

The Irish Online Giving Foundation
(A Charitable Foundation)

Financial statements
for the financial year-ended 31 December 2019

The Irish Online Giving Foundation

Year ended 31 December 2019

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The Irish Online Giving Foundation

Year ended 31 December 2019

Trustees and Other Information

Trustees	Roger L. Acton Liz Hughes Benjamin C. Janes
Charities Regulatory Authority Number	20100872
Charity Number	CHY 21189
Registered office	13 Classon House Dundrum Business Park, Dundrum, Dublin D14X9F9
Business address	13 Classon House Dundrum Business Park, Dundrum, Dublin D14X9F9
Foundation Administrator	Yae N. Wallis
Bankers	Bank of Ireland 101 George's Street Upper, Dún Laoghaire A96 F240
Accountant	MSBL Limited 13 Classon House Dundrum Business Park Dundrum D14 W9Y
Auditors	Williams Merrigan Chartered Accountants First Floor, 13 Eblana Villas, Lower Grand Canal Street, Dublin 2

The Irish Online Giving Foundation

Year ended 31 December 2019

Trustees' Report

The Trustees present their annual report and the audited financial statements of The Irish Online Giving Foundation ("IOGF" or "the Foundation") for the financial year ended 31 December 2019.

This is the first set of financial statements prepared by the Foundation in accordance with accounting standards issued by the Financial Reporting Council, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") as modified by the Statement of Recommended Practice "Accounting and Reporting by Charities" effective 1 January 2015. Previously the Foundation applied FRS 102 but did not apply the Statement of Recommended Practice "Accounting and Reporting by Charities" (FRS 102 Charities SORP).

Reference and Administrative Details

The Foundation is a Charitable Foundation with a registered office at 13 Classon House, Dundrum Business Park, Dundrum, D14X9F9, Ireland. The Charity operates under the same name (The Irish Online Giving Foundation). The Foundations' registered charity number is 20100872.

The Foundation has been granted charitable tax status under Sections 207 and 208 of the Taxes Consolidation Act 1997, Charity No CHY 21189 and is registered with the Charities Regulatory Authority. The Foundation has a total of 3 Trustees.

Trustees

The names of the persons who at any time during the financial year were Trustees of the Foundation are as follows:

Name	Position
Roger Leslie Acton	Chairman
Thomas Michael Gerard Hogan	Trustee (resigned 9 January 2019)
Liz Hughes	Trustee (appointed 1 March 2019)
Benjamin Charles Janes	Trustee

As an unincorporated entity, the Foundation does not have any directors.

Advisors

Details of the external advisors engaged by the Foundation are as follows:

Type	Name	Location
Bankers	Bank of Ireland Dun Laoghaire Co. Dublin	Dublin
Accountant	MBSL Limited	Dublin
Auditors	Williams Merrigan	Dublin

Payment of Creditors

The Trustees acknowledge their responsibility for ensuring compliance with the provisions of the EC (Late Payment) Regulation 2002. Within the ethical framework by which the Foundation operates, the Foundation has the duty to, and meets agreed payment terms with all vendors and adheres to those payment terms.

The Irish Online Giving Foundation

Year ended 31 December 2019

Trustees Report (continued)

Management and Accountants

The trustee's delegate the day-to-day management of IOGF to Benevity, Inc ("Benevity"), in line with keeping its operating costs to a minimum. Benevity provides the following administrative services to IOGF in support of the activities of the Foundation, ensuring the good governance of IOGF and compliance with all applicable laws in Ireland:

- Financial risk management and vetting expertise;
- Financial management to facilitate our monthly donations schedule paid out at the end of every month to legitimate registered charities in Ireland;
- To support all activities required by the Foundation for the maintenance of its charitable status. Consequently, supporting the Board of Trustees to ensure its good governance and compliance with applicable laws in Ireland;
- To support regular trustee meetings including the production of notices, agendas, minutes, and record-keeping;
- To engage with the Foundation's solicitors, accountants, auditors and any other 3rd party agents and/ or professional advisors as authorised by the Board of Trustees; and
- To assist with the preparation of the Annual Statutory Reports as per the Charities Regulatory Authority guidelines.

