



Annual  
Report and  
Financial  
Statements  
**2019**



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Adopting agility strategically has fostered a cultural change in CPA Ireland in which our speed of adaptation, fast decision-making, and our rate of capability development all contribute to a vibrant professional body delivering value to its customers.



# President's Perspective



In recent weeks, the Coronavirus (Covid-19) pandemic has changed our lives dramatically and has devastated many businesses. CPAs advise over 100,000 businesses in Ireland and operate in senior positions across the financial spectrum in over 50 countries worldwide. As an organisation, CPA Ireland has responded with agility to support members and students address the challenges posed by Covid-19. More than ever, the relevance of being associated with your professional body is apparent as we must stay connected, remain informed, and share resources as a community of CPAs.

CPA Ireland operates in an increasingly complex world, where disruption is the new normal, and where artificial intelligence, robotics and blockchain are dramatically transforming the work that CPAs do. To cope with a disruptive external environment, the CPA Ireland organisational strategy has elevated agility to a strategic objective rather than simply a tactic or enabler.

Adopting agility strategically has fostered a cultural change in CPA Ireland in which our speed of adaptation, fast decision-making, and our rate of capability development all contribute to a vibrant professional body delivering value to its customers.

CPA Ireland is not preparing for a world in which CPAs will do things differently but rather for a world in which CPAs will do entirely different things. CPA Ireland is focusing on where the skillset and advantage of the CPA will reside and is reimagining what we do and how we do it.

Just because some of the tasks that a CPA currently performs are automated or are likely to disappear in future years, this does not necessarily lead to the mass extinction of the profession.

On the contrary, the time freed up by automating routine tasks, coupled with new technologies, is augmenting the accounting professions' capabilities in terms of efficiency, effectiveness and, crucially, value.

## Competencies for the Changing World of Work

Throughout 2019, CPA Ireland has focused on meeting the needs of its members through competencies and not through roles.

Roles are changing and evolving, and, for that reason, CPA Ireland has focused on competencies with a particular emphasis on those competencies which will be valued in a digital world. By encouraging CPAs, over many years, to take personal responsibility for lifelong learning and career development, we are seeing an increasing desire on the part of CPAs to work on the skills gaps that organisations will face in a digital world. Firstly, in a world where human skills cannot be replicated or automated, we are seeing greater demand from CPAs for our programmes in leadership, communications and ethics.

Our Diploma in Data Analytics was a "sell-out" as CPAs commit to understanding the science of data, data modelling and analytics. One of the key learnings from this programme is that the course designers and tutors are impressed by the aptitude of CPAs to comprehend data science.

In terms of diversification and delivering new services, CPAs have also responded well to our Diploma programmes in Forensic Accounting, IFRS, US GAAP and Taxation. In fact, our Certified Tax Adviser (CTax) programme simply goes from strength to strength.

### Creating Future Ready CPAs

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CPA Ireland is agile and sufficiently focused, to concentrate on preparing future ready CPAs who will deliver value in the digital world.

We have also focused on evolving the profession for next generation CPAs. Throughout 2019 we have worked extensively with all stakeholders to transform the CPA curriculum of education. Our new curriculum, to be launched in 2020, will not be an incremental update but rather a game changing leap to create the CPA that organisations demand for the changing world of work. CPA Ireland is certainly playing its part in delivering a future ready profession by creating next generation CPAs who will deliver value in a world of structured and unstructured data, will create insights from information, will communicate to influence and will deliver an impact in organisations.

### The Digital CPA Practice

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CPA Ireland public practices support over 100,000 businesses in Ireland and we have also focused on how to create a community of digital CPA SMPs. Our executive team are collaborating with some of the most prominent software companies in the world that are focusing on artificial intelligence

solutions for SMPs. Apart from that collaboration, CPA Ireland is also providing ongoing support for our SMP community to ensure that CPAs in practice continue to add value to the businesses that they serve.

### Advocacy

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CPAs are at the coalface of business in Ireland and have an insightful perspective on the legal and regulatory impacts on business of existing and proposed policies.

In a year when the external environment was dominated by the uncertainty of Brexit, CPA Ireland played a leading role in preparing Irish business for Brexit, but this did not dominate our advocacy agenda. We also addressed regional imbalance between our capital city, Dublin, and the rest of the country in terms of policies that support positive environmental and sustainable rural development. In doing so, we represent a community of entrepreneurs in Ireland who are alert to the damage being caused by carbon emissions, particularly from agriculture, industry and transport. CPA Ireland recommended to Government that the cost benefit of tax incentives, for the development of carbon neutral enterprise hubs in our regional towns, be explored. Such hubs would provide ideal facilities for start-up businesses, particularly for environmentally friendly business initiatives. The significance of such developments would send a clear message of support to entrepreneurs in the regions, support sustainable businesses and signal a transition to a low carbon economy.

CPA Ireland also advocated strongly on tax measures in support of entrepreneurs and the SME sector. Together with my colleagues on Council, we have measured and supported the implementation of an agile, high level, principled strategy for CPA Ireland.

### A Focus on 2020

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We have made significant progress on three of our strategic pillars, namely, our Brand, the Products that we deliver and our Global Reach. In 2020 we will continue to progress those strategic pillars whilst also focusing more on People and Customer Centricity. We have started to prepare our CPA members and students for a world in which they will do completely different things. We are reimagining what CPAs do and how they do it and providing the service and support to members, students and other stakeholders with emphasis on those competencies that will be valued in a digital world.

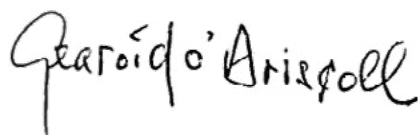
Having the opportunity to serve on Council and to become President of CPA Ireland is a wonderful opportunity to give something back to this great profession. I have embraced every opportunity and every challenge with equal measure and was always confident that I could rely on the support and encouragement of Council colleagues, volunteers at Committee and Regional CPA Society level and the executive team.

In conclusion, I believe that CPA Ireland has the appropriate strategy in place to cope with disruption, automation, artificial intelligence and all the changes in our world of work. CPAs are

already investing in their development and are supported by best in class customer service and the delivery of competencies that will enable CPAs deliver value in the future. CPA Ireland is a wonderful community of professionals and it was a tremendous honour and pleasure to represent that community as President.

I wish to thank my Vice Presidents, John Devaney and Áine Collins, the Chief Executive and the dynamic team at CPA Ireland and my family for all their support.

I wish my successor, John Devaney, every success and I have every confidence in John's capacity to lead CPA Ireland.



**Gearóid O'Driscoll**

President, CPA Ireland

# Chief Executive's Review



2019 was a year of achievement for CPA Ireland together with a year in which we committed our intellectual capital to planning for a different future for our members, students and stakeholders. A future in which CPAs will do different things and not just do things differently.

The Council of CPA Ireland, through adopting a high level, principled and agile strategy, ensured that CPA Ireland would not be distracted from its strategic priorities by the disruption of Brexit or by any other disruption. The executive team at CPA Ireland were provided with the resources and tactical agility to make progress in our five areas of strategic priority, namely:

- **Brand;**
- **Product;**
- **Customer Centric;**
- **Global Player; and,**
- **People.**

## **Our key achievements in 2019 included:**

- The continued roll out of our new brand;
- The development and launch of two new post qualification specialisms in Forensic Accounting and Data Analytics, both of which attracted full classes;
- An Accountancy Europe digitalisation award for our CPD Member Engagement in learning and development through online platforms;
- The completion of stakeholder analysis underpinning our new syllabus which is designed to prepare future fit CPAs;

- Advocacy on matters of concern to members, the businesses they serve and on public interest issues – with a particular emphasis on Brexit;
- Increased our membership;
- Produced a financial performance in line with expectations;
- Regulated the activities of members in line with our public interest role;
- Extended our global reach through re-committing to our partnerships with CPA Canada and CPA Australia together with entering a new partnership with Chartered Accountants Sri Lanka.

