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## REPORT TO GOVERNMENT

**We the Commissioners of Charitable Donations and Bequests for Ireland submit our one hundred and forty seventh Annual Report.**

### LEGAL

**During the year ended 31st December, 1994 we dealt with 539 applications and sealed 386 Orders in respect of matters affecting charities and charity property. We held 11 Meetings - an average of 49 items appeared on the agenda at each meeting. This does not include Meetings of sub-committees.**

**During 1994, there were two vacancies on the Board created by the retirement in 1993 of two Commissioners and we are glad to report that the vacancies have now been filled.**

**We sanctioned 209 Sales. Charity Trustees very often have no power of sale in their Trust Instrument and avail of Section 11 of the Charities Act, 1973; and Section 40 of the Charities Act, 1961 which gives them a power of sale in respect of sales authorised by us. Section 40 also provides that sales authorised by the Board will have the like effect and validity as if they had been authorised by the Trust Instrument itself. As in previous years, there were many applications to appoint new trustees of charity property, 80 such Orders being made this year. Frequently it is found that although property has been in the possession of a Parish for many years no Title Deeds can be traced and vendors are saved the expense of a Court application by applying to us to have new trustees appointed.**

This year we Sealed 16 Cy-Pres Schemes. Again this year we must draw attention to the fact that the monetary limit of £25,000.00 fixed under the 1973 Charities Act is now impractical and unrealistic; and to our appeal to the Minister for legislation to increase this. Now in our opinion the act should be amended to increase the amount to a suitable figure to reflect the increase in property values and inflation with the possibility of further increases being made by Ministerial Order and not requiring legislative changes. This would be of great benefit to charities, and avoid many expensive Court applications.

If Trustees experience any difficulty in administering a charitable trust, or Executors in administering a charitable devise or bequest they may ask the Commissioners for their advice or opinion. This year 7 such cases were dealt with. Trustees who act in accordance with the Commissioners advice are deemed under Section 21 (3) of the Charities Act, 1961 to have acted in accordance with the terms of the trust and are completely protected.

Section 22 of the Act enables trustees to apply to us for our approval of a compromise of a claim against a Charity. We sanctioned compromises of claims in 9 cases. The compromises sanctioned generally arose out of claims for expenses made against estates of deceased persons who had willed property or money for charitable purposes.

The system which was set up in July, 1993 to enable the Office of the Charity Commissioners to exercise their statutory functions in relation to the protection of charitable bequests has reached a propitious stage of development.

**Solicitors applying for a grant of probate of any Will containing a charitable legacy are asked to lodge a simple summary form with the Probate Office supplying details of all charitable bequests. These forms are transmitted to the Charity Commissioners Office each month.**

**Under Section 16 of the Charities Act, 1973 a general exemption from publication is given unless the Board require publication to be made in any particular case. The penalty for non publication is £100.00. As an alternative to publication the Board may ask for evidence showing payment of a charitable bequest, or in the case of a deferred or contingent bequest a letter of awareness from the charity concerned.**

**In practice Solicitors are asked to furnish a receipt from the Charity concerned or if appropriate a letter of awareness from the Charity acknowledging their interest in the estate of the deceased. In this way the system operates as a deterrent to the misapplication of charitable funds.**

**Since the system was set up in July 1993, 2,320 Summary Forms were received from the Probate Office. These forms contained 6,323 cash bequests with a total value of £4.4m approximately.**

**Section 32 of the Charities Act, 1961 as reinacted in a new Form by Section 9 of the Charities Act, 1973 allows the Board to invest charity funds under their control in Securities not authorised by law, or not authorised by the Trust Instrument; and permits ordinary charity trustees to do likewise.**

**The 1973 Act removes the restriction in the earlier Act which in general confined investment to Irish Equities. Under Section 9 (3) there is a complete discretion as to which investments can be chosen.**

**In practice we maintain a Form of Authorisation for the Investment of Charity Trust Funds. This form has been revised and amended from time to time. In November last year we issued a new list authorising investment by charities to be made by reference to categories rather than in specific assets. Trustees may avail themselves of it without any application to us.**

**Other matters dealt with included:-**

**The authorising of Leases, Transfers, Exchange of Trust Property and the Amendment of Educational Endowments under the Educational Endowments (Ireland) Act, 1885. 5 Educational Endowment Schemes were amended.**