MBSL Limited provides accounting services to IOGF.

Principal Activities and Objectives

IOGF is a Registered Charity under Section 39 of the *Charities Act*. The Foundation utilizes a donor-advised fund model to achieve its charitable objectives by retaining legal discretion and control over all donation funds received whilst providing donors with advisory privileges in respect of the eligible Irish recipient causes that receive grants from the IOGF, in accordance with relevant regulations. The Foundation's objective is to advance the charitable landscape by reducing the costs and overhead of donation processing through aggregation, automation, and outsourcing. The IOGF is also dedicated to strengthening the connection between donors and charitable organisations and promote payroll giving.

In order to achieve its charitable mission, at the lowest possible costs, the Foundation researched technology solutions with global capabilities and the Trustees selected a Software-as-a-Service (SaaS) provider, Benevity, as its service provider. Based in Calgary, Canada, with 12 years' experience in the global corporate philanthropy and workplace giving spaces, Benevity is one of the fastest growing companies in Canada.

By selecting Benevity, the Foundation joined an established group of independent global charitable foundations that, in working with Benevity, supports more than 1.6 million charities worldwide, and connects with a community of more than 3 million donors and volunteers. Leveraging Benevity's technology and specialized support enables the Foundation to drive down the administrative costs of processing funds and fulfill its charitable objectives.

The Irish Online Giving Foundation

Year ended 31 December 2019

Trustees Report (continued)

Business Review and Financial Results

At the end of the year the Foundation had assets of €413,151 (2018: €367,358) and liabilities of €400,346 (2018: €354,553). The net funds of the Foundation are €12,805 (2018: €12,805). It is not the intent of the Foundation to retain funds at the end of the year, therefore, the Trustees are satisfied with the level of retained surplus at the year end. Of the net funds at 31 December 2019, €nil (2018: €nil) of this is attributable to restricted funds.

Donations received of €1,382,227 were comparable to the prior year (2018: €1,497,735). Donations to charities and administrative expenses were also comparable for the years ended 31 December 2019 and 2018, €1,335,627 (2018: €1,445,157), and €46,600 (2018: €40,356), respectively.

Reserves Policy

The Foundation has a Reserves and Investment Policy, which is as follows:

The Foundation should endeavour to hold in reserve sufficient funds to cover budgeted costs for the current financial year and to maintain an appropriate budget for future years to cover longer term commitments.

While the charity does not hold significant funds there is no real requirement for an investment policy, although one may be required in the first years' accounts. Any funds held in reserves can be deposited in an interest-bearing account.

Trustees are under a duty to keep under review the arrangements by which management of the charity's investments is delegated. In particular, the trustees are required specifically to consider whether there is any need to revise or replace the policy statement. If the trustees consider that there is a need to revise or replace the policy statement, they are duty bound to do so.

IOGF receives an administrative fee of 1% of donation volume, intended to pay certain operating expenses (bank account fees, bank or payment processor costs with grant checks or electronic payments, mailing costs, insurance costs, audit and tax preparation costs and legal fees). If administrative fees are insufficient to pay for the operating costs, IOGF invoices Benevity, Inc for the shortfall (see note 15).

Grant Making Policy

The Foundation has a Grant Making Policy, which is as follows:

The Foundation acts as a donor-advised fund which allows donors to make charitable contributions efficiently and, in due course, will also enable tax effective donations.

Individuals and companies making donations to Irish charities via Benevity's online giving platform in fact make irrevocable gifts to the IOGF. While it is within the powers of the Trustees of the IOGF to make grants to any Irish charities, it is their common practice to follow the advice of the donors where it is possible to do so.

Going Concern

At the end of the fiscal year, IOGF is a going concern.

The trustees note that the Covid 19 pandemic is likely to have a significant impact on the level of donations that will be made to the Foundation in 2020, which will result in likely lower levels of donations that will be passed on to the deserving charities. It is not expected that this lower level of activity will adversely impact the viability of the Foundation.

The Irish Online Giving Foundation

Year ended 31 December 2019

Trustees Report (continued)

Dividends

In accordance with the Deed of Trust (as amended) of the Foundation, the Trustees do not pay any dividends to its members.

