

Transparency International (Ireland) CLG
Annual Report and Audited Financial Statements
for the financial year ended 31 December 2019

Transparency International (Ireland) CLG

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Transparency International (Ireland) CLG

REFERENCE AND ADMINISTRATIVE INFORMATION

Directors

Noel Wardick (Resigned 23 September 2019)
Alan Farrell (Resigned 23 September 2019)
Daragh McGreal (Resigned 23 September 2019)
Siobhán McGee
William Silke
David Phelan
Olivia Lally
Anne Marie Flynn (Appointed 8 March 2019)

Company Secretary

Anne Marie Flynn (Appointed 8 March 2019)
Ian Monaghan (Resigned 8 March 2019)

Company Number

390950

Registered Office and Principal Address

69 Middle Abbey Street,
Dublin 1

Auditors

Donal Ryan & Associates
Chartered Certified Accountants and Statutory Auditor
32 Manor Street
Dublin 7

Bankers

Bank of Ireland
Lower Baggot Street,
Dublin 2

Transparency International (Ireland) CLG

DIRECTORS' ANNUAL REPORT

for the financial year ended 31 December 2019

The directors present their Directors' Annual Report, combining the Directors' Report and Trustees' Report, and the audited financial statements for the financial year ended 31 December 2019.

The financial statements are prepared in accordance with the Companies Act 2014, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Directors' Report contains the information required to be provided in the Directors' Annual Report under the Statement of Recommended Practice (SORP) guidelines.

In this report the directors of Transparency International (Ireland) CLG present a summary of its purpose, governance, activities, achievements and finances for the financial year 2019.

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 applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the organisation has implemented its recommendations where relevant in these financial statements.

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

Mission, Objectives and Strategy

Objectives

Transparency International (Ireland) CLG focussed on delivering on two objectives during 2019 which can be summarised as follows:

Objective 1: Building on the work we have done in establishing our Speak Up and Integrity at Work services so that we can meet public demand for legal advice and information, support whistleblowers and witnesses, develop our range of tools and client services, and produce high-quality analysis from our engagement with citizens.

Objective 2: Increasing TI Ireland's impact as an evidence-based advocacy organisation through delivering high quality research and analysis and through engagement nationwide with volunteers, members, citizens, experts, policy-makers and legislators.

Structure, Governance and Management

Structure

TI Ireland is a fully-accredited member of Transparency International. Its membership is reviewed every three years, during which time it must demonstrate its commitment to TI's values and its impact in stopping corruption and promoting transparency in Ireland. The day-to-day affairs of TI Ireland are managed by its Chief Executive, John Devitt, and overseen by its Board of Directors. A Board member must retire at the end of their second term for a period of one year, after which they are entitled to stand for re-election for one more term.

Number of Board Meetings and Attendance

- 28 January 2019 - Present: Alan Farrell; Daragh McGreal, Olivia Lally, Anne Marie Flynn, David Phelan, Liam Silke, Noel Wardick; Apologies: Siobhán McGee; In attendance: John Devitt, Donncha Ó Giobúin

- 11 March 2019 - Present: Alan Farrell, Daragh McGreal, Olivia Lally, Anne Marie Flynn, David Phelan, Liam Silke, Noel Wardick; Apologies: Siobhán McGee; In attendance: John Devitt, Donncha Ó Giobúin

- 16 April 2019 - Present: Alan Farrell, Olivia Lally, David Phelan, Liam Silke, and Noel Wardick, Siobhán McGee, Daragh McGreal; Apologies: Anne Marie Flynn; In attendance: John Devitt, Donncha Ó Giobúin

- 1 July 2019 - Present: Alan Farrell, Olivia Lally, David Phelan, Liam Silke, Noel Wardick, Siobhán McGee; Apologies: Anne Marie Flynn; In attendance: John Devitt, Donncha Ó Giobúin

- 23 September 2019 - Present: Olivia Lally, Alan Farrell, Liam Silke, Noel Wardick, Siobhán McGee, David Phelan, Anne Marie Flynn; In attendance: John Devitt, Donncha Ó Giobúin

Transparency International (Ireland) CLG

DIRECTORS' ANNUAL REPORT

for the financial year ended 31 December 2019

Financial Review

TI Ireland's financial affairs are managed by its Chief Executive, John Devitt and independent accountant, Angela Maguire. All supporting documentation is scanned and monthly cash-flow projections are available for inspection by Board Members, Ms. Maguire and our external auditors. Our Board Finance Committees reviews income projections and expenditure and reports to the Board in advance of each meeting. In addition to the publication of our SORP-compliant accounts, separate financial reports are provided to our donors and partners at Transparency International. The results for the financial year are set out on page 10 and additional notes are provided showing income and expenditure in greater detail.