In the international arena we launched the Edinburgh Group research report into the "SMP of the Future in a Changing World". This research has shaped our service and support for CPA Small to Medium Practices as they prepare for a rapidly changing world of work.

Our service focus on digital skills has been complemented by our development and delivery of new diplomas to allow CPAs really to come to terms with the science of data analytics and offer new services in the domain of forensic accounting.

## **Brand**

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During 2019, several initiatives were launched to further develop our strong cohesive brand whilst remaining true to our values of being – open, credible, assured and forward thinking.



Research completed in early 2019 found that CPAs advise over 100,000 businesses in Ireland and this finding underpinned the radio and digital campaigns advocating business owners to

*"Take your business anywhere with a CPA".*

The campaign directed business owners back to the find a CPA page on the CPA Ireland website which saw a 93% increase in traffic over the same period in the previous year.

Behind the scenes, as it were, we continue to grow our CPA Employer Network and we continue to engage with key recruiters in the finance and accountancy sector.

Our disappointment in 2019 was that we did not attract our target number of new students. We need more market information to accurately assess why this was the case. So, you can expect further brand promotion in 2020.

Again, for your part, please be proud of your qualification, use your CPA designation and follow CPA Ireland's social media channels.

## Product

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2019 has certainly been a year of innovation in relation to our suite of qualifications and how we deliver and to how you receive education.

The investment in our own Learning Management System, Canvas, and our delivery of continuing professional development, in particular, through Canvas has been recognised at European level.

CPA Ireland won the Accountancy Europe digitalisation award for CPD Member Engagement in learning and development through online platforms. This prestigious award was voted on by other professional bodies across Europe and we beat some large professional bodies to take the award.

Canvas is the world's fastest growing learning management platform and is in use in many of our Universities and Institutes of Technology. Canvas is a flexible system which allows us to build the appropriate online learning experience for our members and students.

You can access Canvas anywhere, anytime from your computer or smart device creating a learning environment that fits around your life.

Through Canvas, we are creating communities of learners who can communicate with others in their class, see videos, downloads, take tests, add to discussions and forums and take entire diplomas online.

In relation to preparing CPAs for the future, very significantly, we have just received approval from Council to launch a new syllabus of education in 2020.

The CPA Ireland syllabus has been reviewed to ensure that, among other outcomes, our syllabus is in line with anticipated skills for accounting professionals of the future.

As you would expect, the new syllabus will include education on all of the technology developments impacting on the world of work of accountants. Ethics, sustainability, taxation and risk will all be strengthened, and a new elective subject entitled Data Analytics for Finance Professionals will be introduced at our final level. The new syllabus will distinguish CPA Ireland from its competitors and will respond to the needs of employers as expressed during stakeholder engagement.

### Customer Centric

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Linking our innovation in product to customer centricity, members can expect a more focused approach to communication and engagement in 2020.

We have already commenced a series of process reviews focusing on those processes through which members, students and prospective customers engage with CPA Ireland. Essentially, we are removing any barriers or duplication to make it easier for members to engage with CPA Ireland. We are on our own digital transformation within CPA Ireland focusing on how you interact with us in an online environment.

We are also training all staff in customer centricity to ensure that CPA Ireland moves from very good to best in class in terms of servicing our customers.

### Global Player

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In 2019, we recommitted to our strategic partnerships with CPA Australia and CPA Canada – two of the largest CPA bodies in the world. We also committed to a new partnership with Chartered Accountants in Sri Lanka.

Apart from providing mutual pathways to membership, these partnerships provide for resource sharing – this was particularly important in terms of developing our new syllabus. In 2020, we are committed to considering renewals with our partners in Nigeria, South Africa and Pakistan.

Accountancy is the most international of professions and it is important for CPA Ireland to be perceived as global, Irish and European. This European dimension will be interesting as the precise arrangements around Brexit develop and we will be one of the few English-speaking professional accountancy bodies in the EU.



In 2019, Gail McEvoy completed a 6-year term of service on the Board of the International Federation of Accountants.

Gail's voluntary input to the global accountancy profession is a true testament to the value CPAs can bring through volunteering at national and at international level.

## Our People

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Developing our entire community of people is central to CPA Ireland's strategy.

In 2019, our Council committed to an external assessment of its effectiveness by Board Excellence Ireland. Council was found to be an effective Board of Directors but did not rest on its laurels and committed to a programme of training designed to move our Council from an "effective" to a "high performing" board and that journey is well under way.

We have also committed to developing our regulatory committee members with high quality training to ensure that they discharge their responsibilities in line with best current practice. We are also developing our staff, and this is hugely important as we said goodbye to two of our Directors in 2019, Paul Heaney and David FitzGerald, both with 15 years' service. Council has provided the resources for CPA Ireland to attract, retain and develop talent. We have also measured the dominant cultures within CPA Ireland's Council and its executive team. The findings demonstrate significant congruence between Council and executive and that the dominant cultures are supportive of our strategic ambitions.

Council is conscious of the impact of culture on business performance and will continue to measure annually.

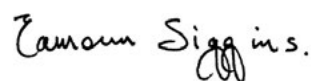
Throughout 2019, Council carefully monitored the implementation of strategy by the executive team and provided adequate resources, human and financial, to support CPA Ireland's operational plans.

The main operational highlights from 2019 are described across the following headings:

- **Business Development,**
- **Education and Training,**
- **Member Services,**
- **Professional Standards.**

As we approach the final stages of collating the information for this report, the Covid-19 pandemic has become a very serious issue for 2020. CPA Ireland will continue to support you, our members, through these challenging times and for the remainder of 2020.

The CPA Ireland executive has transitioned to a completely virtual environment in response to Government advice. We continue to deliver service and support, CPD delivered to your desktop or mobile device which is relevant to the skillsets required in the current crisis and meet our regulatory requirements. CPAs should monitor the CPA Ireland website and our digital channels for updates on all issues including updates to our Covid-19 Resources.



**Eamonn Siggins**

Chief Executive, CPA Ireland

# CPA Ireland Strategic Priorities



# Business Development

CPA Ireland remained agile in its roll out of the new brand and in the development and execution of new campaigns promoting the value CPA Ireland members provide to businesses in Ireland. A campaign to highlight the benefits of the CPA qualification to prospective students and additional support services available to them was also run in 2019.

## Leveraging the CPA Ireland brand

2018 saw the launch of a new brand identity for CPA Ireland.

During 2019, several initiatives were launched to further develop a strong cohesive brand that remained true to the values of being, open, credible, assured and forward thinking to the various stakeholders of CPA Ireland.

## Take your business anywhere with a CPA

Research conducted in early 2019 saw that CPAs represent over 100,000 businesses in Ireland. In September of 2019, CPA Ireland ran both a digital and radio campaign to increase the brand awareness of CPA Ireland members and firms in the SME market to further highlight the value that CPAs contribute to businesses in Ireland.

As CPA Ireland members have a vast geographic spread, the radio campaign was run on both national and regional stations.

*As a result of this campaign, the Find a Firm page of the CPA Ireland website saw an increase in traffic of 93% compared to the same month the previous year.*



CPAs represent over  
100,000 businesses  
in Ireland

# Take your business anywhere with a CPA campaign

ARE **EXPORT REGULATIONS** STOPPING YOU FROM TAKING OVER THE WORLD?

