



CERTIFIED  
PUBLIC  
ACCOUNTANTS

# Annual Report 2015



*90 Years Accounting for Business*

*The Institute of  
Certified Public Accountants in Ireland*



CPA Ireland: 90 Years Accounting for Business

# Contents

President's Perspective	2
Chief Executive's Review	4
Council and Other Information	10
Report of the Directors	11
Statement of Directors' Responsibilities	14
Independent Auditor's Report	15
Profit and Loss Account	16
Balance Sheet	17
Statement of Cashflows	18
Notes to Financial Statements	19



Brian Purcell

# President's Perspective

**B**y the time Annual Report 2015 issues, CPA Ireland will have celebrated the 90th anniversary of its formation.

On 11 March 1926, seven Dublin based accountants formed the Irish Association of Accountants Limited, the forerunner of our CPA Ireland of today. CPA Ireland's formation occurred against the backdrop of a newly founded State attempting to recover from a War of Independence and a Civil War which had brought incalculable damage to infrastructure and to the economy.

I believe that our founding fathers would look favourably on our Annual Report 2015 and on the progress CPA Ireland has made in "90 Years Accounting for Business". There was obviously a sense of nationalism which inspired those seven founding fathers to form an Irish association for accountants. What might surprise our founders now is the significant role that CPA Ireland plays in the international arena and the number of high level strategic partnerships in place with peer professional bodies around the globe.

During 2015, I had the pleasure to sign off on three new Mutual Recognition Agreements with the Association of National Accountants of Nigeria, the South African Institute of Professional Accountants, and the Institute of Cost and Management Accountants of Pakistan. We now have strategic partnerships in place with peer bodies in the two largest economic powers on the African continent, Nigeria and South Africa and with the key economies in

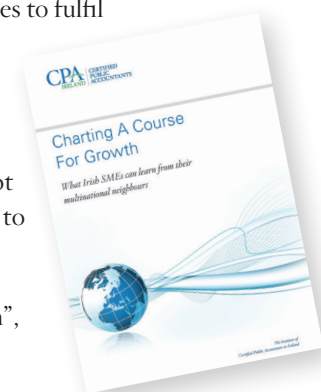
the South Asian region, India, Pakistan and Bangladesh.

During 2015 we significantly strengthened our relationship with ICA India and I addressed the ICA India International Conference, before over 2,000 delegates in Indore, on the theme of General Services Tax. We also welcomed the President and Deputy President of ICA India to CPA Ireland to launch the Pathway to Ireland programme, which is a partnership through which we can address certain skills gaps in Ireland with talented ICA India members.

Our founding fathers would also be impressed by the fact that our Past President, Gail McEvoy, holds a seat on the Board of the International Federation of Accountants (IFAC), the global body for the accountancy profession. CPA Ireland recognised Gail's exceptional contribution to the national and international profession by awarding Gail Life Membership of CPA Ireland in December 2015.

At a national level, CPA Ireland continues to fulfil its commitment to serving the public interest. In 2015, we commissioned a report into how Ireland's SMEs can win new business from their multinational neighbours and also how SMEs can adapt best business practices in multinationals to transform the way they operate.

Entitled "Charting a Course for Growth", the report offers practical advice from



Mr. Kashif Mateen Ansari FCMA, President, ICMA Pakistan and Brian Purcell, President, CPA Ireland enter a Mutual Recognition Agreement (MRA) establishing a strategic partnership between CPA Ireland and the Institute of Cost and Management Accountants of Pakistan (ICMA Pakistan).



“I believe that our founding fathers would look favourably on our Annual Report 2015 and on the progress CPA Ireland has made in “90 Years Accounting for Business”. There was obviously a sense of nationalism which inspired those seven founding fathers to form an Irish association for accountants.”

multinationals for SMEs which will enable SMEs become more competitive businesses capable of realising their own growth ambitions.

On a national level we also recognised the potential risks to the Irish economy from a possible British exit from the European Union. We have partnered with the British Irish Chamber of Commerce to keep our members informed on the potential risks of Brexit for member firms, their clients and the businesses in which members operate.

So, nationally and internationally, 2015 has been a busy and progressive year for CPA Ireland. Throughout my Presidency, I have come to experience the high regard in which CPA Ireland is held by so many key stakeholders. From 1926 to the present day, CPA Ireland has benefited extensively from the voluntary input of members. This spirit of volunteerism remains alive and well with input from members at Regional CPA Society, Council and Committee level. We have

also benefited from the leadership and vision of our Past Presidents and I hope that they feel proud about the progress of CPA Ireland.

I enjoyed my term as President immensely and I am very grateful for the support of family, friends, colleagues in our practice, my Vice Presidents and Council members and the dedicated and innovative staff at CPA Ireland.

I wish my successor as President, Nano Brennan, every support and continued success. It has been a pleasure and an honour to represent the entire CPA Ireland family as President of CPA Ireland.

Brian Purcell  
President, CPA Ireland



Eamonn Siggins

*“Further testimony to our “CPA – A Career for Life” approach is the fact, that for the second successive year we recorded double digit growth of 11% in our new student registrations.”*

## Chief Executive’s Review

“CPA – A Career for Life” is the strapline on our marketing campaign to attract talented individuals to choose the CPA qualification as their route to a long and rewarding career in finance. The operational challenge for CPA Ireland is to ensure that CPAs, in all of the jurisdictions that they operate, remain relevant and attractive to the market. Of course, the market never ceases to evolve and the service provision from CPA Ireland must remain innovative and research based in order to ensure that CPAs remain at the leading edge in terms of competence and enjoy a “Career for Life”.

