Charitable activities - Events		266,481	-	-	266,481	210,110	-	-	210,110
Investment income	4	787	-	-	787	684	-	-	684
Total		855,966	1,722,353	2,842	2,581,161	787,179	1,211,339	-	1,998,518
Expenditure									
Cost of raising funds	6	437,358	-	-	437,358	375,565	-	-	375,565
Charitable activities	6	339,149	1,650,217	-	1,989,366	365,902	1,455,131	-	1,821,033
Total		776,507	1,650,217	-	2,426,724	741,467	1,455,131	-	2,196,598
Net income/(expenditure)		79,459	72,136	2,842	154,437	45,712	(243,792)	-	(198,080)
Transfers between funds		-	-	-	-	-	-	-	-
Net movement in funds		79,459	72,136	2,842	154,437	45,712	(243,792)	-	(198,080)
Reconciliation of funds:									
Total funds brought forward		501,091	1,010,294	-	1,511,385	455,379	1,254,086	-	1,709,465
Total funds carried forward		580,550	1,082,430	2,842	1,665,822	501,091	1,010,294	-	1,511,385

The notes on pages 15 to 25 form part of the financial statements

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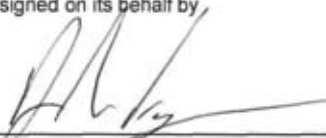
BALANCE SHEET

as at 31 December 2017

	Notes	2017 €	2016 €
Fixed Assets			
Tangible assets	9	1,446	1,581
Financial assets - commercial investments	10	2,842	-
		<u>4,288</u>	<u>1,581</u>
Current Assets			
Debtors	11	68,562	197,308
Cash and cash equivalents		<u>1,693,376</u>	<u>1,426,629</u>
		<u>1,761,938</u>	<u>1,623,937</u>
Creditors: Amounts falling due within one year	12	<u>(100,404)</u>	<u>(114,133)</u>
Net Current Assets		<u>1,661,534</u>	<u>1,509,804</u>
Total Assets less Current Liabilities		<u>1,665,822</u>	<u>1,511,385</u>
Funds			
Endowment funds		2,842	-
Income funds:			
Restricted trust funds		1,082,430	1,010,294
General fund (unrestricted)		<u>580,550</u>	<u>501,091</u>
Total funds	15	<u>1,665,822</u>	<u>1,511,385</u>

Approved by the Trustees on 17/9/18 and signed on its behalf by


 David McRedmond
 Director


 Alan Foy
 Director

The notes on pages 15 to 25 form part of the financial statements

The Ireland Funds

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STATEMENT OF CHANGES IN FUNDS

for the year ended 31 December 2017

	Endowme nt fund	Restricted fund	Unrestricted fund	Total
	€	€	€	€
At 1 January 2016	-	1,254,086	455,379	1,709,465
Net (expenditure)/income	-	(243,792)	45,712	(198,080)
Net movement in funds	-	(243,792)	45,712	(198,080)
At 31 December 2016	-	1,010,294	501,091	1,511,385
At 1 January 2017	-	1,010,294	501,091	1,511,385
Net income/(expenditure)	2,842	72,136	79,459	154,437
Net movement in funds	2,842	72,136	79,459	154,437
At 31 December 2017	2,842	1,082,430	580,550	1,665,822

The notes on pages 15 to 25 form part of the financial statements

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CASH FLOW STATEMENT

for the year ended 31 December 2017

	Notes	2017 €	2016 €
Cash flows from operating activities			
Net movement in funds		154,437	(198,080)
Adjustments for:			
Increase in value of endowments funds		-	-
Interest received		(787)	(684)
Loss on disposal of investments		-	-
Depreciation		1,057	1,772
		<u>154,707</u>	<u>(196,992)</u>
Movements in working capital:			
Movement in debtors		128,746	(167,324)
Movement in creditors		<u>(13,729)</u>	<u>28,642</u>
Cash generated/ (used in) from operations		<u>269,724</u>	<u>(335,674)</u>
Cash flows from investing activities			
Interest received		787	684
Payments to acquire tangible assets		(922)	-
Payments to acquire investments		<u>(2,842)</u>	<u>-</u>
Net cash (used in)/generated from investment activities		<u>(2,977)</u>	<u>684</u>
Net increase/decrease in cash and cash equivalents		266,747	(334,990)
Cash and cash equivalents at 1 January 2017		1,426,629	1,761,619
		<u>1,426,629</u>	<u>1,426,629</u>
Cash and cash equivalents at 31 December 2017	18	<u>1,693,376</u>	<u>1,426,629</u>

The notes on pages 15 to 25 form part of the financial statements

The Ireland Funds

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2017

1. ACCOUNTING POLICIES

Statement of compliance

The financial statements have been prepared in accordance with FRS 102 and with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (SORP FRS 102) and with generally accepted accounting principles in Ireland and Irish statute comprising the Companies Act 2014. They comply with the financial reporting standards of the Accounting Standards Board, as promulgated by Chartered Accountants Ireland. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the charitable company's financial statements.