Financial Results

At the end of the financial year the company has assets of €54,545 (2018 - €68,152) and liabilities of €34,554 (2018 - €44,874). The net assets of the company have decreased by €(3,287).

Principal Risks and Uncertainties

On 31 December 2019, China alerted the World Health Organisation (WHO) to several cases of unusual pneumonia in Wuhan, a port city in the central Hubei province. In February 2020, the WHO officially named this new Coronavirus 'COVID-19' and on 11 March 2020 the WHO declared the coronavirus outbreak a pandemic. The initial impact of this has been severe and has resulted in a significant worldwide slowdown in economic activity. In Ireland, the economic impact of this pandemic has been characterised by the temporary closure of many businesses in "non-essential" areas to ensure that people's movements are restricted in order to slow down the spread of the virus. The effect of Covid-19 presents many risks for the company, the effects of which cannot be fully quantified at the time of approving the financial statements. At the date of signing these accounts the long term impact on the company is unknown.

Future Development

The company does not undertake research and development for the purpose of generating a profit.

The directors are not expecting to make any significant changes in the nature of the business in the near future. At the time of approving the financial statements, the company is exposed to the effects of the Covid-19 pandemic and in planning its future activities, the directors will seek to develop the company's activities whilst managing the effects of the difficult trading period caused by this outbreak.

Directors and Secretary

The directors who served throughout the financial year, except as noted, were as follows:

Noel Wardick (Resigned 23 September 2019)
Alan Farrell (Resigned 23 September 2019)
Daragh McGreal (Resigned 23 September 2019)
Siobhán McGee
William Silke
David Phelan
Olivia Lally
Anne Marie Flynn (Appointed 8 March 2019)

In accordance with the Constitution, the directors retire by rotation and, being eligible, offer themselves for re-election.

The secretaries who served during the financial year were;

Anne Marie Flynn (Appointed 8 March 2019)
Ian Monaghan (Resigned 8 March 2019)

Compliance with Sector-Wide Legislation and Standards

The company engages pro-actively with legislation, standards and codes which are developed for the sector. Transparency International (Ireland) CLG subscribes to and is compliant with the following:

- The Companies Act 2014
- The Charities SORP (FRS 102)

Transparency International (Ireland) CLG is compliant with relevant circulars including Circular: 44/2006 "Tax Clearance Procedures Grants, subsidies and Similar Type Payments" and DPE 022/05/2013 Circular: 13/2014 'Management of and Accountability for Grants from Exchequer Funds'.

Transparency International (Ireland) CLG

DIRECTORS' ANNUAL REPORT

for the financial year ended 31 December 2019

Post Balance Sheet Events

In the first half of 2020, the Covid-19 virus spread worldwide. In common with many other countries, the Irish government issued guidance and restrictions on the movement of people designed to slow the spread of this virus. In early March 2020, many businesses closed voluntarily and throughout the month more restrictions were placed on people and businesses. On 28th March, all “non-essential” businesses were ordered to close temporarily. TI Ireland has remained operational during this period, with its Helpline Coordinator working from its premises and all other staff working from home. At the time of approving the financial statements, there is uncertainty regarding how the balance sheet may be impacted based on events since the year end and as a result an estimate of its financial effect cannot be made.

Political Donations

The company does not give any political donations or encourage its staff to do so.

Reserves Policy

The company recognises the importance of having reserves in place. It is the intention of the Company to grow its reserves where possible while at the same time complying with funders requirements regarding annual budget expenditure.

Main Activities and Achievements

During 2019, staff and volunteers delivered on the two objectives outlined above by providing support and advice to whistleblowers and witnesses as well as organisations through our Speak Up Helpline and Integrity at Work (IAW) programme. TI Ireland's supported 215 clients during the year, providing information and referral advice to callers seeking to raise concerns about wrongdoing. Of those, 18 clients were referred to partner charity, the Transparency Legal Advice Centre which gave free legal advice to 16 new clients seeking to make protected disclosures. This work is currently funded by the Department of Public Expenditure and Reform, the TI Ireland's as well as income generated through the IAW programme.

