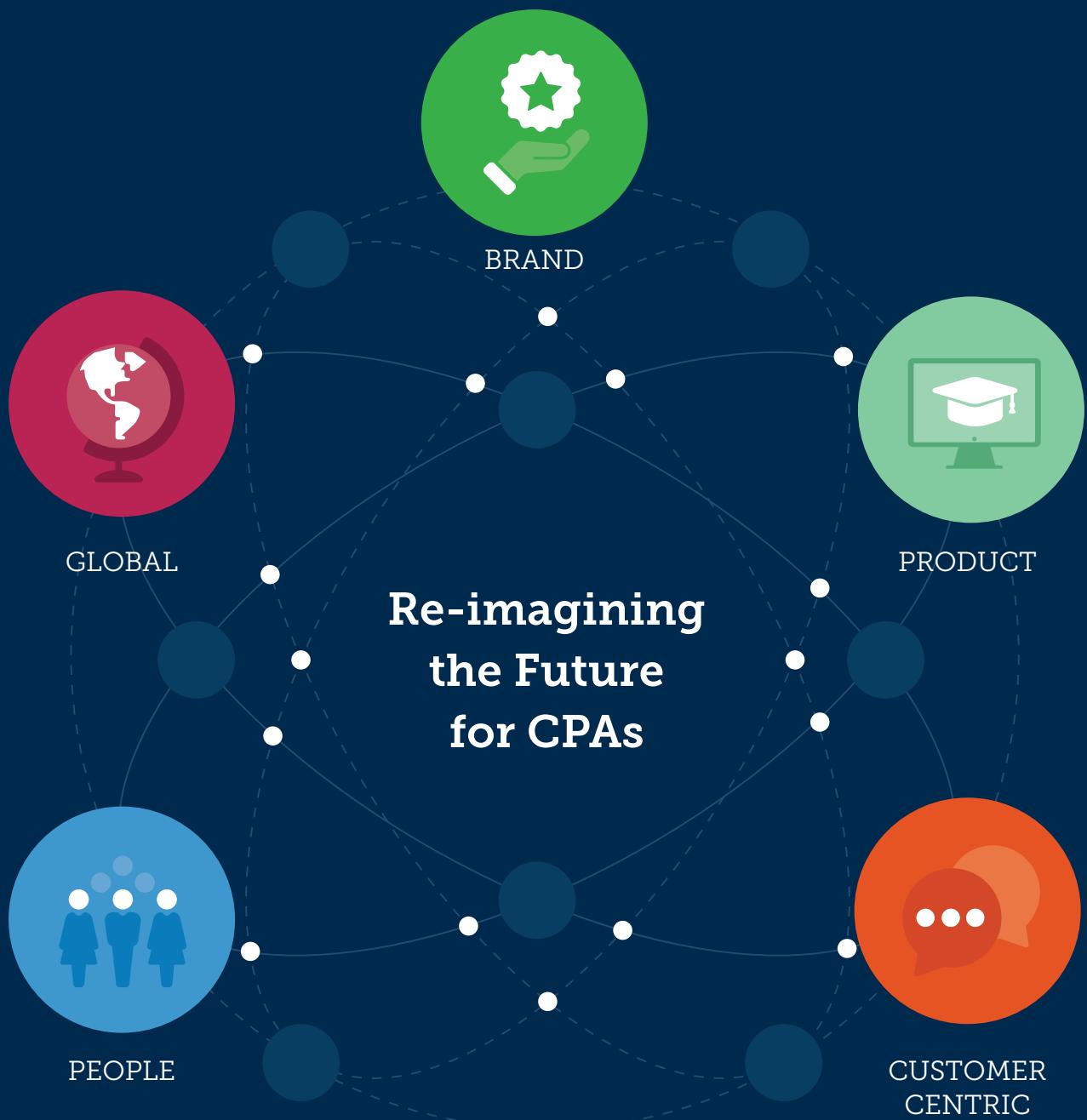


# Annual Report and Financial Statements

## 2020





**Strategically adopting agility 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.**



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# Message from the President



**John Devaney**  
President

**"I fully expected that representing CPA Ireland's position on Brexit would be a key priority for me as President. Then the world changed as COVID-19 struck."**

**In early 2020 as I was elected incoming President, the Brexit negotiation period had been extended and was the most significant risk in the external environment. I fully expected that representing CPA Ireland's position on Brexit would be a key priority for me as President. Then the world changed as COVID-19 struck.**

Now, because of travel limitations as a result of COVID-19, I sit here in the UK as the first CPA Ireland President to never have set foot in Ireland during my presidency reflecting on the challenges faced by CPA Ireland's students, members and wider stakeholders over the past 12 months.

Albert Einstein said "in the midst of every crisis lies great opportunity". Perhaps, even Einstein could not have foreseen the scale of economic and social disruption wreaked by the global COVID-19 pandemic.

The tragic impact on the health of so many, the challenges of balancing life and work, the loss of work and economic opportunity and the unprecedented impact on sovereign debt are but some of the outcomes from the pandemic.