Restricted funds

Restricted funds are funds subject to specific trusts, which may be declared by the donor(s) or with their authority or created through legal process, but still within the wider objectives of the charity. Restricted funds may be restricted income funds, which are expendable at the discretion of the Trustees in furtherance of some particular aspect(s) of the objectives of the charity, restricted funds may also be capital funds, where the assets are required to be invested, or retained for actual use rather than expended.

Unrestricted free reserves

Unrestricted funds are expendable at the discretion of the board in furtherance of the charity's objectives.

Income and endowments

Items of income, principally sponsorship commitments, are recognised when there is evidence of entitlement, receipt is probable and their amount can be measured reliably in the period in which income is received. Restricted contributions and donations are recorded in or deferred to the period in which the related expenditure is charged to the extent that there are unfulfilled performance conditions which have not been satisfied at the balance sheet date.

In accordance with best practice, fundraising income is shown gross without deduction of any overhead costs involved in raising such funds. Fundraising and event costs, shown separately in the financial statements, include staff, direct and indirect overheads and event costs.

All unrestricted income and donations are included in the financial statements on the basis of amounts received.

Subscriptions and donations are recognised in the Statement of Financial Activities when there is evidence of entitlement, receipt is probable and their amount can be measured reliably.

Income in relation to services rendered (management income and fees) are recognised the Statement of Financial Activities when the services are completed.

Expenditure

Expenditure is accounted for on an accruals basis. Expenditure on charitable activities is made up of grant disbursements while costs of funds include costs of services, expenses incurred on fundraising activities, personnel cost, support costs and depreciation on related assets. Non-staff costs not attributed to one category of activity are allocated or apportioned pro-rata to the staffing of the relevant service. Finance, HR, IT and administrative staff costs are directly attributable to individual activities by objective. Governance costs are those associated with constitutional and statutory requirements and they are reported under cost of raising funds.

Reserves policy

The Ireland Funds has a reserve policy to ensure that it is in the position to provide a stable and quality service to its potential beneficiaries on a continuing and financially sustainable basis.

The Ireland Funds

(A company limited by guarantee, not having a share capital)

NOTES TO THE FINANCIAL STATEMENTS (*continued*)

for the year ended 31 December 2017

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or at valuation, less accumulated depreciation. The charge to depreciation is calculated to write off the original cost or valuation of tangible fixed assets, less their estimated residual value, over their expected useful lives as follows:

Fixtures and fittings	- 20% Straight line
Office equipment	- 20% Straight line
Computer equipment	- 25% Straight line

Investments

Investments held as fixed assets are stated at cost less provision for any permanent diminution in value. Income from other financial fixed asset investments together with any related withholding tax is recognised in the income and expenditure account in the year in which it is receivable.

Financial Assets

Basic financial assets, including trade and other debtors, cash and cash equivalents are initially recognised at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. Where the arrangement constitutes a financing transaction the resulting financial asset is initially measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument.

Subsequent measurement takes place at amortised cost using the effective interest method.

Such financial assets are subsequently measured at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are subsequently measured at cost less impairment.

Financial assets – continued

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of ownership of the financial asset are transferred to another party or (c) control of the financial asset has been transferred to another party who has the practical ability to unilaterally sell the financial asset to an unrelated third party without imposing additional restrictions.

Financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans, loans from fellow group companies and preference shares, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction. When the arrangement constitutes a financing transaction the resulting financial liability is initially measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Trade and other creditors, bank loans, loans from fellow group companies, preference shares and financial liability from arrangements which constitute financing transactions are subsequently carried at amortised cost, using effective interest method.

Trade creditors are classified as due within one year if payment is due within one year or less. If not, they are presented as falling due after more than one year. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle to liability simultaneously.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Transactions during the year, which are denominated in foreign currencies are translated at the rates of exchange ruling at the date of the transaction. The resulting exchange differences are dealt with in the Statement of Financial Activities.

Pensions

The charity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. Annual contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

The Ireland Funds

(A company limited by guarantee, not having a share capital)

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2017

2. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

Judgements and estimates are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are reviewed.

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on future investments, economic utilisation and the physical condition of the assets.