When it comes to gauging the relevance of the CPA qualification in the market we noted that 100% of our new members admitted in 2015 were employed in challenging and varied roles right across the financial spectrum, so we have set ourselves a high benchmark. However, it is both reassuring and welcoming to see that the market believes in the capacity of CPAs to add value to business, something that CPA Ireland has been doing for 90 years.

CPA Ireland has had an active and innovative 2015 in which we developed new qualifications, toolkits and services that will support CPAs in their careers. We engaged with key stakeholders to promote the value of the CPA qualification and to advocate CPA positions in the public interest. We provided career support to members and students by growing our Approved Employer network and by greatly enhancing our Job Search facility. We delivered top quality CPD across a range of channels to CPAs operating in every sector in over 40 countries worldwide. We entered into new international strategic partnerships to support our members overseas and to collaborate with peer professional bodies.

We commissioned and supported cutting edge thought leadership and research which is consistent with one of the objectives of our founding fathers: “to advance the science of accounting”.

All of this activity is within a framework of good governance in which CPA Ireland’s Council carefully monitored the implementation of strategy by the executive team and provided adequate resources, human and financial, to support the Institute’s operational plan.

Further testimony to our “CPA – A Career for Life” approach is the fact, that for the second successive year we recorded double digit growth of 11% in our new student registrations.

Ireland is probably the most competitive environment on the planet for accountancy bodies with no less than 9 reporting to our regulator – the Irish Auditing and Accounting Supervisory Authority (IAASA). Add to this the competition from other professions and other educational offerings, by any measure; an 11% increase is an impressive performance.

Another milestone occurred in December 2015 when Ann O’Sullivan was admitted as the 4,000th member of CPA Ireland. With gender balance in our membership in Ireland, this once male dominated profession has undergone significant change, and all for the better.

The main operational highlights from 2015 are described across the following headings: Business Development, Education and Training, Member Services and Professional Standards.

Anne O'Sullivan,  
CPA Ireland's  
4,000th member  
pictured with Brian  
Purcell, President,  
CPA Ireland.



## Business Development

With accountancy continuing to be one of the most in demand professions in the jobs market in Ireland, but with a limited supply of students graduating from 3rd level business courses, CPA Ireland identified the need for innovation in the market and in response to demand, launched the CPA Accounts Executive Traineeship in conjunction with the Education and Training Boards and Cent College.

Our pilot class of 20 candidates kicked off their academic year at Athlone ETB in September 2015 and will all take up their

guaranteed 3 month work placements in CPA practices in September 2016. They will finish this fully funded course with the CPA Certificate in Business & Accounting, FETAC Sage Line 50, advanced Excel skills and 3 months accounting work experience.

This ground breaking approach to filling the pipeline in Ireland with trainee accountants offers an alternative to full time third level education for Irish school leavers and more importantly provides a new stream of professionals in a market that is massively competitive in the race to attract trainees.

This traineeship will be rolled out nationally through the ETB network in September 2016.

During 2015, we saw an increase of over 10% of third level graduates choosing the CPA qualification. CPA Ireland enjoys a very strong relationship with the third level network in Ireland. We continue to support 11 Merit Awards – where we work together with lecturers across the Institutes of Technology to recognise student excellence at various levels in the undergraduate curriculum.

2015 saw the active development of our Brand Ambassador Network across the ITs, where we actively promote our brand on a face to face basis with business and accounting students.

CPA Ireland continue to visit Universities and ITs around the country, attending career fairs and presentations.

We are fortunate to have a mobilised and engaged membership, who through our ATI Train the Trainer programme, help in promoting brand CPA through class presentations to Accounting Technician students throughout Ireland.

With over 160 Approved Employer Partners (AEPs), we have seen a huge increase in the activity between CPA Ireland and employers during 2015. Our AEPs have used the services provided by CPA Ireland to find accounting staff, give internal staff presentations and assist with the oversight of training.

Deirdre McDonnell, Director Business Development, CPA Ireland, John Costello, Area Training Manager, Athlone Training Centre and Vaeni MacDonnell, Managing Director, Cent College pictured with the Longford Westmeath CPA Accounts Executive Traineeship Class of 2015.





100% employment rate for newly conferred CPAs. Newly conferred CPA members Gary O'Rourke, Claire Riney, Anne O'Sullivan, and Aisling McDevitt.

## CPA - A Career for Life

With marketing communications playing an important role in influencing prospective students' choices, CPA Ireland launched a new advertising campaign to promote the CPA qualification in 2015.



The campaign consisted of extensive outdoor advertising on Luas trams and pillars right around Dublin and eye catching ads in railway stations and on regional buses around the country. A digital marketing campaign ran in tandem with outdoor advertising from the end August 2015.

With over 1 million accountants internationally using the CPA designation, by choosing CPA, students are entering an international community of professionals. More and more international corporations are coming to Ireland and as CPAs

progress through the ranks in these companies, they often find themselves working in global divisions where their internationally recognised qualification gives them the portability they require. The ads were designed to showcase this and also speak to the fact that the qualification leads to a long rewarding career, one that allows the person to simultaneously have a life outside of work. The all important work life balance.