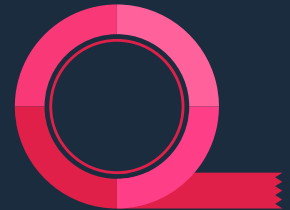


Today's political landscape is challenging particularly as Irish businesses who export their goods are under threat as a result of Brexit.

At the time of the campaign, research had shown that 89% of the companies surveyed had not started to plan for a no deal Brexit.

The value proposition positioned CPAs as trusted accountancy advisors that could advise on several factors to get Brexit ready including supply chain, customs, tariffs, duty, and licencing.

IS RED TAPE AND LEGAL JARGON **TYING YOUR BUSINESS DOWN?**



The regulatory requirements around running a business are challenging for SMEs, especially those who don't have the resources, be they financial or human to pave their way through the red tape.

CPAs provide accountancy and advisory services whereby you as your company's resource in terms of human capital can free up time to focus on strategy and business growth.

CPAs simplify the legal jargon and navigate the red tape, so you and your staff have the time to focus on business growth.

NEED **BUSINESS DIRECTION** ON YOUR ROAD TO SUCCESS?



CPAs provide SMEs not only with accountancy, tax and audit services but also with advisory services on how SMEs can grow.

One of the challenges faced by businesses in Ireland is the lack of resources and time to analyse the business environment and assess conditions affecting the achievement of business objectives.

CPAs provide a range of business and strategic advisory services. With an innate understanding of the business environment and based on your company's position, the advice offered can help you grow your businesses.

CPAs also offer advisory services on funding and the identification of options to both sustain and analyse future growth opportunities leading to increased profits.

Some CPA firms offer advisory services on HR and system processes to aid the internal analysis of an SME's organisation.

NEED HELP LOCATING AN **ACCOUNTANT YOU CAN TRUST?**



The training the CPAs have undergone has provided them with a diverse skillset to tackle all elements of what is required by a professional accountant to aid businesses navigate their business finances.

Services include:

- Corporate finance
- Financial reporting for your business
- Management accounts
- Review of technology and internal systems
- Tax advisory services
- Budget, cash flow planning and forecasting

## Trainee Placement Service

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At CPA Ireland we are acutely aware of the challenges facing organisations when it comes to trainee recruitment and as a result, in 2019, launched a new service to support CPA Ireland members and employers nationwide.

The trainee placement service is unique to CPA Ireland and offers members and employers alike support with sourcing top trainee talent that will help drive their businesses forward.

By engaging with the CPA Ireland Trainee Placement Service, members and employers can;

- Eliminate recruitment agency and advertising fees from staffing budgets;
- Exclude candidate sourcing, screening and interview scheduling from their recruitment process;
- Access a diverse range of candidates including graduates, accounting technicians and leaving cert students;
- Acquire an in-demand skills-set as all trainees will pursue the cutting-edge CPA Qualification.

### Benefits for Students

- **Connect with Employers** – students receive introductions to employers who will cover the CPA Qualification fees
- **One to One Support** – students benefit from the support of a dedicated Careers Adviser who will guide them through their job search
- **CV Review** – Students receive extensive feedback on their CVs with recommendations on how they can make it stand out
- **Interview Coaching** – Each student can build their confidence with a tailored interview preparation session.

## New online exemptions checker

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CPA Ireland launched a new online exemptions checker; a new tool that allows students to search, access and quickly find out what exemptions they can qualify for in advance of commencing the CPA Ireland professional accountancy qualification.

It can be accessed by phone, desktop or tablet. The exemptions checker even allows students to progress to official confirmation of exemptions by allowing them to upload their result transcripts of their completed qualification.

## Student Recruitment Campaign

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CPA Ireland also launched an extensive student recruitment campaign which focuses on 4 value propositions.

The ethos of the campaign encourages prospective students to study the CPA Ireland accountancy qualification. It advises them of the Trainee Placement Service, FastTrack, the global recognition and portability of the CPA qualification.



CPA launched a new online exemptions checker for students

# Take your accountancy career anywhere

CPA Ireland Career Placement

TAKE THE ROAD  
TO **SUCCESS**



CPA Ireland Global

**TRAVEL**  
THE WORLD

CPA Ireland FastTrack

**ACCELERATE**  
YOUR CAREER



CPA Ireland Qualification

**GET AHEAD**  
WITH CPA



## Budget Response from CPA Ireland

### *Supporting Entrepreneurship and SMEs*

Speaking on measures to support SMEs  
 “The discrimination experienced by Ireland’s entrepreneurs is one of the tax system’s enduring failures. We welcomed the increase of €150 in the earned income tax credit for the self-employed. However, promises to eliminate this gap have consistently been broken which will be a cause of frustration for many.”

CPA Ireland welcomed the increasing of the R&D tax credit and its new focussed support for the small and micro sector. The inclusion of pre-trading expenditure is a positive move and we hope this will be combined with an administrative system designed with the budgetary restrictions of small and micro companies in mind.

The commitment by the Minister to introduce supports for ‘vulnerable but viable businesses will offer relief to many employers affected by Brexit. At a time when small businesses will be struggling, it is important that such supports are easy to understand and accessible and avoid burdensome bureaucracy. We are available to support the Departments of Finance and Business in developing this scheme.

## 2019 in the Media

Government urged to back regional growth  
 Irish Times, May 5th

Gearóid O Driscoll Appointment  
 (This week 8 business movers)  
 Irish Times, May 5th

New accountancy president warns of needs to support regional growth  
 Irish Times, May 5th

CPA warning on a no deal Brexit – Waiting is no longer an option  
 Biz Plus, May 24th

Prepare for a no deal Brexit, SME’s told  
 Irish Times May 25th

CPA Annual Conference – Brexit Alert - SME’s told to hope for the best and plan for the worst  
 Irish Independent, May 25th

Deirdre McDonnell appointed as Director of Education and Training  
 Irish Examiner, September 23rd

CPA Ireland conferring award winners – CPA President challenged young accountants to show leadership in the fight against climate change  
 Cork News, Tipperary Live, Wicklow News, December 2019



CPA Ireland welcome the increasing of the R&D tax credit and its new focussed support for the small and micro sector.

# Education and Training

**As the forces of innovation, automation and technological change continue to change the way we do business, the role of finance professionals continues to evolve and change. CPA Ireland, as educators for future finance professionals, must respond, remain agile and innovate through our education, syllabus and competence development, to ensure that our newly qualified CPA accountants are future fit and not only relevant in this changed environment but can drive the development of the finance function in coming years.**

The business ecosystem of the future demands a change in the competencies and behaviours of accountants, and an understanding of what it really means to be an accountant. Gone are the traditional expectations that an understanding of the core technical competencies, an ability to produce financial reports, and advice on those reports will be sufficient.

In a financial environment being disrupted by emerging technologies including advanced data analytics, machine learning and artificial intelligence among others, the successful finance professionals of the future will be expected to add value in so many ways. The reliance on information and data produced through advanced data analytics and artificial intelligence, will require an awareness, and skills in professional scepticism, to make judgements around representations and

reports in this context, rather than just accepting at face value.

Customer management and innovation which were traditionally not the domain of the finance professional, have become key business drivers that accountants will need to consider and include in their range of relevant data through performance management in the context of e-commerce and awareness of metrics. These would include Google Analytics audience reports, acquisition reports and behaviour reports, not business data traditionally associated with the finance function.