3. NET INCOME/(EXPENDITURE)

	2017	2016
Net income/(expenditure) are stated after charging/(crediting):	€	€
Depreciation of tangible assets	1,057	1,722
Auditor's remuneration:		
- audit fees – statutory audit only (Incl.VAT)	<u>12,300</u>	<u>13,530</u>

4. INVESTMENT INCOME

	2017	2016
	€	€
Bank interest	<u>787</u>	<u>684</u>

5. BREAKDOWN OF EXPENDITURE

Expenditure has been classified to comply with Charity SORP FRS 102. Such costs include cost of raising funds and charitable activities. The costs of raising funds includes the costs of inducing others to make gifts that are voluntary income. Charitable activities relate to costs associated with grant disbursements.

Direct costs are allocated to each activity based on actual costs for each activity. All other costs including premises costs, depreciation, governance and support costs are apportioned based on an average percentage of staff time allocated to each activity.

The Ireland Funds

(A company limited by guarantee, not having a share capital)

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2017

6. ANALYSIS OF EXPENDITURE

	Raising funds	Charitable activities	Total
	2017	2017	2017
	€	€	€
Grant disbursement	-	1,650,217	1,650,217
Salaries and staff training	207,138	144,586	351,724
Marketing and donor relations	-	-	-
Programmes	39,558	-	39,558
Events	137,233	-	137,233
Premises costs	32,280	17,497	49,777
Depreciation	565	306	871
Governance costs	-	124,876	124,876
Support costs (note 6 (a))	20,584	8,983	29,567
Finance	-	42,901	42,901
	<u>437,358</u>	<u>1,989,366</u>	<u>2,426,724</u>

ANALYSIS OF EXPENDITURE PRIOR YEAR

	Raising funds	Charitable activities	Total
	2016	2016	2016
	€	€	€
Grant disbursement	-	1,455,131	1,455,131
Salaries and staff training	199,201	156,045	355,246
Marketing and donor relations	1,481	549	2,030
Programmes	24,915	-	24,915
Events	95,287	-	95,287
Premises costs	29,541	10,955	40,496
Depreciation	1,116	414	1,530
Governance costs	-	142,654	142,654
Support costs (note 6 (a))	24,024	7,835	31,859
Finance	-	47,450	47,450
	<u>375,565</u>	<u>1,821,033</u>	<u>2,196,598</u>

The Ireland Funds

(A company limited by guarantee, not having a share capital)

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2017

6. (a) ANALYSIS OF SUPPORT COSTS

	Raising Funds 2017 €	Charitable activities 2017 €	Total 2017 €
Printing, postage and stationery	1,652	895	2,547
Travelling and committee expenses	4,013	-	4,013
Telephone	4,615	2,502	7,117
Hire of equipment	499	270	769
Bank charges	1,481	803	2,284
Cleaning and canteen	2,211	1,199	3,410
General expenses	1,762	955	2,717
Subscriptions	981	532	1,513
Insurance	1,141	618	1,759
Repairs and maintenance	2,229	1,209	3,438
	<u>20,584</u>	<u>8,983</u>	<u>29,567</u>

ANALYSIS OF SUPPORT COSTS PRIOR YEAR

	Raising Funds 2016 €	Charitable activities 2016 €	Total 2016 €
Printing, postage and stationery	1,558	577	2,135
Travelling and committee expenses	2,895	-	2,895
Telephone	4,961	1,840	6,801
Hire of equipment	587	218	805
Bank charges	1,600	594	2,194
Cleaning and canteen	3,400	1,261	4,661
General expenses	3,245	1,203	4,448
Subscriptions	817	303	1,120
Insurance	1,719	637	2,356
Repairs and maintenance	3,242	1,202	4,444
	<u>24,024</u>	<u>7,835</u>	<u>31,859</u>

The Ireland Funds

(A company limited by guarantee, not having a share capital)

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2017

7. EMPLOYEES AND REMUNERATION

Number of employees

The average number of persons employed during the year was as follows:

	2017 Number	2016 Number
Administration and events	2	1
Grants and research	3	4
Events and fund raising	2	3
	<u>7</u>	<u>8</u>

The staff costs comprise:

	2017 €	2016 €
Wages and salaries	374,926	397,311
Social insurance costs	40,155	42,623
Pension costs	37,501	37,501
	<u>452,582</u>	<u>477,435</u>

8. STAFF BENEFITS

Number of employees whose emoluments (excluding employer pension costs) fell within the following bands are indicated below:

	2017 Number	2016 Number
€70,000 - €80,000	1	1
€80,000 - €90,000	1	1
€90,000 - €100,000	-	-
€100,000 - €110,000	-	-
€110,000 - €120,000	1	1

During the year pension contributions on behalf of these staff amounted to €37,501 (2016: €37,501). There were two employees for whom retirement benefits are accruing under defined contribution schemes.