CPA Ireland continues to successfully develop our online platforms through cutting edge search engine optimisation (SEO) and social media engagement.

The CPA Ireland website has seen a 29% increase in unique users during 2015. Traffic to student recruitment pages has increased by 31% in the same period.

In the social media arena, we have seen our total reach from all social media channels increase by 19% during 2015. Total visits through social media channels to CPA Ireland recruitment pages have increased by 24%.

CPA Ireland is the most followed Irish Accountancy body on LinkedIn with 8,714 followers and we rank an impressive second place in the race for Twitter followers among the accountancy bodies in Ireland.

## Education and Training

The foundation for a career for life begins with the student. In support of CPA students CPA Ireland ensures that its initial professional development (education and training) and continuing professional development (CPD) programmes are research informed, relevant, and accessible. CPA Ireland strengthened the content rich student study support section of its website with additional technical articles and webinars, many of which are authored or delivered by either current or previous examiners. In December a new online self-assessment resource, CPA Revision Quiz, was launched for students at the Formation 2 and Professional 1 exam stages. It is supplementary to the structured revision programmes offered by CPA Approved Educators. Based on previous examination questions it uses objective questions to assist students in their revision, any place, at a time of their own choice and at their own pace.

As part of its commitment to research and thought leadership CPA Ireland encourages and supports research to develop and enhance the profession of accounting and the advancement of knowledge by supporting CPA members and the wider field of



Brian Purcell, President, CPA Ireland presents newly qualified CPA, Gary O'Rourke, the Liam Donnelly Award for achieving highest marks worldwide in his CPA exams.



academia. A key aim of our research programme is to inform practitioners, regulators, the academic community and policy makers of developments at the forefront of knowledge in accounting and related areas. An eminent board of academics and business professionals chaired by Geoffrey Meagher, former Group Finance Director and Deputy Group Managing Director of Glanbia Plc and past President of CPA Ireland, reviewed the applications and selected four proposals in 2014 for research funding support. Members of the CPA Ireland Research Board included: Geoffrey Meagher (Chairman), John Cusack (Council), Professor Niamh Brennan (UCD Quinn School of Business), Professor Bernard Pierce (DCU Business School) and Professor Patrick Gibbons (UCD Michael Smurfit Graduate Business School). The four sponsored research reports were published in 2015 and may be accessed on the CPA Ireland website, [www.cpaireland.ie](http://www.cpaireland.ie).

Online learning was the model used by almost a third (32%) of students in preparation for examinations taken in 2015. This was up by 11% on the previous year. It is expected that this trend will continue into 2016 and beyond. The increased demand for flexible, premium quality online learning by students is now being catered for by two Gold Star quality

assured CPA Approved Educators, Cenit College and Griffith College. Cenit College commenced its online programme in the Autumn of 2015 and Griffith College has been offering its programme for a number of years. The examination performance of online learners once again exceeded that of learners choosing to study by the more traditional class based educational model, the margin in 2015 was 2%.

The CPA Certificate in Business and Accounting is increasing in popularity in its target markets. These are largely school-leavers who wish to 'earn as they learn' and commence their professional training upon leaving school and also mature students that may wish to shift to accounting and finance as a career choice or to progress their careers within their existing pathways.

The Institute's Student Development Executive visited each class of students at least once during the academic year which is an important part of CPA Ireland's education quality assurance process. For online learning students this information and feedback process was conducted by webinar by the Director of Education and Training.

Brian Purcell, President, CPA Ireland welcomed 107 newly qualified members at the December 2015 Conferring Ceremony, held in Croke Park, Dublin, and was pleased to note that

all were in employment. This was real evidence of the demand for CPAs and an acknowledgement from the marketplace of the value of their newly acquired credentials.

The Annual Student Awards Ceremony took place in Croke Park following the Annual Conferring Ceremony. Gary O'Rourke CPA, conferred in December 2015, was the first recipient of the Liam Donnelly Award to the first placed student, worldwide, in the CPA Ireland Professional 2 Stage examinations. It is fitting that the award is named after Liam Donnelly, who was appointed in 1974 as the Institute's first Chief Executive and held that office, with distinction, until his retirement in December 1993. CPA Ireland and its sponsors were also delighted to acknowledge those other students that achieved the highest overall mark in each examination subject from Formation 2 to Professional 2. Cenit College, Griffith College Dublin, Griffith College Cork and Griffith College Online Learning were the tuition providers.

## Member Services

2015 brought significant change to the profession, particularly in the areas of accounting standards and company law.



Is the Glass Half Full? Martin Murphy, Stadium Director, Aviva Stadium, Eamonn Siggins, Chief Executive, CPA Ireland, David Duffy, Senior Research Officer, ESRI and Julie Sinnamon, Chief Executive, Enterprise Ireland pictured at the launch of the CPA Ireland Annual Conference 2015.

In keeping with “CPA – A Career for Life”, the emphasis was very firmly on facilitating member access to knowledge to meet this challenge of change. Knowledge provision was provided across all of our communication platforms and ranged from journal articles, through webinars and right up to certificate programmes in FRS 102 and in the Companies Act 2014.

The timeliness of our service provision is evidenced by the fact that we launched the Certificate in the Companies Act 2014 within 3 days of the passing of the legislation.