It may not be wholly appropriate to use an analogy of "great opportunity" but we certainly have seen some amazing responses to this pandemic which has been the ultimate stress test for our health systems and our economies.

Globally, there has been a rising tide of inclusiveness, a sense of "we are all in this together", a resilience in so many people and an increased focus on sustainability. These, together with incredible innovation in areas such as vaccines, medical

treatments, information technology and communications, are impacting positively on how we try, as a society to cope with the effects of this pandemic.

Obviously, the impact of COVID-19 has dramatically changed the manner in which we all live, work, interact and think about the future in this period of exceptional uncertainty.

As the Council of CPA Ireland is charged with its governance, I would like to share some insights with you as to how we reacted, reassessed and changed in order to continue to deliver on the very purpose of CPA Ireland in the face of this exceptional uncertainty.

CPA Ireland was in a strong position to adapt to overnight change based on a number of factors:

- Our talented people were already highly skilled in terms of technology and digital skills, and were open to further upskilling in support of virtual operations;
- We had, over prior years, invested in the technology to support safe and secure work. In a manner of speaking, work was already something our executive did rather than a place they went to;
- Our strategy is high level, principled and agile and offers the appropriate tactical agility to the executive team to adapt to change;
- Our Council has committed to our culture, which supports innovation and change;
- CPA Ireland has a strong and enduring sense of purpose which guides our long-term strategic direction and enables decisive action and speedy decision making within a robust governance framework; and, of course;



**"I have been inspired by the adaptability of members and students, your professionalism, guarded optimism and can do attitude for the businesses we serve, particularly the 100,000 businesses you serve in Ireland."**

- Volunteers – Despite their own pressures our volunteer community really stepped up at Council, Committee and Regional CPA Society level and amplified the efforts of our staff.

In terms of ensuring good governance in a very fast-moving environment, our Council and Committees increased their frequency of meeting with a focus on what was urgent and important for our members.

Council completed an in-depth risk assessment, reviewed expenditures and focused on the preservation of cash and reprioritised to meet changing circumstances.

Council met more frequently throughout 2020 and, on each occasion, we reviewed detailed and transparent operational updates from our senior staff.

As President, I can reflect on behalf of Council, how well our executive team adapted, innovated, and delivered value to our members and students and, continued to serve the public interest through our regulatory framework.

Looking back on the year, I can reassure members that much of what we have to do as a professional body, we continued to do, albeit in a virtual environment. For my own part, I adapted to being a virtual President, based in the UK and never setting foot on the island of Ireland.

Among many highlights for me in 2020, three in particular stand out.

First was our virtual conferring in December in which we admitted candidates to CPA membership via Zoom. It was inspiring to be central to such a happy event and to see the sense of pride and achievement among our new CPAs and their families.

Second, being based in the UK since 1985, I have witnessed the long-standing efforts of my predecessors to have the CPA Ireland qualification recognised in UK Company Law as an audit qualification. At a time when Brexit appeared to be offering only chaos, this wonderful achievement stood out for me. This deserved recognition has been a long time coming and shows how our commitment to quality pays off.

Third, throughout 2020, I have been inspired by the adaptability of members and students, your professionalism, guarded optimism and can do attitude for the businesses we serve, particularly the 100,000 businesses you serve in Ireland.

The CPA community from Council, through members, to the staff team remained purposeful, productive and balanced, delivering for CPA Ireland and for the community.

I recognise that this pandemic has been a very unequal experience, however, overall I believe strongly that CPAs have played a leading role in the protection of livelihoods.

Hopefully, 2021 will bring a safer environment for us all and an opportunity to interact safely.

I know that my successor as President, Áine Collins, has all of the skills and experience to lead CPA Ireland through and out of this crisis and I wish Áine and Council well in 2021 and beyond.

**John Devaney**

President, CPA Ireland



# Message from the Chief Executive



**Eamonn Siggins**  
Chief Executive

**"CPA Ireland engaged with members and students and responded to the immediate information needs with a dedicated COVID-19 resource"**

## **It is an understatement to categorise 2020 as a year of change, rather it was a year of transformation in the face of the crisis brought by COVID-19.**

Like so many other organisations, CPA Ireland transitioned to a completely virtual organisation with the inherent feelings of shock and uncertainty as work moved to home, new pressures of balancing home, health, life and work emerged and physical connections were lost.

As the President has outlined, CPA Ireland benefits from a high level, principled and agile strategy which gives tactical agility to the executive team. Within CPA Ireland we took decisive action quickly and launched a transformation programme which was guided by our purpose. Council, for its part, gave appropriate attention to areas such as risk management and internal controls, human resource management, staff wellbeing, regulation in the public interest, and delivering value to our members and students.