Key management personnel remuneration

The Trustees consider the Board of Trustees and the Director Ireland as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All Trustees give of their time freely and no Trustee remuneration was paid in the year.

The total key management remuneration inclusive of employer pension contributions for 2017 amounted to €150,000 (2016: €150,000).

There were no expenses paid or reimbursed to Trustees during the year.

Related party transactions with other Ireland Funds are disclosed in note 17 to the financial statements.

The Ireland Funds

(A company limited by guarantee, not having a share capital)

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2017

9. TANGIBLE FIXED ASSETS

	Fixture and Fittings €	Office Equipment €	Computer Equipment €	Total €
Cost				
At 1 January 2017	22,386	15,026	11,424	48,836
Additions	-	-	922	922
	<u>22,386</u>	<u>15,026</u>	<u>12,346</u>	<u>49,758</u>
At 31 December 2017	22,386	15,026	12,346	49,758
Depreciation				
At 1 January 2017	21,785	14,339	11,131	47,255
Charge for the year	359	252	446	1,057
	<u>22,144</u>	<u>14,591</u>	<u>11,577</u>	<u>48,312</u>
At 31 December 2017	22,144	14,591	11,577	48,312
Net book value				
At 31 December 2017	<u>242</u>	<u>435</u>	<u>769</u>	<u>1,446</u>
At 31 December 2016	<u>601</u>	<u>687</u>	<u>293</u>	<u>1,581</u>

Included in the cost of fixed assets is an amount of €43,182 (2016: €41,425) which represents assets fully depreciated.

TANGIBLE FIXED ASSETS PRIOR YEAR

	Fixture and Fittings €	Office Equipment €	Computer Equipment €	Total €
Cost				
At 1 January 2016	22,386	15,026	11,424	48,836
Additions	-	-	-	-
	<u>22,386</u>	<u>15,026</u>	<u>11,424</u>	<u>48,836</u>
At 31 December 2016	22,386	15,026	11,424	48,836
Depreciation				
At 1 January 2016	20,704	14,087	10,692	45,483
Charge for the year	1,081	252	439	1,772
	<u>21,785</u>	<u>14,339</u>	<u>11,131</u>	<u>47,255</u>
At 31 December 2016	21,785	14,339	11,131	47,255
Net book value				
At 31 December 2016	<u>601</u>	<u>687</u>	<u>293</u>	<u>1,581</u>
At 31 December 2015	<u>1,682</u>	<u>939</u>	<u>732</u>	<u>3,353</u>

The Ireland Funds

(A company limited by guarantee, not having a share capital)

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2017

10. FINANCIAL FIXED ASSETS

Commercial investments

Investments

Cost or Valuation

At 1 January 2017

Additions

At 31 December 2017

Net book value

At 31 December 2017

At 31 December 2016

FINANCIAL FIXED ASSETS PRIOR YEAR

Commercial Investments

Investments

Cost or Valuation

At 1 January 2016

Disposals

Revaluations

At 31 December 2016

Net book value

At 31 December 2016

At 31 December 2015

Other
unlisted
investments
€

-

2,842

2,842

2,842

-

Other
unlisted
investments
€

-

-

-

-

-

-

The unquoted investments related to ordinary shares held in Atlas Investments (Atlas) plc donated to establish a donor advised endowment fund. Atlas is an Irish Public Limited Company. Its shares are not listed on any stock exchange but may be traded via the company's stockbrokers.

The Ireland Funds

(A company limited by guarantee, not having a share capital)

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2017

11. DEBTORS

	2017	2016
	€	€
Amounts owed by connected parties (Note 17)	21,929	107,749
Debtors	35,747	79,932
Prepayments and accrued income	10,886	9,627
	<u>68,562</u>	<u>197,308</u>

Amounts owed by connected parties are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

12. CREDITORS

	2017	2016
	€	€
Amounts falling due within one year		
Total Creditors	11,777	6,720
Taxation and social security costs (Note 13)	11,938	21,017
Other Creditors	-	-
Accruals	37,908	28,553
Deferred Income	38,781	57,843
	<u>100,404</u>	<u>114,133</u>

Deferred income consists events income in respect of 2018, received in advance. Trade, other creditors and other income for which performance conditions have not been satisfied at balance sheet date are payable at various dates in the three months after the end of the financial year in accordance with the creditors usual and customary credit terms.