Flexibility and convenience are central to our member service ethos. In terms of flexibility, our certificate programmes can be taken as full certificate offerings with examinations or simply by module without examination.

In terms of convenience, live streaming of all certificate programmes was introduced and up to 25% of attendees completed the certificate programmes by live streaming. The feedback to this initiative was very positive and, of course, live streaming allowed for very wide participation on a geographic basis.

Webinars also support convenient, flexible learning and in 2015 we added the Revenue eBrief series which

summarise, every quarter, the main points of Revenue eBriefs issued in the previous 3 months.

Our online education offerings also kept pace with change and introduced many new topics, mainly driven by the membership training needs assessment. The library of online education offerings now includes 80 courses, with the online course in FRS 102 proving most popular in 2015.

Advocacy and representation, on behalf of members, is high on the agenda of CPA Ireland and we engaged regularly with key stakeholders throughout 2015, and, in particular, with the Revenue Commissioners.

In keeping with our quality ethos, we seek out member opinion and user experience, and we will act on that feedback to develop our certificate and other programmes and services in 2016. Evidence of this progression and development is found in the Certified Tax Adviser (CTax) programme, which ran for the 5th year in 2015 and has changed significantly since its launch.

CPA Ireland regularly sense checks the environment for change affecting CPAs in every sector and jurisdiction and then we deliver information which supports “CPA – A Career for Life”.

## Technical Services

During 2015, the CPA Ireland Technical Services team responded to 586 technical queries from members. This service provides CPA members with support and advice on any technical query over the phone or by email, with 91% of queries being answered within 24 hours.

## Professional Standards

Confidence and trust in the accounting and auditing profession is fundamental to the operation of businesses of every size and to the overall health of our 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. CPA Ireland operates a system of delegated self-regulation, which allows the Institute to directly regulate its members. CPA Ireland in turn is supervised in all its regulatory activities by the Irish Auditing and Accounting Supervisory Authority (IAASA). CPA Ireland also

Former CPA Ireland President, Gail McEvoy, awarded Life Membership. Pictured with Brian Purcell, President, CPA Ireland.



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'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 2015, five cases were heard in public by disciplinary tribunals, one by an appeal tribunal and one case was heard by judicial review. CPA Ireland received 18 new

complaints against members, from a combination of members of the public, state bodies, information in the public arena and internal sources. CPA Ireland's Investigation Committee met on 9 occasions during 2015.

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 89 on-site visits to regulated firms in 2015 and conducted a further 10 desk-based reviews.

(Front Row L-R) Cindy Dibete, Chair, SAIPA, Brian Purcell, President, CPA Ireland, Faith Ngwenya, Acting CEO, SAIPA and Eamonn Siggins, Chief Executive, CPA Ireland pictured at the signing of a Mutual Recognition Agreement (MRA) between CPA Ireland and the South African Institute of Professional Accountants (SAIPA).



## Building on our success in 2016

As our 90th anniversary year evolves, CPA Ireland will continue to innovate, provide top quality information, services, advocate and attract talented individuals to pursue the CPA qualification.

The CPA qualification does deliver a career for life and throughout 2016 and beyond, we will continue to support the careers of our members and students.

We greatly appreciate the loyal and committed support of CPA members operating in every sector around the world. CPA Ireland will continue to act in the public interest, and CPAs will continue to add value to economies whilst performing their duties to the highest ethical standards.

*Eamonn Siggins*

Eamonn Siggins  
Chief Executive, CPA Ireland

# Council & Other Information

## Members of Council

- Joseph Aherne
- Nano Brennan
- Niall Byrne
- John Cusack
- John Devaney
- Cormac Fitzgerald
- Evelyn Fitzpatrick
- Enda Jordan
- Deirdre Kiely
- Ciarán Martin
- Cormac Mohan
- Gearóid O'Driscoll
- Paul O'Leary
- Michael O'Regan
- Brian Purcell

**Vice President**

**{External Council Member}**

**Vice President**

**President**



Aidan Lynch, President, British Irish Chamber of Commerce, Charlie Flanagan TD, Minister for Foreign Affairs and Trade, Brian Purcell, President, CPA Ireland and John McGrane, Director General, British Irish Chamber of Commerce.

**Chief Executive**

Eamonn Siggins

**Secretary**

Cáit Carmody

**Registered Office**

17 Harcourt Street, Dublin 2

**Registered Number**

010475

**Auditors**

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

**Bankers**

AIB Bank  
1/3 Baggot Street,  
Dublin 2.

Ulster Bank  
33 College Green,  
Dublin 2.

# Report of the Directors

## Report of the Directors

The Directors are pleased to submit the 73rd Annual Report of the Council and the Financial Statements for the year ended 31 December 2015. The loss for the financial year amounts to €81,637 (2014 surplus €283,988)

## Risks and Uncertainties

The Directors confirm that there is an ongoing process for identifying, evaluating and managing the significant risks faced by the Institute, and that it has been in place for the year under review and up to date of approval of the Annual Report and Financial Statements.

## Principal Activity

The Institute of Certified Public Accountants in Ireland (CPA Ireland) is an Irish Accountancy body with 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

At a meeting of Council on 13 February 2015, Brian Purcell was elected President. At a meeting of Council on 29 April 2015, Nano Brennan was re-elected Vice President and Deirdre Kiely was elected Vice President.