In the meantime the Department of Education and Skills, and membership of programme grew to 28 organisations when Revenue, Rehab Group, Darndale Belcamp Village Centre, Institute of Technology (IoT) Sligo, Limerick IoT and Waterford IoT joined the initiative. Through the IAW programme, the IAW continued to improve awareness and understanding of the Protected Disclosures Act (PDA) and best practice principles in responding to reports of wrongdoing, by providing training to 254 senior staff across 14 IAW members. This included 87 staff from justice sector agencies. Feedback forms received from participants indicated an average increase in knowledge of 63%. TI Ireland also launched a new series of IAW workshops and hosted its annual IAW conference which brought together 112 representatives from over 70 organisations from the public, private and non-profit sectors to share insights and experiences.

In addition to supporting whistleblowers and helping promote understanding and capacity within organisations to help their staff to speak up, TI Ireland undertook research and evidence-based advocacy aimed at promoting transparency and stopping corruption. This included the second ‘National Integrity Index Local Authorities’ report that examined the commitment of Irish City and County Councils to transparency and anti-corruption measures. Local authorities were found to publish more financial and ethics-related information in 2019 than was the case in 2018, with 74% of councils improving their scores and an overall improvement of 9% in transparency. The next National Integrity Index will focus on efforts to tackle corruption and promote transparency within the Irish private sector.

TI Ireland also continued its research on Irish Government measures aimed at tackling the laundering of the proceeds of international corruption in Ireland and will publish its report titled ‘Safe Haven?’ in 2020. It published the 2018 Corruption Perceptions Index which placed Ireland in 18th position of 180 countries ranked according to how international observers perceive relative levels of corruption around the world. TI Ireland supported the work of the Open Government Association Ireland and is working in coalition with the Irish Council for Civil Liberties, Amnesty International Ireland and others to remove restrictions on funding for NGO advocacy. It also worked with its partners at Transparency International EU to successfully lobby for a new EU ‘Whistleblowing’ Directive which will introduce new rights for workers who speak up about wrongdoing in Ireland and other member states from 2021.

More information on our work and programmes is available at www.speakup.ie, www.integrityatwork.ie and www.transparency.ie/resources

Auditor

The auditor, Donal Ryan & Associates, (Chartered Certified Accountants) has indicated her willingness to continue in office in accordance with the provisions of section 383(2) of the Companies Act 2014.

Transparency International (Ireland) CLG
DIRECTORS' ANNUAL REPORT

for the financial year ended 31 December 2019

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 employed appropriately qualified accounting personnel and have maintained appropriate computerised accounting systems. The accounting records are located at the company's office at 69 Middle Abbey Street, Dublin 1.

Approved by the Board of Directors on _____ and Signed on Its Behalf by:

William Silke
Director

Siobhán McGee
Director

Transparency International (Ireland) CLG

DIRECTORS' RESPONSIBILITIES STATEMENT

for the financial year ended 31 December 2019

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

Irish company law requires the directors to prepare financial statements for each financial year. Under the law the directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", applying Section 1A of that Standard, issued by the Financial Reporting Council. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the net income or expenditure of the company for the financial year and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice: Accounting and Reporting by Charities (2015);
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with the relevant financial reporting framework, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

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

The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and net income or expenditure of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and the Directors' Annual Report comply with Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware:

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

Approved by the Board of Directors on _____ and Signed on Its Behalf by:

William Silke
Director

Siobhán Mcgee
Director

INDEPENDENT AUDITOR'S REPORT

to the Members of Transparency International (Ireland) CLG

Report on the Audit of the Financial Statements

Opinion

I have audited the company financial statements of Transparency International (Ireland) CLG for the financial year ended 31 December 2019 which comprise the Statement of Financial Activities (incorporating an Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows and the related notes to the financial statements, including a summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish law and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", applying Section 1A of that Standard and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102.

