**Annual Report**

**Sample template for organisations with €50,000-€250,000 annual turnover.[[1]](#footnote-1)**

**Introduction**

The objective of the annual report (the report) and accounts is to provide information about an organisation’s activities, its financial performance and ﬁnancial position that will be useful to a wide range of stakeholders in assessing the board/committee’s stewardship and management of the organisation’s resources and funds, and to assist the reader of the report to make decisions in relation to the organisation. Although past, current and potential funders, donors and ﬁnancial supporters of a not-for-profit organisation are the primary audience for the information contained in an organisation’s report, the preparer should also be aware that interest in this information may also extend to an organisation’s service users, other beneficiaries, volunteers and staff (current and potential).

The report should not be viewed simply as a compliance requirement or a technical exercise. The report should help users of the information to understand what the organisation is set up to do, the resources available to it, how these resources have been used and what has been achieved as a result of its activities, how it is governed, how effective it is in achieving its objectives and its future plans.

**The Good Governance Awards**

The Good Governance Awards seek to acknowledge, encourage and promote good governance practice particularly in the area of annual reports.

The Awards have been developed by Carmichael with the support of [our partners and supporters.](https://goodgovernanceawards.ie/partners/)

The annual report represents a real opportunity for organisations in the not-for-profit sector across Ireland to showcase its transparency and trust by outlining its performance, governance, culture and financials. An annual report can provide a comprehensive picture of an organisation, as well as its achievements and future plans rather than meagrely meeting minimum compliance requirements. An annual report serves to reinforce relationships with stakeholders and build relationships with the public, potential donors, volunteers and supporters. As such, the Good Governance Awards aims to support and encourage the community, voluntary and charitable sector to use their annual reports and financial statements to showcase their embracement of and adherence to good governance.

The term “annual report” for the purposes of the Good Governance Awards, covers an organisation’s Annual Report and Financial Statements. For organisations that produce separate annual activity reports and financial statements, both documents need to be submitted to ensure that all areas of assessment areas are taken into account. Best practice is for one combined report including the financial statements.

**How to use this template**

This template is for guidance only. It sets out what the Good Governance Awards consider to be good governance practice for the annual activity report for an organisation with less than €250,000 annual turnover, or an organisation without any paid staff. The board of each organisation needs to determine what it believes to be appropriate for its organisation’s annual report bearing in mind its legal requirements and any specified requirements of its funders and members.

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| **Front/cover page** |
| **Organisation’s Full Legal Name:**  **Title:** Annual Activity Report  **Dates of Reporting Period:**  **Company number** *(if applicable):*  **Charity tax exemption number** *(if applicable):*  **Charity Registration Number** *(if applicable):*  **Logo** *(if applicable):* |

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| **Legal and Administrative Details** | | |
| Directors | Names (Role, if applicable e.g. Chair, Treasurer) | (Date appointed or resigned if they were not a director for the entire reporting period) |
|  |  |  |
| Company registered number | If applicable |  |
|  |  |  |
| Charity tax exemption number | If applicable |  |
|  |  |  |
| Charity Regulatory Authority number | If applicable |  |
|  |  |  |
| Registered office | If applicable |  |
|  |  |  |
| Company secretary | If applicable |  |
|  |  |  |
| Chief executive officer/Manager | If applicable |  |
|  |  |  |
| Board Committees | Names of committee members | Name of committee |
|  |  |  |
| Independent Auditor | If applicable |  |
|  |  |  |
| Principal Bankers | Name and address of bank |  |
|  |  |  |
| Solicitors | If applicable |  |

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| **Chairperson’s Report** |
| The Chairperson of the Board will usually write a summary of the year in question which will include highlights, challenges and will reference how things have progressed since previous annual reports.  Some nonprofits also include a Treasurer’s report but this optional.  The Treasurer’s report would typically provide a high-level summary of the organisation’s income and expenditure, describe what types of fundraising were undertaken (if applicable), describe how the income received was used. It can also be used to thank – sponsors, donors, service providers and acknowledge any goods received at reduced cost/pro bono. The details of finances will be outlined later so they are only described at a summary/high-level in this section. |

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| **Summary of the organisation’s purpose and activities** |
| **Purpose:** the organisation’s purpose as set out in its governing document  **Vision and/or mission statement:** if you have a vision or mission statement, include them here.  **Key goals:** what are your organisation’s key goals for this reporting period or for the future?  **Origins:** take the time to tell your organisation’s story, how did the organisation come into existence? What need was it addressing?  **Operating context:** what is the wider context your organisation operates in? Does your organisation work with other organisations? Have external factors (e.g. changes in government policy, public perception etc) impacted the demand or supply of your services?  **Beneficiaries:** Who benefits from your organisation? Who are your service-users?  **Main activities:** What does your organisation do? |