Even though we were immersed in a crisis, Council focused on short term measures which ensured the long term success of CPA Ireland. The executive team at CPA Ireland were adequately resourced to make progress on our five areas of strategic priority, namely:

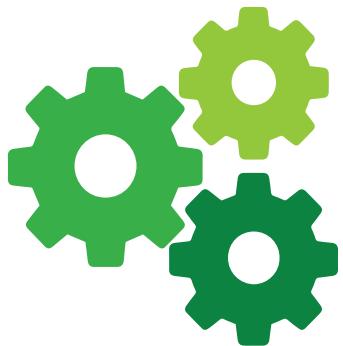
- Brand;
- Product;
- Customer Centricity;
- Global Player; and,
- People.

Similar to many organisations operating in the face of a crisis, CPA Ireland launched rapid measures to protect income, reduce costs, take advantage of business supports available, and used technology to deliver value in terms of information support for members, online examinations for students, a new syllabus of education providing future ready CPAs, and exploited digital technologies to promote CPA Ireland.

In terms of our regulatory role, and with the support of adaptable and agile members, CPA Ireland pivoted to virtual and contactless quality assurance of our firms and virtual operations in support of our complaints process. CPA Ireland engaged with members and students and responded to the immediate information needs with a dedicated COVID-19 resource, a CPD programme with an emphasis on what was urgent and important for members to perform their roles in a very different operating environment, supports for remote working, leading virtual teams and finding balance in the face of isolation. Some of these initiatives required investment to fund sustainable business improvements and Council supported appropriate investment in online assessment, in our learning management systems and in staff upskilling all with a view to building on these crisis response measures to reposition CPA Ireland for a very different future.

Some measures were also best approached through collaboration at both a national and a global level. Working with our peer professional bodies at CCAB-I, Accountancy Europe, The Edinburgh Group, and the International Federation of Accountants, we advocated strongly for the measures necessary to support the businesses we serve.

## **"Leading in a crisis is always a challenge."**



In 2020, CPA Ireland certainly benefitted from the input of volunteer members which informed and amplified the efforts of the executive and represented the concerns of members with clarity and authority. The switch from physical to virtual engagement also provided opportunities for even more volunteers to engage and this is a benefit that we would like to sustain into the future.

Crucially in 2020, the Council created the space and time to reassess the external environment and to re-imagine the future for CPAs in a world of accelerated change. This reassessment will lead to a reprioritisation of our strategic priorities to not alone ensure that CPAs remain relevant but to ensure that CPA Ireland is agile and transformative in terms of delivering value to members, students and stakeholders.

Some examples of that value are evident in our activities to support CPAs leading virtual teams, delivering training and adding competencies in a digital world, additional post qualification specialisms to enable CPAs and CPA firms specialise, grow service offerings and do better business all in a digital framework. CPA Ireland also enhanced its attractiveness to the next generation of talent through innovative brand promotion via digital channels.

In a year of crisis, CPA Ireland grew its membership, grew its new student intake and protected its finances. Crucially, CPA Ireland demonstrated the agility to innovate, deliver value and remain relevant to members – as evidenced through feedback and engagement. In many respects, we took advantage of the crisis to accelerate our plans in terms of online assessment, online education, and communication, auditor recognition in the UK, advocacy and international collaboration.

Of course, transformation is often described as a race without a finishing line and I can assure members that CPA Ireland is well positioned to build on our successes, to innovate, be agile and relevant and to deliver value in 2021 and beyond.

In closing, I must reflect on the talented and committed team at CPA Ireland all of whom were impacted by the shock of relocation, isolation and working from home. They quickly adapted, found optimism, learned new ways of work and communication and became productive and purposeful. They have thrived in a new reality, innovated, balanced work and life, and delivered for CPA Ireland. The Council has focused extensively on the health and wellbeing of our people and has provided all of the necessary supports to allow our people thrive.

Leading in a crisis is always a challenge. However, the effective culture that permeates through Council and the executive provides the trusting environment necessary to contemplate transformation, challenge the status quo and take bold steps to secure a sustainable future for CPAs and for CPA Ireland. I truly appreciate the adaptability, agility and resilience of members and how you have used your skills to preserve livelihoods. In doing so, you have lived up to a core purpose of CPA Ireland and truly protected the public interest. We will build upon the successes of 2020 but I dearly hope that we will also get to convene physically in 2021, network, socialise and engage as a community of CPAs.

*Eamonn Siggins*

**Eamonn Siggins**  
Chief Executive

# Re-imagining the Future for CPAs



# Brand

Create a brand for CPA Ireland to differentiate it in the market place, attract new students, gain the support of employers and communicate the quality and value of CPA Ireland to all stakeholders.



1



## **Brand Values:**

Forward Thinking,  
Credible,  
Assured and  
Open

## **Brand Tone of Voice:**

Supportive,  
Aspirational,  
Confident and  
Knowledgeable



**In 2020, CPA Ireland undertook several initiatives to promote the brand and define value propositions to all potential markets. Strategic communication plans were incorporated companywide to promote the values of forward thinking, credible, assured and open.**

### **Student Recruitment**

Attracting the brightest and best to CPA Ireland is one of our key objectives in order to grow the CPA community at home and abroad and 2020 saw a 7% increase in new student registrations. A broad range of marketing activity took place in 2020 including:

- Digital campaigns;
- Career events;
- Radio advertising; and
- Building relationships with key influencers

### **Digital Campaigns**

A new video was created to promote the new syllabus, the wide range of career opportunities and the global presence of CPA Ireland to attract new students.