## Council

Council is the governing body of CPA Ireland, and is comprised of a maximum of 16 elected members and up to 3 non-members. Council met on 7 occasions in 2015.

Brian Purcell, President, CPA Ireland pictured with CPA Ireland Vice Presidents, Deirdre Kiely and Nano Brennan.





Manoj Fadnis, President, ICA India and Brian Purcell, President, CPA Ireland at the Pathway to Ireland programme, to enable ICAI members access career opportunities with Big 4 and Top 10 Accountancy Practices across Ireland.

## Directors

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

Joseph Aherne  
 Nano Brennan  
 Niall Byrne  
 John Cusack {External Council Member}  
 John Devaney  
 Cormac Fitzgerald  
 Evelyn Fitzpatrick  
 Enda Jordan  
 Deirdre Kiely  
 Ciarán Martin  
 Geoffrey Meagher (retired 29/04/2015)  
 Cormac Mohan (appointed 29/04/2015)  
 Gail McEvoy (retired 17/10/2015)  
 Gearóid O'Driscoll  
 Paul O'Leary  
 Michael O'Regan  
 Brian Purcell  
 James Sheehan

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

John Devaney  
 Cormac Fitzgerald  
 Paul O'Leary

*The following valid nomination for election to Council has been received:*

Mark Gargan

Brian Purcell, President, CPA Ireland and Eamonn Siggins, Chief Executive, CPA Ireland present the first certificates of membership awards through the Mutual Recognition Agreement that is in place with The Association of National Accountants of Nigeria (ANAN).



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

## Accounting Records

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

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

## Auditors

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

On Behalf of the Directors.

*B. Purcell*

Brian Purcell CPA  
Director and Council Member

*Paul O'Leary*

Paul O'Leary FCPA  
Director and Council Member

Dated: 29 March 2016

# Statement of Directors' Responsibilities

Company law requires the directors to prepare statutory financial statements for each financial year, which give a true and fair view of the assets, liabilities and financial position of the company, as at the end of the financial year, and profit or loss, for the financial year and otherwise comply with the Companies Act 2014. In preparing those financial statements, the directors are required to:

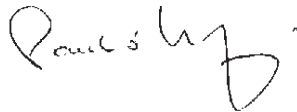
- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether the statutory financial statements have been prepared in accordance with applicable accounting standards, identify those standards and note the effect and the reasons for any material departure from those standards,
- prepare the statutory 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 profit or loss of the company to be determined with reasonable accuracy, enable them to ensure that the statutory financial statements and directors report comply with the Companies Act 2014 and enable the statutory 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.

Approved by the Board of Directors on 29 March 2016 and signed on its behalf by:



Brian Purcell CPA  
Director and Council Member



Paul O'Leary FCPA  
Director and Council Member



# Independent Auditor's Report

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

We have audited the financial statements of The Institute of Certified Public Accountants in Ireland for the year ended 31 December 2015 which comprise the Profit and Loss Account, Balance Sheet, Statement of Cashflows and the related notes. The financial reporting framework that has been applied in their preparation is Irish law and accounting standards issued by the Financial Reporting Council (Generally Accepted Accounting Practice in Ireland), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 that we are required to state to them in the audit report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company or the company's members as a body for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page 14, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with Companies Act 2014. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's [APB's] Ethical Standards for Auditors.

### Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of; whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition we read all the financial and non-financial information in the President's Perspective, Chief Executive's Review and Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect

based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2015 and of its loss for the year then ended; and
- have been properly prepared in accordance with the relevant reporting framework and, in particular, with the requirements of the Companies Act 2014.

### Matters on which we are required to report by the Companies Act 2014

- 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.
- 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.

### Matters on which we are required to report by exception

We have nothing to report in respect of our obligation under the Companies Act 2014 to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of the Act are not made.



Kieron P Hayes FCPA  
For and on behalf of  
Hayes & Co.  
Certified Public Accountants,  
Statutory Audit Firm,  
7 Fields Terrace, Ranelagh, Dublin 6.  
Date: 29 March 2016

# Profit and Loss Account

for the year ended 31 December 2015

	Notes	2015 €	2014 €
<b>Turnover</b>	<b>4</b>	<u>3,721,592</u>	<u>4,065,479</u>
Administration expenses		(2,896,616)	(2,909,503)
Other operating expenses		<u>(680,236)</u>	<u>(856,095)</u>
		<u>(3,576,852)</u>	<u>(3,765,598)</u>
<b>Operating Profit</b>	<b>5</b>	144,740	299,881
Extraordinary Item	<b>6</b>	(26,000)	183,462
Interest receivable		3,355	12,024
Interest payable and similar charges	<b>7</b>	<u>(202,892)</u>	<u>(208,373)</u>
<b>(Loss)/Profit before taxation</b>		(80,797)	286,994
Taxation	<b>8</b>	<u>(840)</u>	<u>(3,006)</u>
(Loss)/Profit for the year	<b>15</b>	<u>(81,637)</u>	<u>283,988</u>
<b>Total Comprehensive (Loss) / Income for the year</b>		<u>(81,637)</u>	<u>283,988</u>