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| **Organisation and governance** |
| **Governance Structure**: Provide details of the organisation’s legal structure. For example, is it an unincorporated association, a company limited by guarantee and/or a charity?  **Appointment of Board:** Describe how people are elected or nominated to the board/management committee and the term of office of members.  **Tenure of the Board:** Is there a term limit for Board members?  **The Role of the Board:** Details of the role of the board/management committee and its subcommittees (if applicable)  **Fundraising:** If relevant, describe the organisation’s fundraising activities. If the organisation has signed up to the Statement of Guiding Principles for Fundraising this should be stated in the Annual Activity Report.  **Governance Standards:** If the organisation has adopted/or is in compliance with the Charities Governance Code, the Governance Code for Sport and/or other Best Practice Codes & Quality Standards, this should be stated. |

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| **Key Objectives:** |
| Outline what your key goals were for this reporting period, and how the organisation performed compared to these goals.  **Objective 1:**   * What did you aim for? * What did you achieve this year, compared with your original target? * How does this compare to previous years? * Did you face any challenges in completing this objective? * Who benefitted from this objective?   **Objective 2:**   * What did you aim for? * What did you achieve this year, compared with your original target? * How does this compare to previous years? * Did you face any challenges in completing this objective? * Who benefitted from this objective?   **Objective 3:**   * What did you aim for? * What did you achieve this year, compared with your original target? * How does this compare to previous years? * Did you face any challenges in completing this objective? * Who benefitted from this objective?   **Beneficiaries** *(who the organisation serves and supports)*  Use case studies, testimonials and/or survey data to demonstrate the impact your organisation had on your beneficiaries. |

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| **Future plans** |
| Provide details of the organisation’s plans for the coming year and future years to meet its objectives and support its beneficiaries. Detail any challenges you expect and what your plan is to deal with them. |

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| **Volunteers and employees** |
| **Average number of volunteers:** insert number here, even if the number is zero. Exclude trustees/board members from this figure.  **Average number of full-time employees:** insert number here, even if the number is zero.  **Average number of part-time employees:** insert number here, even if the number is zero.  Also provide names and job titles of any senior/management staff. |

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| **Summary of financial position (Note: if you get an accountant/auditor to prepare your financial statements use those statements in your Report instead of this financial summary** | | |
|  | **Period of this report** **(€)** | **Previous Financial Period (€)** |
| Income from Government/Local Authorities |  |  |
| Income from Other Public Bodies |  |  |
| Income from Philanthropic Organisations |  |  |
| Income from Donations |  |  |
| Income from Bequests |  |  |
| Income from Trading and Commercial Activities |  |  |
| Income from Other Sources |  |  |
| **Total Income** |  |  |
|  |  |  |
| Expenditure on Salaries & Wages |  |  |
| Other Expenditure |  |  |
| **Total Expenditure** |  |  |
|  |  |  |
| **Surplus/(Deficit) for the Period** |  |  |

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| **Information on assets and liabilities** | |
|  | **Period of this report** **(€)** |
| Cash at Bank and In Hand |  |
| Other Assets |  |
| **Total Assets** |  |
|  |  |
| **Total Liabilities** |  |
|  |  |
| **Net Assets/(Liabilities)** |  |

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| **Capital Items Purchased Current Period:** |
| *List items and cost including equipment, land, buildings, fixtures and* fittings, etc. |

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| **Commentary on Finances** |
| If there were any key movements in funds between this reporting period and the previous reporting period (such as a significant increase or decrease in a particular grant, fundraising or trading activities), explain this.  Outline whether the organisation had a deficit, surplus or breakeven position at the end of the reporting period and how that position came about.  Where an organisation incurs a loss or deficit, explain how the loss arose and the actions taken or to be taken to address this situation.  Comment on the expected availability of funding into the future. |

Note:

1. If the organisation’s annual turnover is more than €100K, the financial statements should include an audit report.
2. The financial statements should **not** be prepared applying Section 1A of FRS102. The Companies (Accounting) Act 2017 provides for the introduction of optional simplified regimes that are available under Section 1A of the FRS 102 accounting standard for small and micro companies for their annual financial statements. However, as one of the core objectives of the Good Governance Awards is to promote accountability and transparency by charities and nonprofits, the reduced disclosures permitted under Section 1A of FRS runs counter to this objective. Organisations who have prepared their financial statements by applying Section 1A of FRS 102 are not eligible to win an award.

**Accounts prepared by:** *(name the person or accounting firm)*

**Dated signatures of two members of the board/management committee**: (*usually the chairperson and the treasurer)*

1. This template was developed by the Carmichael and the Kerry Volunteer Centre as an aid to nonprofit organisations and to provide guidance on the content of an annual report and financial statements. [↑](#footnote-ref-1)