Achievement and Performance

During the fiscal year, the Foundation met its mission, objectives and activities by achieving the following:

- In 2019, IOGF added 32 new Irish organisations to the charity database, thereby making them eligible for disbursement during the period.
- During 2019, €1.3M was paid to 420 registered charities with the CRA across Ireland.
- The Foundation received €1.1M funding from 18 Corporations. Likewise, the Foundation also received €240,000 from individual donors via corporate giving programs.

IOGF's work towards their mission of improving the connection between donors and charitable organisations is evident in these achievements. The donors have access to a greater pool of charities to choose from, and in many cases receive a corporate match, thus increasing their charitable impact.

With a single monthly payment and the constituent management services provided through Benevity, charities are no longer required to perform manually intensive administrative tasks or deploy resources to cash checks or verify donations in order to receive corporate matches or volunteer grants.

The Foundation's model of aggregation and electronic payments reduces costs to the recipient charities, thus allowing them more time and money to focus on their mission and impact.

Structure, Governance and Management

Governing documents

Trust Deed 13 February 2014; and
Deed of Amendment 11 July 2017

Legal structure

Foundation

Board of Trustees

Roger L. Acton

Chairman

Liz Hughes

Trustee

Benjamin C Janes

Trustee

All Trustees are unpaid volunteers.

Any trustee can instigate processes to recruit new members. In some instances, this will be preceded by a skills audit so that individuals with the appropriate skills can be targeted and recruited.

Vacancies on the board will be advertised through agreed forums as agreed by the board. The steps that are to be followed include:

- a) Advertisement of Role (for example, via Boardmatch)
- b) Selection process (as agreed by the board and recorded in minutes)
- c) Selected candidate to be elected and inducted

Future Developments

The Trustees are not expecting to make any significant changes in the nature of the Foundation in the near future.

The Irish Online Giving Foundation

Year ended 31 December 2019

Trustees Report (continued)

Principal Risks and Uncertainties

The Trustees have identified four main areas where risks may occur.

- Governance and management
- Operational
- Financial
- Reputational

Governance and management

The Trustees consider their Chairman and the Board of Trustees, their auditors, their legal adviser and their administrators, Benevity, to be well qualified and with a sufficiently broad range of experience to undertake their duties effectively and properly. The Trustees are well briefed and committed to further the objects of the Foundation and have in place effective controls, policies and procedures to ensure, as far as possible, that the business of the Foundation is run properly, economically and safely.

Operational

All grants, donations and disbursements are scrutinised by the administrators, and recommendations are submitted to Trustees. The Trustees themselves are sufficiently qualified to ensure that grants are made in line with the aims and objectives of the Charity. The risk of making inappropriate grants is minimised by conducting appropriate due diligence checks. Where appropriate, all beneficiaries are required to undertake to return the funds if they cease operating, and all donations to the Foundations are subject to anti-money laundering checks.

Financial

The Foundation has significant income and expenditure, and the Trustees have confidence that all of the necessary accounting processes and banking authorities are in place in order to protect the Foundation, and the charities they serve. Budgets and management accounts are prepared by Benevity for Trustee meetings and accounts are also prepared by them for audit. The Trustees believe that the reports they receive, and the scrutiny of their advisers leave little risk of misinterpretation or mismanagement.

Reputational

The Trustees believe that there is little risk to the reputation of the Foundation through its association with its advisers or with its beneficiaries.

Having assessed the major risks to which the Foundation is exposed, in particular those relating to its finances, the Trustees believe that by ensuring that controls exist over key financial systems and by examining the operational and business risks faced by the Foundation, they have established effective systems to mitigate those risks.

The Irish Online Giving Foundation

Year ended 31 December 2019

Trustees Report (continued)

Events after the Balance Sheet date

The Trustees acknowledge the significant impact of the Covid 19 pandemic at a global level. This is likely to have a significant impact on the level of donations that will be made to the Foundation in 2020, which will likely result in lower levels of donations that will be passed on to the deserving charities, it is not expected that this will adversely impact the viability of the Foundation. No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the organisation, the results of those operations or the state of affairs of the Foundation in financial years subsequent to the financial year ended 31 December 2019.