# Balance Sheet

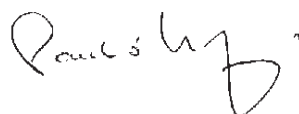
at 31 December 2015

	Notes	2015 €	2015 €	2014 €	2014 €
<b>Fixed Assets</b>					
Intangible assets	9		33,179		–
Tangible assets	10		10,304,779		10,402,862
<b>Current Assets</b>					
Debtors	11	355,354		439,623	
Prize bonds		190		190	
Cash at bank		788,374		1,136,320	
		<u>1,143,918</u>		<u>1,576,133</u>	
<b>Creditors: amounts falling due within one year</b>	12		<u>(407,187)</u>		<u>(652,811)</u>
<b>Net Current Assets</b>			<u>736,731</u>		<u>923,322</u>
<b>Total Assets Less Current Liabilities</b>			11,074,689		11,326,184
<b>Creditors: amounts falling due after more than one year</b>	13		<u>(5,517,206)</u>		<u>(5,687,064)</u>
<b>Net Assets</b>			<u>5,557,483</u>		<u>5,639,120</u>
<b>Reserves</b>					
Profit and Loss Account	15		<u>5,557,483</u>		<u>5,639,120</u>

Approved by the Board of Directors on 29 March 2016 and signed on its behalf by:



Brian Purcell CPA  
Director and Council Member



Paul O'Leary FCPA  
Director and Council Member

# Statement of Cashflows

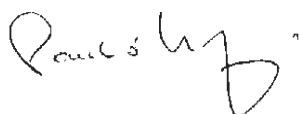
for the year ended 31 December 2015

	Notes	2015 €	2014 €
<b>Cash flows from operating activities</b>			
Operating profit for the financial year		144,740	299,881
Adjustments for:			
Amortisation of intangible assets	9	6,636	–
Depreciation of property, plant and equipment	10	277,126	258,303
(Increase)/decrease in trade and other receivables	11	84,269	(159,600)
Increase/(decrease) in trade payables	12	(245,157)	11,600
Extraordinary Item	6	(26,000)	183,462
<b>Cash from operations</b>		<u>241,614</u>	<u>593,646</u>
Interest paid	7	(202,892)	(208,373)
Income taxes paid	8	(840)	(3,741)
<b>Net cash generated from operating activities</b>		<u>37,882</u>	<u>381,532</u>
<b>Cash flows from investing activities</b>			
Purchases of intangible assets	9	(39,815)	–
Purchases of property, plant and equipment	10	(179,043)	(151,032)
Interest received		<u>3,355</u>	<u>12,024</u>
<b>Net cash from investing activities</b>		<u>(215,503)</u>	<u>(139,008)</u>
<b>Cash flows from financing activities</b>			
Repayment of borrowings	13	(169,858)	(164,382)
<b>Net cash outflow from operating activities</b>		<u>(169,858)</u>	<u>(164,382)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		(347,479)	78,142
Cash and cash equivalents at beginning of year		<u>1,135,853</u>	<u>1,057,711</u>
<b>Cash and cash equivalents at end of year</b>		<u><u>788,374</u></u>	<u><u>1,135,853</u></u>

Approved by the Board of Directors on 29 March 2016 and signed on its behalf by:



Brian Purcell CPA  
Director and Council Member



Paul O'Leary FCPA  
Director and Council Member

# Notes to the Financial Statements

for the year ended 31 December 2015

## 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 domiciled in Ireland and the registered office is 17 Harcourt Street, Dublin 2, Ireland (registration number 010475).

In accordance with The Memorandum of Association, in the event of the Company being wound up, each member's liability is limited to €90.46. The members of the Institute, as defined in The Articles of Association, consist of all qualified persons who have been admitted to membership.

## 2 Compliance with Accounting Standards

The Statutory financial statements have been prepared under the historical cost convention and comply with the accounting standards issued by the Financial Reporting Council, specifically Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102). This is the first year in which the financial statements have been prepared under FRS 102.

## 3 Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year other than the introduction of a new policy on Intangible Fixed Assets. The policies have been consistently applied within the same accounts.

### 3.1 Functional Currency

The functional currency of the financial statements is the Euro.

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 that relate to borrowings and cash and cash equivalents are presented in the profit and loss account within 'finance (expense)/income'. All other foreign exchange gains and losses are presented in the profit and loss account within 'Other operating (losses)/gains'

### 3.2 Turnover

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

# Notes to the Financial Statements

for the year ended 31 December 2015

### 3.3 Intangible Assets

During the year, the Institute agreed at Council to adopt the policy of capitalising the development costs of Certificates and other innovative programmes and treating same as Intangible Assets.

In 2015, the following programmes were developed:

	€
Companies Act 2014	19,380
Development Tax and Law Programme	6,357
Accounts Executive ETB course	14,078
	<u>39,815</u>

The cost will be amortised over 3 years. Depreciation of €6,636 (6 months) was charged to the accounts in 2015.

### 3.4 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.

### 3.5 Depreciation / Amortisation

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
Intangible Assets	33.3%

Impairment reviews are carried out where there are events or changes in circumstances that indicate that the carrying amount of fixed asset or goodwill may not be recoverable. Where there is an impairment loss it is recognised in the profit and loss account.

There is no policy of revaluing fixed assets.

# Notes to the Financial Statements

for the year ended 31 December 2015

## 3.6 Taxation

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

## 3.7 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 interest portion is written off to the profit and loss account over the term of the primary lease period.

Rentals in respect of operating leases are charged to the profit and loss account as incurred.