The video was embedded in digital campaigns that ran throughout the year across all social media platforms, Facebook, LinkedIn, Instagram and Twitter.

In October, CPA launched focussed digital campaigns on RTE, Joe.ie, Her.ie, Independent.ie, Newstalk and ran radio advertisements on Spin FM. The purpose of this campaign was to promote the CPA qualification including the new syllabus to various target markets including graduates and ATIs.

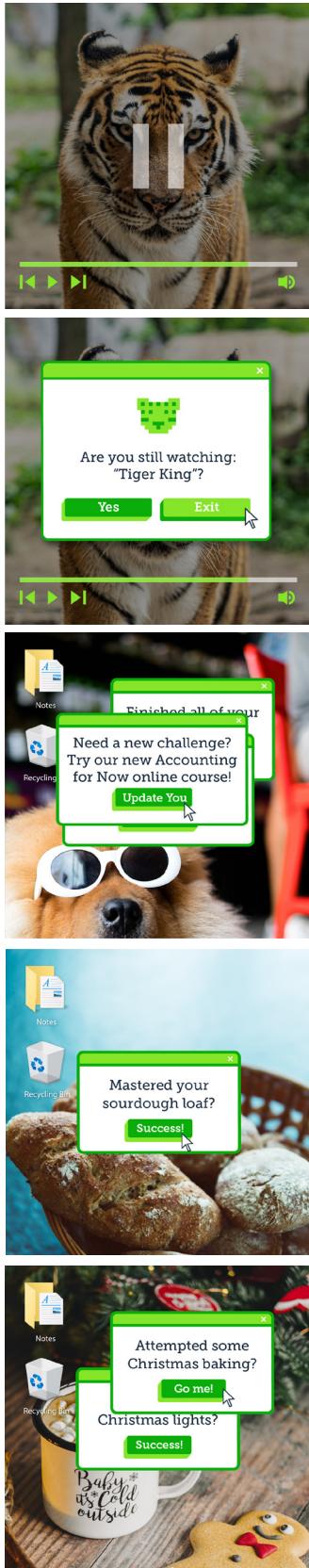
### **Sustainability for Future Business Leaders**



With sustainability being a key feature of our new syllabus it was important to highlight, to our key target markets, CPA Ireland as a leader in this space.

A three hour conference to showcase this achievement was held in November 2020. Speakers included, Mark Kramer, Harvard: Barry Kennedy, CEO, Irish Manufacturing Supply; Yvonne Holmes, Head of Sustainability, AIB; Deirdre McDonnell, Director of Education & Training, CPA Ireland and Geraldine Ruane, Chief Operating Officer, Trinity.





## Promoting Professional Development

At the beginning of 2020, CPA Ireland launched new CPD branding, and quickly adapted this branding for online events with the onset of COVID-19. The objective of this new branding was to appeal, not only to the CPA Ireland community but, to the wider accountancy community in Ireland. The new campaigns are relatable and highly relevant to the current online world.

We also paid close attention to our communication style with members and wider stakeholders to remain consistent with the CPA Ireland brand and tone of voice:

- **Supportive:** ensuring that the products created and communication of benefits are aligned to the wants and needs of members while being mindful of challenges that members were experiencing
- **Aspirational:** communication of benefits to ensure members are gaining the required professional development to succeed
- **Confident:** focus on language to engage members
- **Knowledgeable:** continued innovation in the development of services and products to attract the attention of members and other stakeholders

## Advocacy and PR

In 2020, CPA Ireland carried out a number of representations on behalf of members and gained media attention including:

- CPA report states more Government support needed to sustain SMEs long-term – RTÉ, 4 June
- CPA Ireland sponsor Irish Accountancy Awards – The Irish Times, 18 June
- John Devaney, President of CPA Ireland warns many SMEs won't make it out of lockdown without considerable Government supports – Irish Daily Mirror, 29 June
- Technology in accounting requires scepticism and ethics, Newstalk, 17 September
- CPA welcome the Government's firm commitment to SMEs announced in today's budget – Silicon Republic, 13 October
- Uptake of remote training across accountancy needs to increase – The Irish Times, 26 October
- The accountancy sector is undergoing a critical skills shortage – The Irish Times, 18 December



## Supporting Employers – Remote Working Initiatives

COVID-19 had a dramatic impact on how we work and in 2020 employers were and continue to be challenged in the area of remote working. Challenges presented themselves in the areas of recruitment, retention, onboarding and training of employees. 2020 also saw a huge surge in employer demand for solid core remote working skills, which are becoming increasingly invaluable to employers.

To support employers and trainees, a new online course, Trainee Remote, was launched. Kindly supported by Skillnet Ireland, it provides CPA students with the key skills needed to secure a trainee accountancy role and successfully work as a CPA Trainee in a remote setting.