As pressure continues to mount internationally to address climate change and for industries and governments to play their role in addressing this global issue, much of the sustainability reporting responsibility will fall at the feet of the finance professionals. Companies who currently engage in sustainability reporting do so voluntarily, in the absence of formal reporting requirements.

CPA Ireland recognises that we have a corporate and social responsibility to arm our future. With the awareness and knowledge around this subject, CPAs will be able to lead and drive responsible and ethical action around the areas of sustainability reporting and carbon accounting.

## Syllabus Planning

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2019 was a busy year of planning and developing the new CPA Ireland syllabus which is due to be launched in 2020. Through engagement and dialogue with employers and academia, and vast market research into the finance function of the future, we are confident that our new syllabus will ensure that our future fit newly qualified accountants will thrive in the future business environment.

We have introduced new content across a range of subjects to reflect emerging and disruptive technologies, including big data, blockchain, fintech, machine learning and artificial intelligence. We will be offering a new elective subject at our final level, Data Analytics for Finance Professionals, in response to the market demand for newly qualified accountants with both finance and data analyst qualifications.



The new CPA Ireland syllabus is due to be launched in 2020

## Online Assessment Planning

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CPA Ireland are working on the development of online assessment for all levels of the CPA examinations. Partnering with a leading online assessment provider, work has begun on the project to deliver online exams with online invigilation, which will offer our students a streamlined, future facing examinations experience. This is a cloud-based assessment solution, where students will be monitored in real-time using audio, video and remote screen share. CPA Ireland want to offer our students a convenient assessment experience, without the stress of attending exam venues, with an interaction and interface that reflects current developments in e-assessment.

## Online Training Records

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The new online training record system went live on 1 January 2019 and all students are required to log training completed from that date onto the new system. This replaced the former paper-based training record system. To date approximately 45% of required students have registered their mentor on the system and started to log their training. This system will also be used to manage the admission to membership process. The online training record is designed to allow students to regularly contemplate with their mentor, the direction and quality of their training, in line with the competence profile for newly qualified CPAs.

## New Director of Education and Training

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Deirdre McDonnell, FCPA was appointed as Director of Education and Training in September 2019. Deirdre qualified as a CPA in 1990, and later in her career added the qualification of professional risk practitioner. She trained in public practice, followed by 5 years as financial controller in the advertising industry. Most of her career was spent as a management consultant, specialising in Business Continuity Planning, Strategy Development and Risk Management.

Deirdre has previously filled the roles of Director of Member Services with CPA Ireland in the 90s and more recently Director of Business Development.

*"I am looking forward to working with the Education and Training team at CPA Ireland to ensure that we are the leading edge of the new generation of professional accounting education and training."*



The online training record is designed to allow students to regularly contemplate with their mentor, the direction and quality of their training, in line with the competence profile for newly qualified CPAs.

# Member Services

In 2019 we engaged with members of CPA Ireland in order to provide a high quality and relevant CPD and Further Learning Programme. The needs of our members were at the forefront when developing new CPD courses and Diploma Programmes as well as the new Learning Management System, Canvas. It is our ambition to create a seamless learning ecosystem for our members that focuses on providing flexibility, support, value and excellent development opportunities.

## Accountancy Europe Award

On 19th November 2019, CPA Ireland was delighted to accept a Digitalisation Award at the Accountancy Europe Digital Day in recognition of our member engagement in learning and development through online platforms. The award was voted for by peer accountancy bodies across Europe with competitors such as ACCA, CIMA, ICAEW and the Norwegian Institute of Public Accountants. CPA Ireland and CPA Ireland Skillnet received the award in recognition of the digitalisation of learning initiative through the development of our new Learning Management System, Canvas and the educational benefits it offers to our members.

We are delighted that Accountancy Europe has recognised CPA Ireland's efforts to deliver an innovative and forward-thinking experience for our members.

## Launch of new Diplomas

Following research among our membership CPA Ireland launched two new diplomas in 2019, one in Forensic Accounting and another in Data Analytics.

The Diploma in Forensic Accounting was developed in conjunction with Grant Thornton. This Diploma provides a comprehensive understanding of the core Forensic Accounting skills to qualified accountants working in both industry and practice, particularly in the SME sector. This course was offered via classroom with additional resources and class recordings available on our Learning Management System, Canvas.

The Diploma in Data Analytics was developed in conjunction with Dr Brian Byrne, TUD. This course provides a high-level understanding of the main concepts associated with data analytics and how decision makers use analytics to formulate and support them in solving business problems and communicating that analysis to a management team. Delegates had the option to attend this diploma in the classroom or through our live streaming channel.



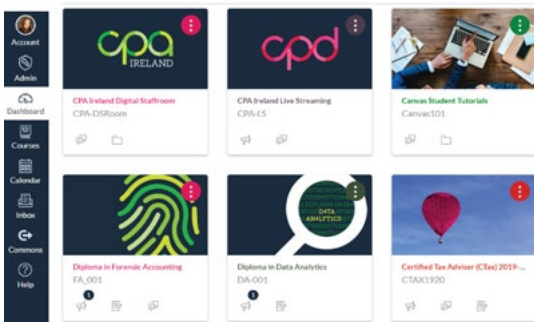
## CPA Ireland launched two new diplomas in 2019:

- Diploma in Forensic Accounting
- Diploma in Data Analytics

## Learning Management System Innovation

CPA Ireland continues to grow and develop our online learning platform, Canvas. CPA Ireland now offers eight further learning courses through Canvas in addition to law and tax courses for new members joining through CPA Ireland’s Mutual Recognition Agreements. New tools have been integrated into the system including plagiarism software, Turnitin and Accredible which allow users to automatically download a certificate of completion and add electronic badges to their online portfolio. The use of Canvas has been expanded to allow for the use of new tools such as online assessment correction and results issuing.

All users can download the Canvas Student App which provides access to the learning platform on their smartphone or tablet, enabling users to access course materials on the go and offering the flexibility to fit the qualification into their busy schedule.



After much research and consideration and having invested in our own Learning Management System and live streaming equipment, CPA Ireland made the decision to run the 2019/2020 Certified Tax Adviser course through Canvas.

In combination with the new technology, the increased expertise among CPA Ireland staff with regards to the development and running of certificate and diploma programmes has enabled us to become more independent.

## Leadership: Developing Strategies for Success

The CPA Ireland Skillnet programme, Leadership: Developing Strategies for Success, concluded in 2019 with the participants describing it as “excellent”, “insightful and thought provoking”, “meaningful” and “very interactive”. In a first for CPA Ireland an important component of this programme was an experiential day at the Dublin Cookery School. Teams were tasked with creating a three-course meal which would help the participants to develop better collaboration skills, to learn to critically evaluate situations and to deliver suggestions for improvement in a positive way. CPA Ireland Skillnet was delighted to partner with Bob Semple, Jane Perry and Stephen Costello to deliver this exceptional programme.

## Extensive CPD Programme

In 2019, CPA Ireland ran an extensive CPD programme which included, 75 webinars, 71 classroom events and 7 conferences with a total attendance of over 4,000 places. The programme covered a wide range of technical topics and success skills including, Future of Audit, Taxation, Company Secretarial Issue, Brexit, Dealing with Internal and External change, and Peak Leadership.

## CPA Ireland Annual Conference

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The CPA Ireland Annual Conferences was held on the 24th May 2019 and celebrated the growing tradition of entrepreneurship in Ireland. Delegates heard and interacted with some of Ireland's most successful entrepreneurs, sharing how they built their companies from idea stage to international recognition. We were delighted to host such interesting and exciting speakers on the day including, Nicola Byrne, the founder of Cloud 90; Pedro Argulo from AIB; Dr Declan Jordan, UCC; Phelim O'Leary and Cathy Glennon, Behaviour and Attitudes; Alan Cox, Core Media; Bob Semple, Leadership expert and Garry Moroney, Founder of Clavis Insight.