## 3.8 Regional Societies

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

## 3.9 Retirement Benefits

Retirement benefits are met by payments to a defined contribution pension fund. Contributions are charged to the profit and loss in the year in which they fall due.

The assets of the scheme are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company to the funds and amounted to €85,657 (2014: €95,852) for the year.

## 3.10 Grants

The company receive grants from Skillnet 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 Turnover

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

## 5 (Loss) / Profit before taxation

2015 2014

€ €

The (loss) / profit before taxation is stated after charging:

Directors' emoluments	–	–
Amortisation of intangible assets	6,636	–
Depreciation of tangible assets	277,126	258,303
	<u>277,126</u>	<u>258,303</u>

## 6 Extraordinary Item

In 2015 the costs of a Judicial Review (€41,000) were incurred which were offset by the recovery of related costs (€15,000). This item is displayed separately as an extraordinary item in accordance with FRS 102.

The 2014 item relates to levies collected to discharge an amount expected to be payable to Interim IAASA, which did not materialise. This event is not expected to recur.

# Notes to the Financial Statements

for the year ended 31 December 2015

<b>7 Interest payable and similar charges</b>	<b>2015</b>	<b>2014</b>
	€	€
On bank loans and overdrafts	<u>202,892</u>	<u>208,373</u>
<b>8 Taxation</b>	2015	2014
	€	€
Current year taxation		
Corporation tax @ 25% on interest earned	<u>840</u>	<u>3006</u>
<b>9 Intangible Fixed Assets</b>	<b>Intangible Assets</b>	<b>Total</b>
<b>Cost</b>	€	€
At 1 January 2015	-	-
Additions	39,815	39,815
At 31 December 2015	<u>39,815</u>	<u>39,815</u>
<b>Amortisation</b>		
At 1 January 2015	-	-
Charge	6,636	6,636
At 31 December 2015	<u>6,636</u>	<u>6,636</u>
<b>Net Book Values</b>		
At 31 December 2015	<u>33,179</u>	<u>33,179</u>
At 31 December 2014	<u>-</u>	<u>-</u>



# Notes to the Financial Statements

for the year ended 31 December 2015

<b>10 Tangible Fixed Assets</b>	<b>Land &amp; Buildings</b>	<b>Equipment &amp; Fittings</b>	<b>Total</b>
	€	€	€
<b>Cost</b>			
At 1 January 2015	11,128,864	1,079,876	12,208,740
Additions	–	179,043	179,043
At 31 December 2015	<u>11,128,864</u>	<u>1,258,919</u>	<u>12,387,783</u>
<b>Depreciation</b>			
At 1 January 2015	962,863	843,015	1,805,878
Charge	142,576	134,550	277,126
At 31 December 2015	<u>1,105,439</u>	<u>977,565</u>	<u>2,083,004</u>
<b>Net Book Values</b>			
At 31 December 2015	<u>10,023,425</u>	<u>281,354</u>	<u>10,304,779</u>
At 31 December 2014	<u>10,166,001</u>	<u>236,861</u>	<u>10,402,862</u>
<b>In respect of prior year</b>			
	<b>Land &amp; Buildings</b>	<b>Equipment &amp; Fittings</b>	<b>Total</b>
	€	€	€
<b>Cost</b>			
At 1 January 2014	11,128,864	928,844	12,057,708
Additions	–	151,032	151,032
At 31 December 2014	<u>11,128,864</u>	<u>1,079,876</u>	<u>12,208,740</u>
<b>Depreciation</b>			
At 1 January 2014	820,286	727,289	1,547,575
Charge	142,577	115,726	258,303
At 31 December 2014	<u>962,863</u>	<u>843,015</u>	<u>1,805,878</u>
<b>Net Book Values</b>			
At 31 December 2014	<u>10,166,001</u>	<u>236,861</u>	<u>10,402,862</u>
At 31 December 2013	<u>10,308,578</u>	<u>201,555</u>	<u>10,510,133</u>

# Notes to the Financial Statements

for the year ended 31 December 2015

<b>11 Debtors</b>	<b>2015</b>	<b>2014</b>
	€	€
Debtors - (due within one year)	354,815	437,696
Corporation tax refundable	539	1,927
	<u>355,354</u>	<u>439,623</u>

<b>12 Creditors: amounts falling due within one year</b>	<b>2015</b>	<b>2014</b>
	€	€
Bank overdraft	–	467
Bank Loan	160,000	160,000
Subscriptions in advance ( See Note 1 )	63,997	61,869
PAYE / PRSI	13,532	63,260
Creditors and accruals	<u>169,658</u>	<u>367,215</u>
	<u>407,187</u>	<u>652,811</u>

<b>13 Creditors: amounts falling due after more than one year</b>	<b>2015</b>	<b>2014</b>
	€	€
Bank loan ( See Note 14)	<u>5,517,206</u>	<u>5,687,064</u>

<b>14 Details of Borrowings</b>					
<b>Repayable</b>	<b>Within 1 Year</b>	<b>Between 1 &amp; 2 years</b>	<b>Between 2 &amp; 5 years</b>	<b>After 5 Years</b>	<b>Total</b>
	€	€	€	€	€
<b>By instalments</b>					
Bank loans	<u>160,000</u>	<u>320,000</u>	<u>480,000</u>	<u>4,717,206</u>	<u>5,677,206</u>
	<u>160,000</u>	<u>320,000</u>	<u>480,000</u>	<u>4,717,206</u>	<u>5,677,206</u>