13. TAXATION AND SOCIAL SECURITY

	2017	2016
	€	€
Creditors		
PAYE/ PRSI	<u>11,938</u>	<u>21,017</u>

14. PENSION COSTS - DEFINED CONTRIBUTION

The charitable company operates defined contribution pension schemes. The assets of these schemes are held separately from those of the charitable company in independently administered funds. Pension costs amounted to €37,501 (2016 - €37,501).

The Ireland Funds

(A company limited by guarantee, not having a share capital)

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 December 2017

15. ANALYSIS OF NET ASSETS BY FUND

	Endowment fund	Restricted fund	Unrestricted fund	Total
	€	€	€	€
At 1 January 2016	-	1,254,086	455,379	1,709,465
Operating surplus for the year	-	(243,792)	45,712	(198,080)
At 31 December 2017	-	1,010,294	501,091	1,511,385
Operating surplus/(deficit) for the year	2,842	72,136	79,459	154,437
At 31 December 2017	2,842	1,082,430	580,550	1,665,822

16. STATUS

The charitable company is limited by guarantee not having a share capital.

The liability of the members is limited. Every member of the company undertakes to contribute to the assets of the company in the event of its being wound up while they are members or within one year thereafter for the payment of the debts and liabilities of the company contracted for before they ceased to be members and the costs, charges and expenses of winding up and for the adjustment of the rights of the contributors among themselves such amount as may be required, not exceeding €1.27.

17. RELATED PARTY TRANSACTIONS

	Balance 2017	Movement in Year	Balance 2016
	€	€	€
American Ireland Fund	6,532	(92,399)	98,931
The Singapore Ireland Fund	-	(758)	758
The Australia Ireland Fund	-	(1,459)	1,459
The Ireland Fund of Great Britain	14,247	7,646	6,601
The Ireland Fund of Canada	1,150	1,150	-
	21,929	(85,820)	107,749

As stated in the Trustees' and Directors' Report, The Ireland Funds is associated with a larger group comprised of twelve independent Trust Funds including The American Ireland Fund. During the year, the company received income of €407,184 (2016: €357,180) in respect of services provided to The American Ireland Fund.

The Ireland Funds

(A company limited by guarantee, not having a share capital)

NOTES TO THE FINANCIAL STATEMENTS (*continued*)

for the year ended 31 December 2017

18. CASH AND CASH EQUIVALENTS

	2017 €	2016 €
Cash and bank balances	<u>1,693,376</u>	<u>1,426,629</u>

19. POST-BALANCE SHEET EVENTS

There have been no significant events affecting the Charity since the year-end.

20. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Board of Trustees on

The Ireland Funds

(A company limited by guarantee, not having a share capital)

SUPPLEMENTARY INFORMATION

RELATING TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

NOT COVERED BY THE REPORT OF THE AUDITORS

The Ireland Funds

(A company limited by guarantee, not having a share capital)

	2017 €	2016 €
Income		
Grants received – restricted	1,725,195	1,211,339
Ireland generated donations	88,268	123,429
Management fees	407,184	357,180
Grant management income	30,606	32,802
Miscellaneous events - income	266,481	210,110
Programmes - income	62,640	62,974
Income	2,580,374	1,997,834
Cost of generating funds		
Charitable grants disbursed	1,650,217	1,455,131
	<u>1,650,217</u>	<u>1,455,131</u>
Gross surplus	930,157	542,703
Expenses		
Wages and salaries	374,925	397,311
Social security costs	40,155	42,623
Staff defined contribution pension costs	37,501	37,501
Staff training	3,321	4,593
Rent and service charge	56,831	43,424
Insurance	2,132	2,728
Miscellaneous events costs	137,234	95,287
Light and heat	3,505	3,465
Repairs and maintenance	4,167	5,146
Printing, postage and stationery	3,088	2,471
Travelling, marketing and committee expenses	5,144	5,820
Telephone	8,627	7,875
Hire of equipment	932	932
Programme costs	39,558	24,915
Accountancy	34,001	37,690
Audit fees	12,300	13,530
Bank charges	2,769	2,540
Cleaning and canteen	4,133	5,397
General expenses	3,293	5,150
Subscriptions	1,834	1,297
Depreciation	1,057	1,772
	<u>776,507</u>	<u>741,467</u>
Miscellaneous income and changes in investments		
Bank interest	787	684
Disposal of investments	-	-
Amounts written back on investments	-	-
	<u>787</u>	<u>684</u>
Net surplus/(deficit)	154,437	(198,080)

The supplementary information does not form part of the audited financial statements.