CPA Ireland was delighted to have AIB as the official sponsor for our Annual Conference 2019.

## Women in Business

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Our ever-popular Women in Business events were in their 11th year and were once again very well received by the 100 women in attendance. "It is fantastic to meet and listen to such empowering women. I love this course and every year it delivers 100%." These events are proving a staple in the annual CPD programme with CPA Ireland.

At the events in 2019 we heard from some very interesting speakers;

**Rosie FitzGerald** - Creative Director, BBC iPlayer

**Áine Collins** – Vice President, CPA Ireland and Director, Blueprint Consulting

**Katherine Lynch** - Branch Manager, AIB Patrick Street, Cork

**Katie Daughen** - Head of Brexit Policy, British Irish Chamber of Commerce

**Michelle McGreal** - Cultural Transformation Lead and Head of Diversity and Inclusion, AIB

In 2019 we also engaged with Dawn Leane to lead a workshop aimed at Advancing Women by focussing on their leadership skills. While many organisations are committed to improving gender balance, the pace of change can be frustrating, for women who wish to take control of their own journey there are some key strategies and skills they can employ. The workshop explored key leadership competencies from the female perspective through a practical focus that ensured that participants could apply the learnings to their individual situation. The workshop took place in December 2019 and proved to be an excellent event.

## Skillnet Ireland

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Many of the CPD and Further Learning courses were funded, or part funded, by Skillnet Ireland and we acknowledge and thank them for their support.

CPA Ireland won the Accountancy Europe Digitalisation Award in recognition of our member engagement in online learning & development platforms

# Professional Standards

**Confidence and trust in the accounting and auditing professions is fundamental to the operation of business of every size and to the overall health of the economy. CPA Ireland operates a regulatory process designed to serve the public interest by ensuring CPA members are operating to the highest standards at all times.**

As a Recognised Accountancy Body in accordance with Part 27 and Schedules 19 and 20 of Companies Act 2014, the following functions are conferred on CPA Ireland to regulate its members for the purposes of statutory audit:

- Approval and registration, which includes activities in relation to training and qualifications;
- Continuing education;
- Quality Assurance systems;
- Investigative and administrative disciplinary systems; and
- The setting, monitoring and enforcement of appropriate standards.

CPA Ireland is also a Prescribed Accountancy Body in accordance with Companies Act 2014 which allows us carry out regulatory functions in respect of members not engaged in statutory audit.

CPA Ireland in turn is supervised in all its regulatory activities by the Irish Auditing and Accounting Supervisory Authority (IAASA). CPA Ireland also enjoys delegated authority from the Central Bank to authorise CPA member firms to engage in investment business services.

CPA Ireland is supervised by the Central Bank in this area of operation. CPA Ireland is also a competent authority under the Criminal Justice (Money Laundering and Terrorist Financing) Acts 2010 to 2018 and is responsible for the supervision of its members who provide services such as accounting, tax, audit or act as a trust or company service provider for anti-money laundering purposes.

CPA Ireland's disciplinary process is operated in an open and transparent manner, in accordance with international best practice. The disciplinary committee, investigation committee and appeal panel are all comprised of majority lay members.



During 2019, three cases were heard in public by disciplinary tribunals. CPA Ireland received 13 new complaints against members, from a combination of members of the public, information in the public arena and other regulatory sources.

CPA Ireland's Investigation committee met on 9 occasions during 2019. Under the quality assurance system, CPA Ireland monitors the activities of regulated firms operating in public practice. This includes licensing members to engage in public practice and issuing authorisations for specialist areas, such as auditing and investment business.

CPA Ireland undertook 100 on site visits to regulated firms in 2019. A total of 1,100 licences were renewed for practitioners and 36 new licences granted.

### Technical Services

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During 2019, the CPA Ireland Technical Services team responded to 370 technical queries from members. This service provides CPA members with support and advice on any technical query over the phone or by email, with 94% of queries being answered within 24 hours.



CPA Ireland Technical Services team responded to 370 technical queries from members with 94% of queries being answered within 24 hours



CPA Ireland undertook 100 on site visits to regulated firms in 2019



CPA Ireland Annual Conference, May 24th; On the Frontier of Accounting. John Creedon, Broadcaster with RTE Radio and Chair of the CPA Ireland conference, Lorraine Greene, Head of Market Engagement AIB; Gearóid O'Driscoll, President of CPA Ireland and guest speaker Dr Declan Jordan, Cork University Business School.



Launch of the CPA Ireland Skillnet Diplomas in Forensic Accounting and Data Analytics. Patrick D'Arcy, Director Forensic & Investigation Services Grant Thornton; Paul Healy, Chief Executive, Skillnet Ireland and Dr Brian Byrne, Lecturer, Technical University Dublin (TUD).

Launch of Take your Business Anywhere Radio Campaign. Gearóid O'Driscoll, President, Gillian Peters, Director of Business Development and Eamonn Siggins, CEO, CPA Ireland.



CPA Ireland Annual President Dinner, Trinity College, Dublin. Gearóid O'Driscoll, President of CPA Ireland and Guest Speaker Catherine Page, Counsellor, British Embassy, Ireland.



CPA Ireland wins European Digitalisation Award at Accountancy Europe. Roisin McEntee, Further Learning Executive, Member Services, Gillian Peters, Director of Business Development, Aisling Mooney, Administration Assistant, Member Services, CPA Ireland; Olivier Boutellis-Taft, CEO, Accountancy Europe and Patricia O' Neill, Director of Member Services, CPA Ireland.

CPA Ireland and the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka), MRA renewal at CPA Ireland headquarters in Dublin. Front row seated from left, Mr. Gearóid O'Driscoll-President CPA Ireland; Mr. Jagath Perera-President CA Sri Lanka, Mr. N.R Gajendran-Member of the Council CA Sri Lanka, Mr. Cormac Mohan-Immediate Past President, CPA Ireland. Second Row Standing from left, Mr. Dilip Atthanayaka-Member CA Sri Lanka, Mr. Laknath Peiris-Member of the Council CA Sri Lanka; Ms. Deirdre McDonnell, Director of Education and Training, CPA Ireland, Ms. Nano Brennan, Past President, CPA Ireland, Ms. Cait Carmody-Secretary & Director Professional Standards, CPA Ireland and Dulitha Perera-Member of the Council CA Sri Lanka. Third Row Standing from left, Eamonn Siggins, Chief Executive, CPA Ireland and Gillian Peters, Director of Business Development, CPA Ireland.



CPA Ireland extend MRA with CPA Canada. Eamonn Siggins, CEO, CPA Ireland and Joy Thomas, President and CEO, CPA Canada.



CPA Ireland and CPA Australia renewal of MRA at IFAC Conference, Vancouver, Canada. Eamonn Siggins, CEO, CPA Ireland, Gearóid O'Driscoll, President, CPA Ireland; Peter Wilson, President and Chairman, CPA Australia and Andrew Hunter, CEO, CPA Australia.