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

# Notes to the Financial Statements

for the year ended 31 December 2015

## 15 Reserves

	<b>2015</b>	<b>2014</b>
	€	€
Retained profit at beginning of year	5,639,120	5,355,132
( Loss ) / Profit for the year	<u>(81,637)</u>	<u>283,988</u>
Retained profit at end of year	<u><u>5,557,483</u></u>	<u><u>5,639,120</u></u>

## 16 Employee information

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

	<b>2015</b>	<b>2014</b>
	Number	Number
Administration	<u>28</u>	<u>25</u>

### Staff costs

	<b>2015</b>	<b>2014</b>
	€	€
Wages and salaries	1,320,546	1,280,108
Social welfare costs	147,647	145,882
Pension costs	<u>86,567</u>	<u>95,852</u>
	<u><u>1,554,760</u></u>	<u><u>1,521,842</u></u>

# Notes to the Financial Statements

for the year ended 31 December 2015

## 18 Transition to FRS 102

The company has adopted FRS 102 for the year ended 2015 and has restated the comparative prior year amounts.

### Changes for FRS 102 adoption

#### Reconciliation of Profit or Loss for the Year Ended 31st December, 2014

	Notes	As previously stated €	Effect of transition €	FRS102 as restated €
<b>Income</b>		4,065,479	–	4,065,479
Administration expenses		(2,909,503)	–	(2,909,503)
Other operating expenses		(856,095)	–	(856,095)
		<u>(3,765,598)</u>	<u>–</u>	<u>(3,765,598)</u>
<b>Operating Profit</b>		299,881	–	299,881
Exceptional Item	(i)	183,462	(183,462)	–
Extraordinary Item	(i)	–	183,462	183,462
Interest receivable		12,024	–	12,024
Interest payable and similar charges		(208,373)	–	(208,373)
<b>Profit before taxation</b>		286,994	–	286,994
Taxation		(3,006)	–	(3,006)
<b>Profit for the year</b>		<u>283,988</u>	<u>–</u>	<u>283,988</u>

# Notes to the Financial Statements

for the year ended 31 December 2015

## Changes for FRS 102 adoption

### Reconciliation of Equity

Notes	At 1st Jan 2014			At 31st Dec 2014		
	As previously stated €	Effect of transition €	FRS102 as restated €	As previously stated €	Effect of transition €	FRS102 as restated €
<b>Fixed Assets</b>						
Tangible assets	10,510,133	–	10,510,133	10,402,862	–	10,402,862
<b>Current Assets</b>						
Debtors	279,287	–	279,287	439,623	–	439,623
Prize bonds	190	–	190	190	–	190
Cash at bank	1,070,020	–	1,070,020	1,136,320	–	1,136,320
	1,349,497	–	1,349,497	1,576,133	–	1,576,133
<b>Creditors: amounts falling due within one year</b>	(653,052)	–	(653,052)	(652,811)	–	(652,811)
<b>Net Current Assets</b>	696,445	–	696,445	923,322	–	923,322
<b>Total Assets Less Current Liabilities</b>	11,206,578	–	11,206,578	11,326,184	–	11,326,184
<b>Creditors: amounts falling due after more than one year</b>	(5,851,446)	–	(5,851,446)	(5,687,064)	–	(5,687,064)
<b>Net Assets</b>	5,355,132	–	5,355,132	5,639,120	–	5,639,120
<b>Reserves</b>						
Profit and Loss Account	5,355,132	–	5,355,132	5,639,120	–	5,639,120

# Notes to the Financial Statements

for the year ended 31 December 2015

**(i) Notes to the FRS 102 Reconciliation**

In line with FRS 102, the 2014 item previously shown as an exceptional item has been re-stated as an extraordinary item.

The 2014 item relates to levies collected to discharge an amount expected to be payable to Interim IAASA, which did not materialise. This event is not expected to recur.

**19 Approval of financial statements**

The financial statements were approved by the board of directors on 29 March 2016.

## Institute of Certified Public Accountants in Ireland (CPA Ireland)

The Institute of Certified Public Accountants in Ireland (CPA Ireland) is one of the main Irish accountancy bodies representing 5,000 members and students. The CPA designation is the most commonly used designation worldwide for professional accountants and the Institute's qualification enjoys wide international recognition. Its current membership operates in public practice, Industry, financial services and the public sector and CPAs work in over 40 countries around the world.

The Institute is active in the profession at national and international level participating in the Consultative Committee of Accountancy Bodies – Ireland – CCAB (I) and together with other leading accountancy bodies the Institute was a founding member of the International Federation of Accountants (IFAC) – the worldwide body. The Institute is also a member of the Federation des Experts Comptables Européens (FEE), the representative body for the main accountancy bodies in 37 European countries.

The Institute fulfils its statutory role as a recognised body by overseeing the professional activities of its members in practice, and insuring that education and training standards are maintained. As the first accountancy body to introduce a mandatory regime of Continuing Professional Development, the Institute ensures that all CPAs remain at the leading edge throughout their careers. The Institute provides a quality service to its Members and Students, which has been recognised through the award and maintenance of ISO 9001:2008. For further information visit [www.cpaireland.ie](http://www.cpaireland.ie)

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