Accounting Records

The measures taken by the Trustees to secure compliance with the requirements with regard to the keeping of accounting records are:

- a) the implementation of necessary policies and procedures for recording transactions,
- b) the employment of competent accounting personnel with appropriate expertise and the provision of adequate resources to the financial function.

The accounting records of the Foundation are located at 13 Classon House, Dundrum Business Park, Dundrum, Dublin 14, D14X9F9, Ireland.

The Trustees acknowledge their responsibilities under law to keep adequate accounting records for the company.

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 and the group's auditor, 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, Williams Merrigan, will continue in office.

On behalf of the Trustees:

The report was approved by the Board of Trustees on 25 June 2020 on behalf of the board by:



Benjamin Charles Janes
Trustee



Roger Leslie Acton
Trustee

The Irish Online Giving Foundation

Year ended 31 December 2019

Trustees' Responsibilities Statement

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

Irish law requires the Trustees to prepare financial statements giving a true and fair view of the state of affairs of the Foundation and the net income or expenditure of the Foundation for each financial year. Under the law the Trustees have elected to prepare the financial statements in accordance with the accounting standards issued by the Financial Reporting Council FRS 102, the Financial Reporting Standard applicable in the UK and Ireland (Generally Accepted Accounting Practice in Ireland) as modified by the Statement of Recommended Practice "Accounting and Reporting by Charities" effective 1 January 2015. The Trustees have elected to prepare the financial statements on an accrual basis in accordance with the historical cost convention ('relevant financial reporting framework'). The Trustees 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 as at the financial year-end date and of the net income or expenditure of the Foundation for the financial year.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, 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 business.

The Trustees are responsible for ensuring that the Foundation keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Foundation, enable at any time the assets, liabilities, financial position and profit or loss of the Foundation to be determined with reasonable accuracy, enable them to ensure that the financial statements and Trustees Report comply with legislation and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the Foundation 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 company's website. Legislation in Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the Trustees are aware:

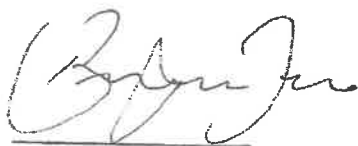
- there is no relevant audit information (information needs by the Foundation's auditor in connection with preparing the auditor's report) of which the Foundation's auditor is unaware; and
- the Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit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

The Irish Online Giving Foundation

Year ended 31 December 2019

Trustees' Responsibilities Statement (continued)

This was approved by the Board of Trustees on 25 June 2020 on behalf of the board by:



Benjamin Charles Janes
Trustee



Roger Leslie Acton
Trustee



**Independent Auditors Report
to the Members of The Irish Online Giving Foundation
for the year ended 31 December 2019**

Opinion

We have audited the financial statements of The Irish Online Giving Foundation (the 'Foundation') for the year ended 31 December 2019 which comprise the Statement of Financial Activities, Statement of Income and Retained Earnings, the Balance Sheet and 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 applicable Irish law and Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* as modified by the Statement of Recommended Practice "Accounting and Reporting by Charities" effective 1 January 2015.

In our opinion, the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Foundation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard as issued by the Irish Auditing and Accounting Service Authority ("IAASA") Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

- the Trustees use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Foundation 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion 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 such material inconsistencies or apparent material misstatements, we are 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 we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Williams Merrigan Limited T/A Williams Merrigan

First Floor, 13 Eblana Villas, Lower Grand Canal Street, Dublin 2

• T: + 353 1 676 5800 • E: info@williamsmerrigan.ie

Directors: Rory Williams Wendy Merrigan Registered in Ireland No. 496934

**Independent Auditors Report
to the Members of The Irish Online Giving Foundation
for the year ended 31 December 2019
(continued)**

We have nothing to report in this regard.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the Foundation and its environment obtained in the course of the audit, we have not identified any material misstatements in the Trustees' report.