### Skills include:

- Excel training;
- Communications skills;
- IT including remote working platforms;
- General ledger/Bookkeeping; and
- Practical ROS training

**7%**

Increase in new student registrations



**19%**

Increase in new users to [www.cpaireland.ie](http://www.cpaireland.ie)



**"2020 saw a huge surge in employer demand for solid core remote working skills, which are becoming increasingly valuable to employers."**



## Take your Business Anywhere with a CPA

In 2019, CPA Ireland carried out extensive research and found that CPAs advise over 100,000 businesses in Ireland and the 'Take your Business Anywhere with a CPA' campaign was rolled out in 2019.

In 2020, the economic impact of COVID-19 on businesses in Ireland was presenting itself and further digital campaigns to position CPAs as the go to advisors for businesses were run again in 2020.

# Product

Transform our product (pre and post qualification education) to exploit the advantages of online learning.



# 2





## New Syllabus - Ready to Face the Future of Accounting

In 2020, a new syllabus 'Ready to Face the Future of Accounting' was launched.

CPA Ireland undertook thorough and relevant research in a bid to gain insight into the future of finance and most importantly understand the future needs of businesses and employers.

With the introduction of the new syllabus, CPA Ireland is ensuring that the knowledge and skills our newly qualified CPA accountants will bring to the market, will help shape the future of the profession and that CPA members will continue to be well equipped, future fit and future ready for the changing world of accountancy and the evolution of the profession.

As automation and technology continue to drive changing business models, the role of accountants and auditors needs to rapidly evolve and adapt. The new syllabus addresses the impact of emerging and disruptive technologies, including Artificial Intelligence, Blockchain and Fintech. The introduction of these topics across various subjects on the syllabus and through the introduction of a completely new elective subject at our final level – Data Analytics for Finance allow CPA trainees bring the high demand data analytics skills to the market, in conjunction with their professional accounting qualification.

Sustainability Reporting has been introduced on both of the final level compulsory subjects; Advanced Financial Reporting, and Strategy and Leadership. It is our ambition that our students will be pioneers in the drive to increase sustainability reporting.

The CPA Ireland syllabus still retains at its centre the core accounting skills, the core tools of the professional accountant and auditor.

However, CPA students may specialise in at their final level in a combination of finance, audit, tax or data analytics. The syllabus is comprised of 3 Levels, Foundation, Professional and Strategic with various subjects covered at each level.

### CPA Foundation

- Financial Accounting
- Management Accounting
- Taxation
- Management Fundamentals

### CPA Professional

- Financial Reporting
- Performance Management
- Advanced Taxation
- Audit & Assurance
- Managerial Finance
- Corporate Law

### CPA Strategic

Compulsory Subjects:

- Advanced Financial Reporting
- Strategy & Leadership

### Electives (2 of 4)

- Advanced Tax Strategy
- Audit Practice & Assurance Services
- Strategic Corporate Finance
- Data Analytics for Finance

In summary, as the profession looks to the future and as expectations change about what it means to be an 'accountant', at CPA Ireland through our syllabus and training regime for our students, we are ensuring that our newly qualified accountants are equipped with the skills, behaviours and competencies required to be successful in the future business ecosystem.





**"As the importance and potential of big data emerges, the demand for accountants with big data skills increases. We want our students, through the study of this subject, to develop these highly sought-after analytical skills of capturing, interpreting and reporting on big data."**

## CPA Ireland and The Analytics Institute of Ireland - dual qualification for new CPA Graduates

As part of the new syllabus design, a new elective 'Data Analytics for Finance' was introduced as an elective on the Strategic Level. Newly qualified CPA Ireland accountants who take this elective will now have the opportunity to automatically be recognised as a Certified Business Data Analyst. This follows a new collaboration between CPA Ireland, and the Analytics Institute of Ireland.

As the importance and potential of big data emerges, the demand for accountants with big data skills increases. We want our students, through the study of this subject, to develop these highly sought-after analytical skills of capturing, interpreting and reporting on big data. In conjunction with the other core accounting skills and subjects like Strategy and Leadership, our students as they move through their careers and qualify as CPA accountants, can then strategically add value to this data.

The Analytics Institute has warmly welcomed this partnership with CPA Ireland. Data analytics is increasingly recognised as an essential element of business strategy. It is also widely seen as an important skillset for career development. Through this partnership, CPA Ireland and the Analytics Institute are preparing finance professionals to utilise data analytics to optimise business performance and to identify and mitigate risk.

CPA Ireland worked with Munster Technological University (MTU) to develop this subject. Working with MTU's leading academics in the fields of mathematics, data analytics and accounting, they have developed a course that will provide students with a comprehensive understanding of the theory and practice

of data analysis in the accounting and wider business domains. Students who complete this course will develop the skills to apply and interpret data-based initiatives that address real-world problems across many financial activities such as financial accounting, management accounting, taxation, auditing and corporate finance.