In my opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2019 and of its net incoming resources for the financial year then ended;
- have been properly prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", as applied in accordance with the provisions of the Companies Act 2014 and having regard to the Charities SORP; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for Opinion

I conducted my audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the company in accordance with ethical requirements that are relevant to my audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and the Provisions Available for Audits of Small Entities, in the circumstances set out in note 4 to the financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions Relating to Going Concern

I have nothing to report in respect of the following matters in relation to which ISAs (Ireland) require me 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.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and my Auditor's Report thereon. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Opinions on Other Matters Prescribed by the Companies Act 2014

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

- in our opinion, the information given in the Directors' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- in my opinion, the Directors' Annual Report has been prepared in accordance with the Companies Act 2014.

I have obtained all the information and explanations which I consider necessary for the purposes of my audit.

In my 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.

INDEPENDENT AUDITOR'S REPORT

to the Members of Transparency International (Ireland) CLG

Matters on Which I Am Required to Report by Exception

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, I have not identified any material misstatements in the Directors' Annual Report. The Companies Act 2014 requires me to report to you if, in my opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act are not made. I have nothing to report in this regard.

Respective Responsibilities

Responsibilities of Directors for the Financial Statements

As explained more fully in the Directors' Responsibilities Statement set out on page 8 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes my 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Further Information Regarding the Scope of My Responsibilities As Auditor

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

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

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

INDEPENDENT AUDITOR'S REPORT

to the Members of Transparency International (Ireland) CLG

The Purpose of My Audit Work and to Whom I Owe My Responsibilities

My report is made solely to the company's members, as a body, in accordance with Section 391 of the Companies Act 2014. My audit work has been undertaken so that I might state to the company's members those matters I am required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume any responsibility to anyone other than the company and the company's members, as a body, for my audit work, for this report, or for the opinions I have formed.

Donal Ryan

For and on Behalf of

DONAL RYAN & ASSOCIATES

Chartered Certified Accountants and Statutory Auditor

32 Manor Street

Dublin 7

22 June 2020

Transparency International (Ireland) CLG

STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating an Income and Expenditure Account)
for the financial year ended 31 December 2019

	Notes	Unrestricted Funds 2019 €	Restricted Funds 2019 €	Total 2019 €	Unrestricted Funds 2018 €	Restricted Funds 2018 €	Total 2018 €
Income							
Donations and legacies	5.1	1,075	-	1,075	1,819	-	1,819
Charitable activities	5.2	55,782	375,030	430,812	99,844	255,523	355,367
Other income	5.3	1,310	-	1,310	-	-	-
Total Income		58,167	375,030	433,197	101,663	255,523	357,186
Expenditure							
Charitable activities	6.1	61,454	375,030	436,484	106,922	307,637	414,559
Net Income/(Expenditure)		(3,287)	-	(3,287)	(5,259)	(52,114)	(57,373)
Transfers between funds		-	-	-	-	-	-
Net Movement in Funds for the Financial Year		(3,287)	-	(3,287)	(5,259)	(52,114)	(57,373)
Reconciliation of Funds							
Balances brought forward at 1 January 2019	14	23,278	-	23,278	20,554	60,097	80,651
Balances Carried Forward at 31 December 2019		19,991	-	19,991	15,295	7,983	23,278

The Statement of Financial Activities includes all gains and losses recognised in the financial year.
All income and expenditure relate to continuing activities.

Transparency International (Ireland) CLG

BALANCE SHEET

as at 31 December 2019

	Notes	2019 €	2018 €
Current Assets			
Debtors	10	10,112	18,645
Cash at bank and in hand		44,433	49,507
		<u>54,545</u>	<u>68,152</u>
Creditors: Amounts Falling Due within One Year	11	(34,554)	(44,874)
		<u>19,991</u>	<u>23,278</u>
Net Current Assets		19,991	23,278
Total Assets Less Current Liabilities		19,991	23,278
Funds			
Restricted funds		-	7,983
General fund (unrestricted)		19,991	15,295
		<u>19,991</u>	<u>23,278</u>
Total Funds	14	19,991	23,278

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", applying Section 1A of that Standard.