Responsibilities of Trustees for the financial statements

As explained more fully in the Trustees' Responsibilities Statement set out on pages 10 - 11, the Trustees 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 the Trustees 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 Trustees are responsible for assessing the Foundation'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 Trustees either intend to liquidate the Foundation or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the IAASA website at: http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf. This description forms part of our audit report.

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

This report is made solely to the Foundation's members as a body. Our audit work has been undertaken so that we might state to the Foundation's members those matters that we are required to state to them in the audit report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Foundation or the Foundation's members as a body for our audit work, for this report, or for the opinions we have formed.

Signed by:



Rory Williams

For and on behalf of

Williams Merrigan

Chartered Accountants and Statutory Audit Firm

First Floor

13 Eblana Villas

Lower Grand Canal Street

Dublin 2

25 June 2020

The Irish Online Giving Foundation

Year ended 31 December 2019

Statement of Financial Activities

	Note	2019 €	2018 €
Income	4	1,382,227	1,497,735
Donations to charities		(1,335,627)	(1,445,157)
Administrative expenses	5	(46,600)	(40,356)
Operating (deficit) / surplus		(0)	12,222
(Deficit) / Surplus before taxation		(0)	12,222
Tax on (deficit) / surplus	8	-	-
(Deficit) / surplus for the financial year		(0)	12,222

The Foundation has no other recognised items of income and expenses other than the results for the financial year as set out above.

The Irish Online Giving Foundation

Year ended 31 December 2019

Statement of Income and Retained Earnings

	2019	2018
	€	€
(Deficit) / surplus for the financial year	(0)	12,222
Retained surpluses at the start of the financial year	<u>12,805</u>	<u>583</u>
Retained surpluses at the end of the financial year	<u>12,805</u>	<u>12,805</u>

The Irish Online Giving Foundation

As at 31 December 2019

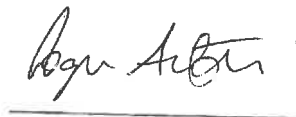
Balance Sheet

	Note	2019 €	€	2018 €	€
Current assets					
Debtors	9	241,470		284,588	
Cash at bank and on hand		<u>171,681</u>		<u>82,770</u>	
		413,151		367,358	
Creditors: amounts falling due within one year	10	<u>(400,346)</u>		<u>(333,477)</u>	
Net current assets			12,805		33,881
Total assets less current liabilities			12,805		33,881
Creditors: amounts falling due after more than one year	11, 15		-		(21,076)
Net assets					
Unrestricted			<u>12,805</u>		<u>12,805</u>
Represented by:					
Income and Expenditure Account			<u>12,805</u>		<u>12,805</u>
Total Funds			<u>12,805</u>		<u>12,805</u>

These financial statements were approved by the board of Trustees on 25 June 2020 and signed on behalf of the board by:



Benjamin Charles Janes
Trustee



Roger Leslie Acton
Trustee

The notes on pages 17 to 25 form an integral part of these financial statements

The Irish Online Giving Foundation

Year ended 31 December 2019

Statement of Cash flows

	2019	2018
	€	€
Net income for the period	(0)	12,222
Decrease / (increase) in debtors	43,118	(114,238)
Increase / (decrease) in creditors	45,793	136,167
Net cash generated from operating activities	88,911	34,151
Cash flows from investing activities	-	-
Cash flows from financing activities	-	-
Net increase in cash and cash equivalents	88,911	34,151
Cash and cash equivalents at the beginning of year	82,770	48,619
Cash and cash equivalents at end of year	171,681	82,770

The Irish Online Giving Foundation

Year ended 31 December 2019

Notes to the Financial Statements

1. General Information

The principal activity of The Irish Online Giving Foundation ("IOGF" or "the Foundation") is to improve philanthropy in Ireland, by maximising donor contributions to eligible charities, through a Donor Advised Fund. By operating with minimal administrative overheads, the Foundation makes it simpler and more efficient for a broad demographic of donors to give and for worthy organisations to receive donations. The principal risk to the Foundation is the current economic climate whereby donors may have less disposable income to contribute toward charitable organisations. The Foundation was established by a Declaration of Trust on 13 February 2014 as amended by a Deed of Amendment on 11 July 2017. The address of the Foundation is 13 Classon House, Dundrum Business Park, Dundrum D14 W9Y.