# Council & Other Information

## Members of Council

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Gearóid O'Driscoll (President)  
John Devaney (Vice President)  
Áine Collins (Vice President)

Brendan Brady  
Nano Brennan  
Barry Clarke  
Gillian Cregan  
Mark Gargan  
Clodagh Henahan  
Enda Jordan  
Michael Kavanagh  
Cormac Mohan  
Richard O'Hanrahan  
Michael O'Regan  
Brian Purcell  
Orna Stokes

## Chief Executive

Eamonn Siggins

## Secretary

Cáit Carmody

## Registered Office

17 Harcourt Street, Dublin 2, D02 W963

## Registered Number

010475

## Auditors

Hayes & Co.,  
Certified Public Accountants  
and Statutory Audit Firm,  
7 Fields Terrace, The Triangle,  
Ranelagh, Dublin 6

## Bankers

AIB Bank  
1 Lower Baggot St  
Dublin 2

Ulster Bank  
130 Lower Baggot St  
Dublin 2

# Report of the Directors

## Report of the Directors

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The Directors are pleased to submit the 77th Annual Report of the Council and the Financial Statements for the financial year ended 31 December 2019.

The surplus for the financial year amounts to €135,942 (2018 €100,433).

## Risks and Uncertainties

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The Directors confirm that there is an ongoing process for identifying, evaluating and managing the principal risks faced by the Institute, and that it has been in place for the year under review and up to the date of the approval of the financial statements

To this end CPA Ireland maintains a risk register which is used to identify, evaluate and mitigate against its principal risks including reputational, regulatory, market and financial risks. Such risks and mitigating actions are reviewed on a periodic basis by the Directors and its strategic plan sets out the response to mitigate against such risks. Based on the rating value assigned in the review process, risks are rated as Low, Medium and High. The focus on high risk items identified in 2019 was on Brexit and reputational damage to the Institute, with an emerging risk associated with maintaining a robust regulatory process.

In particular, the Directors are closely monitoring the risks and uncertainties associated with the Covid-19 pandemic. CPA Ireland has already

acted to realign services and supports to members taking account of the restrictions on physical gatherings. Through prior investment in technology and in its own learning management system, CPA Ireland has developed and is delivering services directly to members' desktops or mobile devices. CPA Ireland has adequate financial reserves to cope with the financial impact of Covid-19 in 2020.

## Principal Activity

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The Institute of Certified Public Accountants in Ireland (CPA Ireland) is an Irish Accountancy body with over 5,000 members and students. The Institute fulfils its statutory role as a recognised Accountancy body by overseeing the professional activities of its Members, and ensuring that education and training standards are maintained.

## President and Vice-Presidents

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At a meeting of Council on 15 February 2019, Gearóid O'Driscoll was elected President. John Devaney was re-elected Vice-President and Áine Collins was elected Vice-President.

## Council

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Council is the governing body of CPA Ireland, and is comprised of a maximum of 16 elected members and up to three non-members. Council met on 7 occasions in 2019.

# Report of the Directors (cont.)

## Directors

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### The Directors who held office during the year in review were:

Brendan Brady, CPA (Appointed 01/05/2019)  
 Nano Brennan, FCPA  
 Barry Clarke, FCPA (Appointed 01/05/2019)  
 Áine Collins, CPA  
 Gillian Cregan, FCPA (Co-opted 29/08/2019)  
 John Devaney, CPA  
 Cormac Fitzgerald, FCPA (Retired 01/05/2019)  
 Mark Gargan, FCPA  
 Clodagh Henehan, CPA  
 Enda Jordan, CPA  
 Michael Kavanagh, CPA  
 Deirdre Kiely, FCPA (Retired 01/05/2019)  
 Cormac Mohan, CPA  
 Gearóid O'Driscoll, FCPA  
 Richard O'Hanrahan, FCPA  
 Michael O'Regan, FCPA  
 Brian Purcell, CPA  
 James Sheehan, FCPA (Retired 01/05/2019)  
 Orna Stokes, FCPA

All of the above are Members of the Institute of Certified Public Accountants in Ireland.

### The following Directors retire by rotation and offer themselves for re-election:

Cormac Mohan  
 Mark Gargan  
 Richard O'Hanrahan

### The following Director who was co-opted to Council during the year offers herself for re-election:

Gillian Cregan

There are four nominations for four vacancies, and in accordance with Article 22(b) such candidates will be duly elected to Council without the need for a postal Vote.

## Accounting Records

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The measures that the directors have taken to secure compliance with requirements of Sections 281 to 285 of Companies Act 2014 with regard to the keeping of accounting records are the employment of appropriately qualified accounting personnel and the Institute has maintained appropriate computerised accounting systems. The books of accounts are located at CPA Ireland's registered office at 17 Harcourt Street, Dublin 2.

## Subsequent Events

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No events have occurred subsequently to the Balance Sheet date which require disclosure in the Financial Statements.

## Accounting Records

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The measures that the directors have taken to secure compliance with requirements of Sections 281 to 285 of Companies Act 2014 with regard to the keeping of accounting records are the employment of appropriately qualified accounting personnel and the Institute has maintained appropriate computerised accounting systems.

The books of accounts are located at CPA Ireland's registered office at 17 Harcourt Street, Dublin 2.

## Report of the Directors (cont.)

### Statement on Relevant Audit Information

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In accordance with Section 330 of the Companies Act 2014:

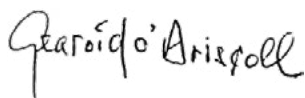
- so far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware; and
- each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the auditor is aware of that information.

### Auditors

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The Auditor, Hayes & Co., continue in office in accordance with the provisions of Section 383 (2) of the Companies Act 2014.

On Behalf of the Directors.



**Gearóid O'Driscoll FCPA**

Director and Council Member



**Clodagh Henehan CPA**

Director and Council Member

Dated: 2nd April 2020

# Financial Statements

The Institute of Certified Public Accountants in Ireland (a company limited by guarantee)

## Directors' responsibilities statement

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

Irish company law requires the directors to prepare financial statements for each financial period. Under the law, the directors have elected to prepare the financial statements in accordance with Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" 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 period end date and of the surplus or deficit of the company for the financial period and otherwise comply with the Companies Act 2014.

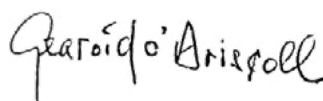
In preparing these financial statements, the directors are required to:

- 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 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 surplus or deficit of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and directors report comply with the 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.

The directors 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.

Approved by the Board of Directors on 2nd April 2020 and signed on its behalf by:



**Gearóid O'Driscoll FCPA**  
Director and Council Member



**Clodagh Henahan CPA**  
Director and Council Member



The Institute of Certified Public Accountants in Ireland (a company limited by guarantee)

# Independent auditor's report

## to the Members of The Institute of Certified Public Accountants in Ireland

### Opinion

We have audited the financial statements of The Institute of Certified Public Accountants in Ireland for the financial year ended 31 December 2019, which comprise the Income statement, the Statement of financial position, the Statement of Cash Flows and the related notes to the financial statements, including the summary of significant accounting policies set out in note 4.

The financial reporting framework that has been applied in the preparation of the financial statements is Irish law and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion, the financial statements:

- give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the assets, liabilities and financial position of the company as at 31 December 2019 and of its financial performance for the financial year then ended; and
- have been properly prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been properly prepared in accordance with the requirements of the Companies Act, 2014.

### 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

'responsibilities of the auditor for the audit of the financial statements' section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA) concerning the integrity, objectivity and independence of the auditor, 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 ISA's (Ireland) require us to report to you where:

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

### Other Information

The directors are responsible for the other information in the annual report. Other information comprises information included in the annual report, other than the financial statements

The Institute of Certified Public Accountants in Ireland (a company limited by guarantee)

## Independent auditor's report (cont.)

and our auditor's report thereon. 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 in the financial statements, 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.