Approved by the Board of Directors and Authorised for Issue on _____ and Signed on Its Behalf by

William Silke
Director

Siobhán McGee
Director

Transparency International (Ireland) CLG

STATEMENT OF CASH FLOWS

for the financial year ended 31 December 2019

	Notes	2019 €	2018 €
Cash Flows from Operating Activities			
Net movement in funds		(3,287)	(57,373)
		<u>(3,287)</u>	<u>(57,373)</u>
Movements in working capital:			
Movement in debtors		8,533	(11,412)
Movement in creditors		(10,320)	7,150
		<u>(5,074)</u>	<u>(61,635)</u>
Cash generated from operations		(5,074)	(61,635)
Net Increase in Cash and Cash Equivalents		(5,074)	(61,635)
Cash and Cash Equivalents at 1 January 2019		49,507	111,142
		<u>49,507</u>	<u>111,142</u>
Cash and Cash Equivalents at 31 December 2019	17	44,433	49,507
		<u><u>44,433</u></u>	<u><u>49,507</u></u>

Transparency International (Ireland) CLG

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2019

1. GENERAL INFORMATION

Transparency International (Ireland) CLG is a company limited by guarantee incorporated in Ireland. The registered office of the company is 69 Middle Abbey Street, Dublin 1 which is also the principal place of business of the company. The financial statements have been presented in Euro (€) which is also the functional currency of the company.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the charity's financial statements.

Statement of Compliance

The financial statements of the company for the financial year ended 31 December 2019 have been prepared on the going concern basis and in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)" and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", applying Section 1A of that Standard.

Fund Accounting

The following are the categories of funds maintained:

Restricted Funds

Restricted funds represent income received which can only be used for particular purposes, as specified by the donors. Such purposes are within the overall objectives of the company.

Unrestricted Funds

Unrestricted funds consist of General and Designated funds.

- General funds represent amounts which are expendable at the discretion of the board, in furtherance of the objectives of the company.
- Designated funds comprise unrestricted funds that the board has, at its discretion, set aside for particular purposes. These designations have an administrative purpose only, and do not legally restrict the board's discretion to apply the fund.

Income

Voluntary income or capital is included in the Statement of Financial Activities when the company is legally entitled to it, its financial value can be quantified with reasonable certainty and there is reasonable certainty of its ultimate receipt. Entitlement to legacies is considered established when the company has been notified of a distribution to be made by the executors. Income received in advance of due performance under a contract is accounted for as deferred income until earned. Grants for activities are recognised as income when the related conditions for legal entitlement have been met. All other income is accounted for on an accruals basis.

Expenditure

All resources expended are accounted for on an accruals basis. Activities include costs of services and grants, support costs and depreciation on related assets. Costs of generating funds similarly include fundraising activities. 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.

Retirement Benefits

Transparency International (Ireland) CLG operates a defined contribution scheme and pension benefits are funded over the employees' period of service by way of contributions from the employees. The company does not make any contributions.

Transparency International (Ireland) CLG

NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2019

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:

Plant and machinery	-	20% Straight line
Fixtures, fittings and equipment	-	20% Straight line

Debtors

Debtors are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Income recognised by the company from government agencies and other co-funders, but not yet received at year end, is included in debtors.

Cash at Bank and in Hand

Cash at bank and in hand comprises cash on deposit at banks requiring less than three months' notice of withdrawal.

Taxation

The company is a revenue approved charity and is therefore exempt from corporate taxation in accordance with sections 207, 208 and related sections, of the Taxes Consolidation Act 1997, as amended.

3. GOVERNMENT DEPARTMENT CIRCULARS

Transparency International (Ireland) CLG is compliant with relevant circulars including Circular: 44/2006 "Tax Clearance Procedures Grants, subsidies and Similar Type Payments" and DPE 022/05/2013 Circular: 13/2014 'Management of and Accountability for Grants from Exchequer Funds'.

4. PROVISIONS AVAILABLE FOR AUDITS OF SMALL ENTITIES

In common with many other not-for-profit companies of our size and nature, we use our auditors to assist with the preparation of the financial statements.

5. INCOME

5.1	DONATIONS AND LEGACIES	Unrestricted Funds €	Restricted Funds €	2019 €	2018 €
	Membership Fees	1,075	-	1,075	1,819
5.2	CHARITABLE ACTIVITIES	Unrestricted Funds €	Restricted Funds €	2019 €	2018 €
	Department of Justice and Equality	-	35,000	35,000	70,000
	The Community Foundation of Ireland	-	63,000	63,000	2,265
	Department of Public Expenditure and Reform	-	220,000	220,000	220,000
	Transparency International E.V. (Secretariat)	-	5,030	5,030	8,258
	IAW Membership Fees	35,275	-	35,275	32,500
	IAW Conference	10,551	-	10,551	6,329
	IAW Service	9,956	-	9,956	16,015
	Digital Whistleblower Fund	-	3,000	3,000	-
	Open Government Partnership	-	4,000	4,000	-
	Department of Education and Skills	-	45,000	45,000	-
		55,782	375,030	430,812	355,367