2. Accounting Policies

This is the first set of financial statements prepared by IOGF in accordance with accounting standards issued by the Financial Reporting Council, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") as modified by the Statement of Recommended Practice "Accounting and Reporting by Charities" effective 1 January 2015. Previously the Foundation applied FRS 102 but did not apply the Statement of Recommended Practice "Accounting and Reporting by Charities." As a result of the adoption of the FRS 102 Charities SORP in the current period there were no change in accounting policies required so as to ensure compliance with the Charities SORP.

The significant accounting policies adopted by the Foundation and applied consistently are as follows:

a. Basis of Preparation

The financial statements are prepared on the going concern basis, on an accrual basis in accordance with the historical cost convention, and comply with the financial reporting standards of the Financial Reporting Council as modified by the Statement of Recommended Practice "Accounting and Reporting by Charities" effective 1 January 2015.

Format

IOGF is constituted under Irish company law as a Charitable Foundation and is a registered charity. Charity Law exempts Foundations not trading for gain of members, from the requirements with regard to format and content of financial statements which are applied to for-profit companies, thus permitting the adoption of a format appropriate to a charity. Accordingly, the Foundation adopts and reports its performance in accordance with the format provided for in the Charity SORP and in particular reports its performance for the financial year in the format of the SORP's Statement of Financial Activities ("SOFA").

The Irish Online Giving Foundation

Year ended 31 December 2019

Notes to the Financial Statements (continued)

Going Concern

The Trustees monitor the incoming and outgoings of the Foundation and based on the agreements in place by the Foundation and are satisfied that the Foundation can meet its obligations as they fall due for payment for at least 12 months from the date of approval of the financial statements and accordingly the application of going concern is appropriate. It is not expected that the negative impact of the Covid 19 pandemic will impact the going concerns for the Foundation.

The financial statements are prepared in Euro, which is the functional currency of the entity.

b. Restricted Funds

Income received by the Foundation, the application of which is restricted to a specific purpose, is treated as restricted funds and any unspent amounts as restricted assets. Such specified purposes are within the overall aims of the Foundation. For the year ended 31 December 2019, the Foundation did not have any restricted funds (2018 – nil).

Unrestricted funds consist of General funds and Designated funds

(i) General funds: Represent income, apart from restricted funds, which is used by the Foundation in the furtherance of its work and objectives. Such funds may be held in order to finance administration expenses or may be used at the discretion of the Trustees for specified purposes that are within the aims of the Foundation.

(ii) Designated funds: The Trustees, at their discretion, may choose during the reporting period to set aside a part of the unrestricted funds to be used for a particular future project or commitment. By earmarking funds in this way, the Trustees set up a designated fund that remains part of the unrestricted funds of the charity. This is because the designation has an administrative purpose only and does not legally restrict the Trustees' discretion in how to apply the unrestricted funds that they have earmarked.

Designated funds may also include funds for future donations where the donee has not yet provided instruction to the Foundation on the purpose towards which the donation made should be applied.

Designated funds for future donations include balances:

- Where individuals have made donations to the Foundation but are yet to offer any donor advice, or where a cause is identified that is no longer in good standing with the Charity Regulatory Authority, in which case the donor is contacted to seek new advice on the direction of funds.
- Where corporate donors give their donations budget, or a significant portion of it, to the Foundation, in which case the Foundation holds the funds pending advice on the possible recipient.

In both cases the donations to the Foundation are absolute gifts and cannot be returned to the donor.

For the year ended 31 December 2019, the Foundation had designated funds comprising cause and user balances and float funds in total of €31,787 (2018 – nil). Designated funds are separately disclosed within Creditors – amounts falling due within one year.