We 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 our audit, we report that:

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

- In our opinion the financial statements are in agreement with the accounting records.
- In our opinion the information given in the directors' report is consistent with the financial statements.
- In our opinion, the directors' report has been prepared in accordance with the requirements of the Companies Act 2014.

### Matters on which we are Required to Report by Exception

Based on our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report. Under the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of the Act have not been made. We have no exceptions to report arising from this responsibility.

### Responsibilities of Directors and those charged with governance for the Financial Statements

As explained more fully in the directors' responsibilities statement set out on page 30, 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 necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Institute of Certified Public Accountants in Ireland (a company limited by guarantee)

## Independent auditor's report (cont.)

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. Those charged with governance are responsible for overseeing the company's financial reporting process.

### Responsibilities of the Auditor for the Audit of the Financial Statements

The auditor's 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 their opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA's (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.

As part of an audit in accordance with ISA's (Ireland), the auditor will exercise professional judgment and maintain professional scepticism throughout the audit. The auditor will 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 their 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 the directors.
- Conclude on the appropriateness of the director's 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 they conclude that a material uncertainty exists, they are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify their opinion. Their conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

The Institute of Certified Public Accountants in Ireland (a company limited by guarantee)

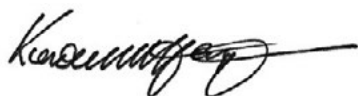
## Independent auditor's report (cont.)

- 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.

The auditor communicates 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 may be identified during the audit.

### The purpose of our Audit work and to whom we owe our responsibilities

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act, 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Kieron P Hayes**

For and on behalf of Hayes & Co  
Certified Public Accountants & Statutory Audit Firm  
7 Fields Terrace, Ranelagh, Dublin 6

Date: 2nd April 2020

The Institute of Certified Public Accountants in Ireland (a company limited by guarantee)

## Income statement

For the Financial Year Ended 31 December 2019

	Notes	2019 €	2018 €
<b>Income</b>	5	<u>4,444,808</u>	<u>4,171,506</u>
Administration expenses		(3,508,286)	(3,355,657)
Other operating expenses		<u>(727,820)</u>	<u>(642,446)</u>
		<u>(4,236,106)</u>	<u>(3,998,103)</u>
<b>Operating Surplus</b>	6	208,702	173,403
Rental income		60,088	66,833
Interest receivable		81	228
Interest payable and similar charges	7	<u>(125,857)</u>	<u>(132,189)</u>
Surplus on ordinary activities before taxation		143,014	108,275
Tax charge on surplus on ordinary activities	8	<u>(7,072)</u>	<u>(7,842)</u>
Surplus for the financial year	15	<u>135,942</u>	<u>100,433</u>
Total Comprehensive Income for the year		<u>135,942</u>	<u>100,433</u>

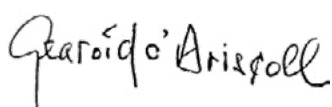
The Institute of Certified Public Accountants in Ireland (a company limited by guarantee)

# Statement of financial position

As at 31 December 2019

	Notes	2019 €	2018 €
<b>Fixed assets</b>			
Intangible assets	9	148,848	197,022
Tangible assets	10	9,610,634	9,771,239
<b>Total fixed assets</b>		<u>9,759,482</u>	<u>9,968,261</u>
<b>Current assets</b>			
Debtors	11	406,725	511,346
Prize bonds		190	190
Cash and cash equivalents		1,024,868	794,790
<b>Total current assets</b>		<u>1,431,783</u>	<u>1,306,326</u>
Creditors: amounts falling due within one year	12	<u>(773,540)</u>	<u>(739,797)</u>
<b>Net current assets</b>		<u>658,243</u>	<u>566,529</u>
<b>Total assets less current liabilities</b>		10,417,725	10,534,790
Creditors: amounts falling due after more than one year	13	<u>(4,487,300)</u>	<u>(4,740,307)</u>
<b>Net assets</b>		<u><u>5,930,425</u></u>	<u><u>5,794,483</u></u>
<b>Reserves</b>			
Accumulated surplus	15	<u><u>5,930,425</u></u>	<u><u>5,794,483</u></u>

Approved by the Board of Directors on 2nd April 2020 and signed on its behalf by:



**Gearóid O'Driscoll**  
Director and Council Member



**Clodagh Henehan**  
Director and Council Member

The Institute of Certified Public Accountants in Ireland (a company limited by guarantee)

## Statement of changes in equity

For the Financial Year Ended 31 December 2019

	Accumulated Surplus Account €
At 1 January 2018	5,694,050
Surplus for the year	100,433
<b>At 31 December 2018</b>	<u>5,794,483</u>
At 1 January 2019	5,794,483
Surplus for the year	135,942
<b>At 31 December 2019</b>	<u>5,930,425</u>

# Statement of cash flows

For the Financial Year Ended 31 December 2019

	2019 €	2018 €
<b>Cash flows from operating activities</b>		
Operating surplus for the financial year	208,702	173,403
Adjustments for:		
Amortisation of intangible assets	48,174	24,832
Depreciation of property, plant and equipment	218,704	230,719
(Increase)/decrease in trade and other receivables	107,067	52,204
Increase/(decrease) in trade payables	34,478	(53,453)
<b>Cash from operations</b>	617,125	427,705
Interest paid	(125,857)	(132,189)
Rental income	60,088	66,833
Tax paid	(10,253)	(5,548)
<b>Net cash generated from operating activities</b>	541,103	356,801
<b>Cash flows from investing activities</b>		
Purchase of intangible assets	0	(194,151)
Purchase of tangible fixed assets	(58,099)	(121,237)
Interest received	81	228
<b>Net cash from investing activities</b>	(58,018)	(315,160)
<b>Cash flows from financing activities</b>		
Repayment of borrowings	(253,007)	(246,594)
<b>Net cash used in financing activities</b>	(253,007)	(246,594)
<b>Net increase/(decrease) in cash and cash equivalents</b>	230,078	(204,953)
Cash and cash equivalents at beginning of year	794,790	999,743
<b>Cash and cash equivalents at end of year</b>	1,024,868	794,790



The Institute of Certified Public Accountants in Ireland (a company limited by guarantee)

# Notes to the financial statements

## For the Financial Year Ended 31 December 2019

### 1 General Information

The Institute of Certified Public Accountants in Ireland is a company limited by guarantee and not having a share capital. It is incorporated in Ireland and the registered office is 17 Harcourt Street, Dublin 2, Ireland (registration no. 010475).

In accordance with The Memorandum of Association, in the event of the Company being wound up, each member's liability is limited to €190.46. The members of the Institute, as defined in The Articles of Association, consist of all qualified persons who have been admitted to membership.

### 2 Basis of preparation and statement of compliance

These financial statements have been prepared in compliance with Financial Reporting Standard 102 ("FRS 102"), the Financial Reporting Standard applicable in the Republic of Ireland and Irish statute comprising the Companies Act 2014.

These financial statements are presented in Euro (€) and all amounts have been rounded to the nearest euro.

### 3 Significant judgements and estimates

Estimates and judgements made in the process of preparing the financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The directors consider that there are no estimates which would have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

### 4 Principal accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied.

#### 4.1 Currency

##### (i) Functional and presentation currency

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

##### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions. At each period end foreign currency monetary items are translated using the closing rate. Foreign exchange gains and losses are presented in the income statement within administration expenses.

# Notes to the financial statements

## For the Financial Year Ended 31 December 2019

### 4.2 Income

The following bases have been used in determining the principal sources of income:

Admission Fees - cash basis

Subscriptions, fees and other income - earnings basis, time apportioned

### 4.3 Intangible Assets

Intangible assets are measured using the cost model which measures the asset at cost less accumulated amortisation and accumulated impairment. Intangible assets are amortised at rates of 20-33.3% per annum.