Transparency International (Ireland) CLG

NOTES TO THE FINANCIAL STATEMENTS

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for the financial year ended 31 December 2019

5.3 OTHER INCOME	Unrestricted Funds €	Restricted Funds €	2019 €	2018 €	
Other income	1,310	-	1,310	-	
6. EXPENDITURE					
6.1 CHARITABLE ACTIVITIES	Direct Costs €	Other Costs €	Support Costs €	2019 €	2018 €
Office costs	45,953	-	-	45,953	44,735
Staff Costs	274,140	-	-	274,140	287,426
Programme costs	96,078	-	-	96,078	59,021
Sundry	-	-	-	-	575
Travel and subsistence	4,390	-	-	4,390	4,501
Legal & Professional Fees	-	5,248	-	5,248	4,807
Accountancy services	5,904	-	-	5,904	6,027
Insurance	1,931	-	-	1,931	4,524
Repairs and maintenance	91	-	-	91	361
Governance Costs (Note 6.2)	-	2,749	-	2,749	2,582
	<u>428,487</u>	<u>7,997</u>	<u>-</u>	<u>436,484</u>	<u>414,559</u>
6.2 GOVERNANCE COSTS					
	Direct Costs €	Other Costs €	Support Costs €	2019 €	2018 €
Audit Fee	-	2,749	-	2,749	2,582

7. EMPLOYEES AND REMUNERATION

Number of Employees

The average number of persons employed (including executive directors) during the financial year was as follows:

	2019 Number	2018 Number
Administration	<u>6</u>	<u>6</u>
The staff costs comprise:	2019 €	2018 €
Wages and salaries	247,336	259,465
Social security costs	26,804	27,961
	<u>274,140</u>	<u>287,426</u>

Transparency International (Ireland) CLG

NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2019

8. EMPLOYEE AND REMUNERATION CONTINUED

The number of employees whose total employee benefits (excluding employer pension costs) for the reporting period fell within the bands below were:

	Number of Employees	Number of Employees
€60,000 - €70,000	<u>3</u>	<u>3</u>

The Charity has a total of one employee whose total employee benefits (excluding employer pension costs) for the reporting period exceeds €60,000 and a table has been prepared below to accompany the report as required under DPE 022/05/2013 Circular: 13/2014

9. TANGIBLE FIXED ASSETS

	Plant and machinery €	Fixtures, fittings and equipment €	Total €
Cost			
At 31 December 2019	<u>7,169</u>	<u>2,286</u>	<u>9,455</u>
Depreciation			
At 31 December 2019	<u>7,169</u>	<u>2,286</u>	<u>9,455</u>
Net Book Value			
At 31 December 2019	<u>-</u>	<u>-</u>	<u>-</u>

10. DEBTORS

	2019 €	2018 €
Other debtors	9,000	17,542
Prepayments	1,112	1,103
	<u>10,112</u>	<u>18,645</u>

11. CREDITORS

Amounts Falling Due within One Year

	2019 €	2018 €
Taxation and social security costs	8,057	25,174
Accruals	26,497	19,700
	<u>34,554</u>	<u>44,874</u>

Transparency International (Ireland) CLG
NOTES TO THE FINANCIAL STATEMENTS

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for the financial year ended 31 December 2019

12. State Funding

Agency	Department of Justice & Equality
Government Department	Department of Justice & Equality
Term	Expires 31 December 2019
Total Grant €	35,000
Expenditure in the year €	35,000
Received in the financial year	31 December 2019
Capital Grant	Nil
Restriction on use	All funding received during the year was used for the purpose for which it was provided.
Agency	Department of Public Expenditure & Reform
Government Department	Department of Public Expenditure & Reform
Term	Expires 31 December 2019
Total Grant €	220,000
Expenditure in the year €	220,000
Received in the financial year	31 December 2019
Capital	Nil
Restriction on use	All funding received during the year was used for the purpose for which it was provided.
Agency	Department of Education & Skills
Government Department	Department of Education & Skills
Term	Expires 31 December 2019
Total Grant €	45,000
Expenditure in the year €	45,000
Received in the financial year	31 December 2019
Capital	Nil
Restriction on use	All funding received during the year was used for the purpose for which it was provided.