The Irish Online Giving Foundation

Year ended 31 December 2019

Notes to the Financial Statements (continued)

c. Income

Donations and legacies are included in the Statement of Financial Activities, which are in substance, a gift made to the Foundation on a voluntary basis. These amounts are recorded when the Foundation is entitled to the income, the amount can be quantified with reasonable accuracy and it is probable the income will be received. The following specific policies are applied to particular categories of income:

- Donations received are recognised in the Statement of Financial Activities when they are unconditionally pledged. Donations received are recorded as unrestricted as the Foundation has the ultimate discretion on the use of the funds.
- Included within donations received are administrative fees, which are earned from fees charged on processing customer donations in accordance with the customer contracts in place. These fees are recognised as the transactions occur.

d. Expenditure

Expenditures are recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Donations to charities comprise the donations pledged that are delivered to their charitable organisations they are pledged to.
- Administrative expenses include accounting and audit fees, bank fees and service charges, administrative service fees and merchant fees.

e. Currency

Functional and presentation currency

Items included in the financial statements of the Foundation are measured using the currency of the primary economic environment in which the Foundation operates ("the functional currency"). The financial statements are presented in EURO, which is the Foundation's functional and presentation currency and is denoted by the symbol "€".

f. Taxation

No charge to current or deferred taxation arises as the charity has been granted charitable status under Sections 207 and 208 of the Taxes Consolidation Act 1997, Charity No CHY 21189. Irrecoverable value added tax is expended as incurred.

g. Funds

The Foundation only has a General reserve, which represents the free funds of the charity which are not designated for particular purposes.

The Irish Online Giving Foundation

Year ended 31 December 2019

Notes to the Financial Statements (continued)

h. Trade and other debtors

Debtor balances consist of donations unconditionally pledged. Amounts are recognised initially at transaction price (including transaction costs) unless a financing arrangement exists in which case, they are measured at the present value of future receipts discounted at a market rate. Subsequently these are measured at amortised cost less any provision for impairment.

A provision for impairment of donations receivables is established when there is objective evidence that the participant company will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. All amounts are generally expected to be received within 12 months.

i. Cash and cash equivalents

Cash at bank and on hand include cash on hand and demand deposits.

j. Trade and other creditors

Creditor balances consists of trade payables and donations pledged that are generally expected to be paid within 12 months. Donations are expensed at the time of approval by the Foundation. Creditor balances are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

k. Contingencies

Contingent liabilities, arising as a result of past events, are not recognised when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the Foundation's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised.

3. 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 Foundation 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

The Irish Online Giving Foundation

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Notes to the Financial Statements (continued)

significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

a. Providing for doubtful debts

The Foundation makes an estimate of the recoverable value of debtor balances. The Foundation uses estimates based on historical experience in determining the level of debts, which the Foundation believes, will not be collected. These estimates include such factors as the current credit rating of the debtor, the ageing profile of debtors and historical experience. Any significant reduction in the level of customers that default on payments or other significant improvements that resulted in a reduction in the level of bad debt provision would have a positive impact on the operating results. The level of provision required is reviewed on an on-going basis.

4. Income

Income from donations received and administrative fees are as follows:

Income	2019	2018
	€	€
Donations received	1,352,953	1,459,415
Administrative fees	<u>29,275</u>	<u>38,321</u>
At the end of the financial year	<u><u>1,382,227</u></u>	<u><u>1,497,735</u></u>

5. Expenditures

Expenditures include donations to charities, as represented on the Statement of Financial Accounts, as well as administrative expenses, which include the following:

Administrative expenses	2019	2018
	€	€
Accounting and audit fees	8,543	4,951
Bank charges and service fees	422	603
Sales tax	587	0
Administrative service fees	27,034	27,355
Merchant fees	<u>10,015</u>	<u>7,447</u>
	<u><u>46,600</u></u>	<u><u>40,356</u></u>

6. Status

The Foundation is established by a Deed of Trust dated 13 February 2014 as amended by a Deed of Amendment dated 11 July 2017.

The Irish Online Giving Foundation

Year ended 31 December 2019

Notes to the Financial Statements (continued)

7. Trustee remuneration and transactions

No members of the management committee received any remuneration during the year.

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the Foundation during the year (2018 – nil).

8. Tax on surplus

No charge to current or deferred taxation arises as the charity has been granted charitable status under Sections 207 and 208 of the Taxes Consolidation Act 1997.