## Post Qualification Specialisms

In 2020 we launched a new programme, Advanced VAT for Accountants. This has proven to be very popular with our members in terms of numbers booking and the feedback on the course and presenters. We were delighted to add this programme to our constantly growing hub of post qualification specialisms which include diplomas in Tax, Forensic Accounting, Data Analytics, US GAAP, Governance of Charitable Organisations and FRS102.

All post qualification specialisms are available to complete online through our award winning learning management system, Canvas. A new and exciting development for the CPA Ireland Diploma in Data Analytics was the approval for dual membership with The Analytics Institute of Ireland for those who complete and pass the programme.

## Virtual Conferences

CPA Ireland hosted three virtual conferences during the year. The Annual Conference in particular was a wonderful success with truly exceptional speakers including, Pat McCann, CEO of the Dalata Group, Rebecca Harrison, MD of Fishers, a creative and intuitive small business owner, Catherine Moroney and Pedro Angulo from AIB as well as Tech Expert, Adrian Weckler, and The Positive Economist, Susan Hayes Culleton. Journalist and broadcaster, Dearbhail McDonald, was the perfect chair, engaging

## Professional Development



with each speaker on a hugely diverse range of topics.

### Future of Accountancy Event

The CPA Ireland Future of Accountancy event was a runaway success with fascinating insights from Mark Edmondson from Inflo, Rois Ni Thuama from Red Sift, Aynsley Damery from Clarity, Futurist, Matthew Griffin from 311 Institute, Na Fu from Trinity College and Conor Carmody from Strategic Solutions. The day covered topics on Artificial Intelligence, Cyber Security, Innovation, Future Technology, Ethics in Leadership and Innovation. We hosted the conference through Canvas with the aid of the Zoom video conferencing tool.

### Digital First Programme

In October we launched our first ever 'Digital First' programme, Accounting For Now. This course was created specifically for accountants in an online environment and is comprised of highly effective strategies for engaging our learners. The subjects selected for our inaugural digital first course provide updates on core topics for accountants as well as professional and business skills. We have engaged with subject matter experts to develop an exceptional learning experience for our members.

### Learning Channels

We have availed of a number of new learning channels to complete our CPD & Further Learning programme including Canvas, Webex, Zoom, Turn It In, Accredible and Articulate. We have introduced Digital Badges for a number of our post qualification specialisms allowing people to showcase their post qualification specialisms attained through CPA Ireland on their email signature and social media handles.

### CPA Ireland Skillnet

Many of the CPD courses and post qualification specialisms were funded, or part funded, by the CPA Ireland Skillnet network and we would like to acknowledge and thank Skillnet Ireland for their support throughout 2020. The funding received went towards developing and rolling out the new programme in Advanced VAT for Accountants as well as the hugely successful Future of Accountancy Event. We were delighted to welcome exceptional speakers from both at home and abroad throughout the year whose insights and advice proved invaluable.

The network focussed on the future of work in Ireland and how the CPD programme and post qualification specialisms could provide opportunities for upskilling and growth. Through additional funding provided in the second quarter of the year the network was able to provide multiple free webinars to members to keep them up to date on the most relevant issues in 2020 including Government and banking supports for businesses.



# Global

Be an acknowledged player on the global stage, building capacity, influencing policy, innovating in global education and building membership.



3





**"Being acknowledged as global enhances our brand and makes CPA Ireland attractive to next generation talent"**

### The accountancy profession is widely acknowledged as being a truly global profession.

CPA Ireland, as a national professional body with wide recognition, is a component part of the global profession and, despite the impact of the pandemic, continued to honour its global commitments in 2020.

CPA Ireland actively participated in the International Federation of Accountants, Accountancy Europe and in the Edinburgh Group and shared experiences with international colleagues.

Many of the themes impacting on the profession such as sustainability, standard setting, cyber, digital and attracting talent are universal in nature and are best responded to by retaining an international perspective whilst taking account of our national environment.

Throughout 2020, CPA Ireland has welcomed many international speakers to its CPD programme and the CPA Ireland Council has benefitted from virtual exchanges with leaders in the international profession.

CPA Ireland has also extended its strategic partnerships with our colleagues in the Association of National Accountants of Nigeria and the South African Institute of Professional Accountants as well as commencing a renewal of our partnership with CPA Canada.

CPA Ireland has participated in international virtual conferences including a Conference exploring the challenges for the Small to Medium Practices sector which was hosted by our colleagues in ICA India and attracted 100,000 participants.

Being acknowledged as global enhances our brand, makes CPA Ireland attractive to next generation talent, provides opportunities to CPAs to work or offer services in new markets and also provides an opportunity for international accountants moving to live and work in Ireland the opportunity to join CPA Ireland.

CPA Ireland also benefits from research projects completed by partner bodies and in 2020 learned from research such as the "My Firm. My Future" research completed by CPA Australia and CPA Canada's strategic initiative "Foresight: Reimagining the Profession".

Finally, Brexit brought change to how the audit profession is recognised between Ireland and the UK which led to a Memorandum of Understanding and Recognition Agreement between the respective regulators, IAAASA and the FRC leading to the recognition of the CPA Ireland qualification as an audit qualification in the UK.