### 4.4 Tangible Assets

Tangible assets are shown at cost or valuation less accumulated depreciation. Cost includes purchase cost plus those costs, including financing costs, that are directly attributable to bringing the asset into the final condition for its intended use.

Depreciation is calculated on a straight line basis in order to write off the cost of fixed assets over their estimated useful lives at the following rates:

Computer Equipment	20%
Computer Software	33.3%
Fixtures & Fittings, and Equipment	10%
Buildings	2%
Land	Nil

Impairment reviews are carried out where there are events or changes in circumstances that indicate that the carrying amount of fixed assets may not be recoverable. Where there is an impairment loss it is recognised in the income statement. There is no policy of revaluing fixed assets.

### 4.5 Leases

The cost of fixed assets acquired under finance leases are included in fixed assets and written off on the same basis as assets purchased outright. The capital portion of outstanding lease obligations is included in creditors while the lease portion is written off to the income statement over the term of the primary lease period.

Rentals in respect of operating leases are charged to the income statement as incurred.

### 4.6 Cash and cash equivalents

Cash and cash equivalents are included in the balance sheet at cost. Cash and cash equivalents comprise cash at bank and in hand and short term deposits with an original maturity of three months or less.

### 4.7 Debtors

Short term debtors are measured at transaction price, less any impairment.

The Institute of Certified Public Accountants in Ireland (a company limited by guarantee)

# Notes to the financial statements

## For the Financial Year Ended 31 December 2019

### 4.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

### 4.9 Financial Instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the income statement.

### 4.10 Taxation

Corporation tax payable is provided on deposit interest and net rental income earned in the year.

### 4.11 Grants

The company receives grants from Skillnets towards the cost of specified training courses. The grants are taken to income in the year in which the specified training course is held.

### 4.12 Regional Societies

The expenditure included in the accounts only relates to the grant aid provided by the company to the various societies.

### 4.13 Retirement Benefits

Retirement benefits are met by payments to defined contribution pension schemes. Contributions are charged to the income statement in the year in which they fall due.

The assets of the schemes are held separately from those of the company in independently administered funds.

### 4.14 Research and Development

All research and development costs are expensed as incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured in line with requirements of FRS 102. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 5 years.

### 4.15 Going Concern

The Company's financial statements for the year ended have been prepared on a going concern basis. The directors anticipate that the Company will continue to generate enough cash flow on an ongoing basis to meet the Company's liabilities as they fall due.

The Institute of Certified Public Accountants in Ireland (a company limited by guarantee)

## Notes to the financial statements

For the Financial Year Ended 31 December 2019

### 5 Income

All revenue derives from the company's principal activities wholly undertaken in the Republic of Ireland.

### 6 Operating surplus

	2019 €	2018 €
The surplus before taxation is stated after charging:		
Directors' emoluments	-	-
Amortisation of intangible assets	48,174	24,832
Depreciation of tangible assets	218,704	230,719
	<u>218,704</u>	<u>230,719</u>

### 7 Interest payable and similar charges

	2019 €	2018 €
On bank loans and overdrafts	125,857	132,189
	<u>125,857</u>	<u>132,189</u>

### 8 Taxation

	2019 €	2018 €
Current year taxation		
Corporation tax @ 25% on passive income	7,072	7,842
	<u>7,072</u>	<u>7,842</u>

### 9 Intangible Fixed Assets

	Website Development €	Programme Development €	Total €
<b>Cost</b>			
At 1 January 2019	194,151	74,988	269,139
Additions	-	-	-
At 31 December 2019	<u>194,151</u>	<u>74,988</u>	<u>269,139</u>
<b>Depreciation</b>			
At 1 January 2019	6,472	65,645	72,117
Charge	38,831	9,343	48,174
At 31 December 2019	<u>45,303</u>	<u>74,988</u>	<u>120,291</u>
<b>Net Book Values</b>			
At 31 December 2019	<u>148,848</u>	<u>-</u>	<u>148,848</u>
At 31 December 2018	<u>187,679</u>	<u>9,343</u>	<u>197,022</u>

Included in intangible assets are website development costs and development costs of Certification and other innovative programmes.

The Institute of Certified Public Accountants in Ireland (a company limited by guarantee)

# Notes to the financial statements

For the Financial Year Ended 31 December 2019

## 10 Tangible Fixed Assets

	Land & Buildings €	Equipment Fixtures & Fittings €	Total €
<b>Cost</b>			
At 1 January 2019	11,128,864	1,491,538	12,620,402
Additions	-	58,099	58,099
At 31 December 2019	<u>11,128,864</u>	<u>1,549,637</u>	<u>12,678,501</u>
<b>Depreciation</b>			
At 1 January 2019	1,533,166	1,315,997	2,849,163
Charge	142,575	76,129	218,704
At 31 December 2019	<u>1,675,741</u>	<u>1,392,126</u>	<u>3,067,867</u>
<b>Net Book Values</b>			
At 31 December 2019	<u>9,453,123</u>	<u>157,511</u>	<u>9,610,634</u>
At 31 December 2018	<u>9,595,698</u>	<u>175,541</u>	<u>9,771,239</u>

## 11 Debtors

	2019 €	2018 €
Debtors (due within one year)	404,279	511,346
Corporation tax refundable	2,445	-
	<u>406,725</u>	<u>511,346</u>

## 12 Creditors: amounts falling due within one year

	2019 €	2018 €
Bank Loan (see note 14)	253,120	246,594
Subscriptions in advance	192,881	135,190
PAYE / PRSI	61,792	134,764
Corporation Tax	-	735
Creditors and accruals	265,747	222,514
	<u>773,540</u>	<u>739,797</u>

## 13 Creditors: amounts falling due after one year

	2019 €	2018 €
Bank loan (see note 14)	<u>4,487,300</u>	<u>4,740,307</u>

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# Notes to the financial statements

For the Financial Year Ended 31 December 2019

## 14 Details of Borrowings

	Repayable within 1 year €	Between 1 & 2 years €	Between 2 & 5 years €	After 5 years €	Total €
<b>By instalments</b>					
Bank loans	253,120	527,025	842,775	3,117,500	4,740,420

Bank borrowings are secured by a first legal charge over the company's property at 17 Harcourt Street, Dublin 2.

## 15 Reserves

	2019 €	2018 €
Retained surplus at beginning of year	5,794,483	5,694,050
Surplus for the year	135,942	100,433
Retained surplus at end of year	5,930,425	5,794,483

## 16 Employee information

The average number of persons employed by the company during the year was:

	2019 Number	2018 Number
Administration	31	31

### Staff costs

	2019 €	2018 €
Wages and salaries	1,731,712	1,708,324
Social welfare costs	181,744	174,999
Retirement benefits - defined contribution plans	166,015	138,137
	2,079,471	2,021,460

### Key management compensation

The senior management team and the Chief Executive are considered to be the key management personnel of the Institute.

The average number of the key management personnel during the year was 6 (2018: 6).

	2019 €	2018 €
Total key management compensation	743,451	757,902

### Directors remuneration

No director received any remuneration for their services in the year or the previous year.

# Notes to the financial statements

For the Financial Year Ended 31 December 2019

## **17 Events after the reporting period**

There have been no events since the end of the reporting period that would impact on these financial statements.

## **18 Approval of financial statements**

The financial statements were approved by the board of directors on 2nd April 2020.



The Institute of Certified Public Accountants in Ireland

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