9. Debtors

Debtors	2019	2018
	€	€
Trade debtors	<u>241,470</u>	<u>284,588</u>

The fair values of trade and other receivables approximate their carrying amounts.

10. Creditors: amounts falling due within one year

	2019	2018
	€	€
Trade creditors	319,548	323,022
Other creditors including tax and social insurance	5,567	806
Accruals	8,822	9,650
Amount due to Related Party (Note 15)	<u>66,409</u>	<u>-</u>
	<u>400,346</u>	<u>333,477</u>

Trade and other creditors are payable at various dates in the next 12 months in accordance with the usual suppliers under customary terms.

Tax and social securities are repayable at various dates over the coming months in line with tax authority guidelines.

11. Creditors: amounts falling due after more than one year

	2019	2018
	€	€
Amount due to Related Party (Note 15)	<u>-</u>	<u>21,076</u>

The Irish Online Giving Foundation

Year ended 31 December 2019

Notes to the Financial Statements (continued)

12. Financial instruments

At initial recognition, the Foundation classifies its financial instruments into the following categories: financial assets that are equity instruments measured at fair value, financial assets that are equity instruments measured at amortised cost, financial assets that are debt instruments measured at amortised cost, and financial liabilities measured at amortised cost. The classification depends on the purpose for which the instruments were acquired. The Foundation does not have any instruments classified as financial assets that are equity instruments measured at fair value or financial assets that are equity instruments measured at amortised cost.

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

- i. Trade debtors and cash at bank and on hand are classified as financial assets that are debt instruments measured at amortised cost. Financial assets that are debt instruments measured at amortised cost are initially recognised at transaction price and are subsequently measured at amortised cost.
- ii. Trade creditors and accruals for goods and services are classified as financial liabilities measured at amortised cost. Financial liabilities measured at amortised cost are initially recognised at transaction price and are subsequently measured at amortised cost.

Financial liabilities measured at amortised cost are classified as current liabilities if payment is due within 12 months (or within the normal operating cycle of the business, if longer). Otherwise, they are presented as non-current liabilities.

	2019	2018
	€	€
Financial assets that are debt instruments measured at amortised cost		
Trade debtors	241,470	284,588
Cash at bank and on hand	171,681	82,770
Financial Liabilities measured at amortised cost		
Trade creditors	319,548	323,022
Accruals for goods and services	8,822	9,650

13. Capital and other commitments

There were no capital commitments at the year ended 31 December 2019 (2018: €nil)

14. Post balance sheet events

The Covid 19 pandemic began in the early months of 2020 and is likely to have a significant impact on the level of donations that will be made to the Foundation in the forthcoming year. This will likely result in lower levels of donations that can be passed on to the deserving charities. It is not expected that this lower level of activity will adversely impact the viability of the Foundation.

The Irish Online Giving Foundation

Year ended 31 December 2019

Notes to the Financial Statements (continued)

15. Related party transactions

The Foundation and Benevity, Inc. ("Benevity") are related parties. Benevity is a software company that has created employee giving and volunteering software utilizing an online donation platform. The Foundation has entered into a services agreement with Benevity for the use of the Benevity platform to facilitate its mission as a sponsor of donor-advised funds. The terms of the agreement state that the Foundation must pay Benevity a fee for the provision of administrative services and licence to the Benevity platform. The agreement with Benevity is intended to facilitate the Foundation in harnessing a greater donation volume of online donations by reducing costs, while increasing awareness and donations by individuals and businesses, so that it can maximise grants to eligible organizations.

The Foundation incurred administrative service fees during the year of €27,034 (2018: €27,355). The amount due to Benevity as at 31 December 2019 was €66,409, and is included on the balance sheet in Creditors: amounts fallings due within one year (2018: €21,076, included on the balance sheet in Creditors: amounts falling due after more than one year). This amount is unsecured and non-interest bearing and has no fixed terms of repayment. However, in the year-ended 31 December 2019, a monthly invoicing process was put into place.

These transactions were in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

16. Controlling party

There is no one ultimate controlling party to be disclosed.

17. Approval of financial statements

The board of Trustees approved these financial statements for issue on 25 June 2020.