Despite the prohibitions on travel, CPA Ireland remained connected to and involved in the global profession with consequent benefits for our members and students.



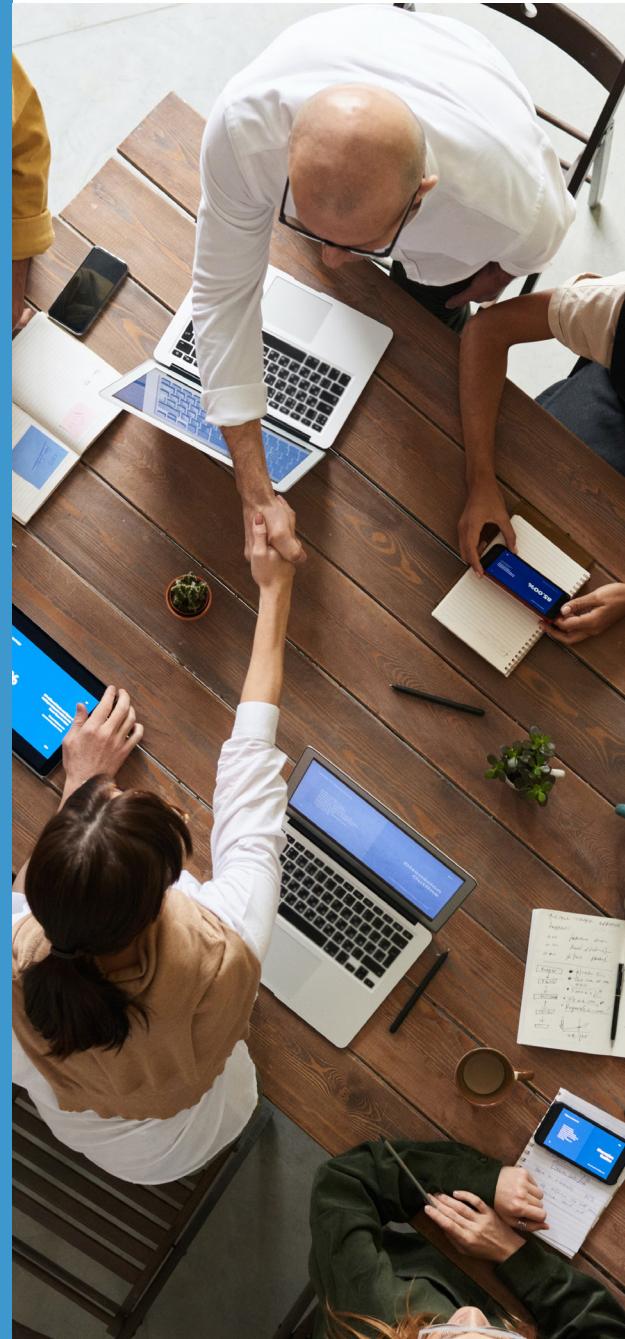
Pictured at a virtual meeting to agree the MRA extension between CPA Ireland and SAIPA are Eamonn Siggins, CEO, CPA Ireland; John Devaney, President, CPA Ireland; Shahied Daniels, CEO SAIPA and Kantha Naicker, Chairman of the Board at SAIPA.

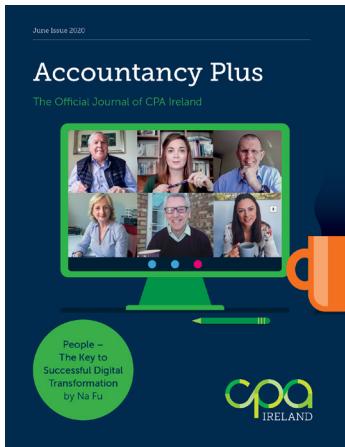
# People

Shift our strategy development mindset from one in which physical and financial resources dominate to a mindset in which competitive advantage can be built through the scarce resource of our valuable people and their tacit knowledge.



# 4





**"CPA Ireland sought to balance technical support with emotional support as a response to isolation, fragmented workplaces, anxiety and the challenge of finding new ways of working."**

## The CPA Ireland strategy has seen a shift in recent years from one in which physical and financial resources once dominated to one in which competitive advantage can be built through the resource of our valuable people and their tacit knowledge.

Throughout 2020, CPA Ireland supported and developed its people as members, students, staff, and other talented stakeholders experienced shock and uncertainty as relocation from the traditional workplace brought new pressures of balancing home, health, life and work. Achieving "essential business" status for many of the services which CPAs provide demonstrated the value that CPAs bring to society, to the businesses they serve and to the protection of livelihoods.

The non-traditional supports provided by CPA Ireland to assist the health, safety and wellness of our entire CPA community were well received as is evidenced by engagement and feedback. CPA Ireland sought to balance technical support with emotional support as a response to isolation, fragmented workplaces, anxiety and the challenge of finding new ways of working. Supports for finding employment, leading remote teams, training in a virtual world were all accelerated due to CPA Ireland's focus on people who were under pressure to deliver an essential service.