13. RESERVES

	2019	2018
	€	€
At 1 January 2019	23,278	80,651
Deficit for the financial year	(3,287)	(57,373)
At 31 December 2019	<u>19,991</u>	<u>23,278</u>

Transparency International (Ireland) CLG

NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2019

14. FUNDS

14.1 RECONCILIATION OF MOVEMENT IN FUNDS	Unrestricted Funds €	Restricted Funds €	Total Funds €
At 1 January 2018	20,554	60,097	80,651
Movement during the financial year	(5,259)	(52,114)	(57,373)
At 31 December 2018	15,295	7,983	23,278
Movement during the financial year	(3,287)	-	(3,287)
At 31 December 2019	12,008	7,983	19,991

14.2 ANALYSIS OF MOVEMENTS ON FUNDS

	Balance 1 January 2019 €	Income €	Expenditure €	Transfers between funds €	Balance 31 December 2019 €
Restricted	-	375,030	375,030	-	-
Unrestricted Income					
Unrestricted General	23,278	58,167	61,454	-	19,991
Total Funds	23,278	433,197	436,484	-	19,991

14.3 ANALYSIS OF NET ASSETS BY FUND

	Current assets €	Current liabilities €	Total €
Unrestricted general funds	54,545	(34,554)	19,991
	54,545	(34,554)	19,991

15. STATUS

The 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 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.

16. RELATED PARTY TRANSACTIONS

During the year Transparency Legal Advice Centre received payments of €39,617 (2018 - €3,730) from Transparency International (Ireland) CLG. There is an amount of (€11,004) (2018 - €7,051) included in debtors and an amount of €1,842 (2018 - €15,000) included in accruals at year end relating to Transparency Legal Advice Centre. The companies are related by way of mutual key management personnel.

17. CASH AND CASH EQUIVALENTS

	2019 €	2018 €
Cash and bank balances	44,433	49,507

Transparency International (Ireland) CLG
NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2019

18. POST-BALANCE SHEET EVENTS

In the first half of 2020, the Covid-19 virus spread worldwide. Our premises has remained open during this period. At the time of approving the financial statements, there is uncertainty regarding how the balance sheet may be impacted based on events since the year end and as a result an estimate of its financial effect cannot be made.

TRANSPARENCY INTERNATIONAL (IRELAND) CLG

SUPPLEMENTARY INFORMATION

RELATING TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

NOT COVERED BY THE REPORT OF THE AUDITORS

Transparency International (Ireland) CLG
SUPPLEMENTARY INFORMATION RELATING TO THE FINANCIAL STATEMENTS

Operating Statement
for the financial year ended 31 December 2019

	2019	2018
	€	€
Income		
Membership Fees	1,075	1,819
Department of Justice and Equality	35,000	70,000
The Community Foundation of Ireland	63,000	2,265
Transparency International e.V (Secretariat)	5,030	8,258
IAW Membership Fees	35,275	32,500
IAW Conference Fees	10,551	6,329
Department of Public Expenditure and Reform	220,000	220,000
IAW Service	9,956	16,015
Open Government Partnership	4,000	-
Department of Education and Skills	45,000	-
Digital Whistleblower Fund	3,000	-
Sundry Income	1,310	-
	<u>433,197</u>	<u>357,186</u>
Expenses		
Wages and salaries	247,336	259,465
Social security costs	26,804	27,961
Integrity at Work Project Direct Costs	30,169	29,580
TLAC Operational Costs	45,302	15,000
IAW Conference	20,607	8,653
Rent payable	16,996	15,875
Insurance	1,931	4,524
Light and heat	1,937	3,020
Cleaning	1,624	1,000
Repairs and maintenance	91	361
Printing, postage and stationery	3,718	5,541
Telephone	6,086	3,624
Computer costs	8,441	15,353
Travel and subsistence	4,390	4,501
Legal and professional	5,248	4,807
Accountancy	5,904	6,027
Audit	2,749	2,582
Bank charges	305	322
General expenses	335	575
Volunteer costs	2,019	2,328
Subscriptions and Training	4,492	3,460
	<u>436,484</u>	<u>414,559</u>
Net Deficit	<u>(3,287)</u>	<u>(57,373)</u>