Council trusted the executive team with the autonomy to innovate, to imagine and to plan alternative channels to address the greatest concerns of our stakeholders.

One example of this is the investment in the delivery of online assessment, referred to elsewhere in this Report, which gave certainty to CPA students and delivered on CPA Ireland's purpose of facilitating access to the profession.

Council also supported our executive team to work productively and safely from home by investing in training, development, technology and in the supports necessary to maintain morale and purpose.

The efforts of top quality volunteers from Council, through Committees to Regional CPA Societies, amplified and resourced executive efforts, particularly in terms of advocacy, engagement with key external stakeholders and collaboration with peer professional bodies, all with the intention of protecting livelihoods through business supports, employment supports, the appropriate deferrals of deadlines and many other advocacy initiatives which relied on the expertise of our volunteers. These efforts brought change, addressed the concerns of members and delivered clarity.

Council has also ensured that our Council itself and our Committees represent the demographics of the membership and represent our global community of people. One positive to emerge from 2020 arises from the move from physical meetings to virtual meetings and how this has enabled more CPAs to come forward and offer their expertise for the benefit of the entire CPA Ireland community. This spirit of volunteerism reflects well on the people in the CPA Ireland community.

Throughout 2020, authors, CPD presenters, knowledge contributors and academics have demonstrated a willingness to be associated with an organisation that values people in the manner in which CPA Ireland does.

# Customer Centric

Offer a great personalised service  
to our stakeholders.



# 5



**Training Records**

Add Training Record Not Approved Approved Rejected CPA rejected Training Summary

**Add Training Details**  
Please add in your Training details.

Select Competence Area: Financial Accounting Select Area: Preparation of Basic Accounting Records

Select Subarea: Maintenance of Sales Ledgers

Select Level: Collect/Categorise/Analyse Enter in number of hours: 120

Time period: 2020 Q1 Jan - Mar

Mentor: Rachel Varvano  Send Email to your Mentor

**Save** **Clear**

[Send Records To My Email](#)

### Training Record system

### Welcome to your CPA Online Service

#### Your CPA Profile

Annual Subscription Fee Due [PAY ONLINE](#)

Name: Mr. James Murphy  
 Number: 031971  
 Address: Donegal Town Co. Donegal Ireland  
 Employer: XYZ Accountants Change

[Update your profile](#)

#### Online Training Records

Training Hours Awaiting Mentor Sign off: 500  
 CCA Training Hours Approved by CPA: 977  
 EvR Training Hours Approved by CPA: 220  
 Total Training Hours Approved by CPA: 1197

Next Training Record due date: 30 April

[View your training records](#)

#### Your Upcoming Exams

There are 4 exams in April 2021 you are eligible for. Closing date to register is the 5 March

Your level: Foundation

Exam Title	Exam Date	Attempts Left	Status
FINANCIAL ACCOUNTING	26/04/2021	4	Not Registered
MANAGEMENT ACCOUNTING	30/04/2021	4	Not Registered
MANAGEMENT FUNDAMENTALS	22/04/2021	4	Not Registered
TAXATION	28/04/2021	4	Not Registered

You have until Mar 2030 to complete your exams

[Register for exams](#)

### MyCPA Portal

## Online Exams

In 2020, in order to give certainty to CPA students and to provide for progression, CPA Ireland pivoted to remote hosting and invigilation of examinations which allowed candidates sit their examinations in safety during the pandemic. CPA Ireland absorbed the significant additional costs of running the examinations in an online format and did not pass this cost on to the student.

While COVID-19 accelerated the progress, it was always the intention, as part of the current CPA Ireland Strategy, to move towards an online exam environment in 2021 by enhancing the examination experience and availing of best in class technology.

As technological developments in this area continue to emerge, CPA Ireland will continue to invest in enhancements to the online examination platform, ensuring that the 2021 online exam experience will be leading edge and built around the needs of our CPA students.

## New Student Portal

The Education and Training team at CPA Ireland released a new version of the MyCPA student portal, which reflects the new CPA Ireland syllabus.

The MyCPA portal includes a new dashboard, incorporating a brand new "Progress to Date" page. Within this page students will find details of examination history, remaining examinations, along with the number of attempts remaining per subject. This page will also clearly display pre-requisite subjects, so students will know exactly which exams they are required to take, and in what order.

This new portal aims to make the CPA students' journey through their professional examinations more streamlined, facilitating review of their progress to date and planning for their progress ahead.

## Updates to the CPA Ireland Online Training Record System

As part of digitising processes for students, changes were made to the CPA Ireland online training record system. Due to feedback received, a number of new features were added that will make the maintenance and upload of training records more streamlined and less time consuming for both the CPA student and their mentors.

The CPA training record system is designed to encourage interaction between the CPA student and their mentor, to ensure that the student receives the required depth and breadth of training in their training environment. It is an output based model, that encourages meaningful reflection of the quality of the student's training and a tool to allow the student to approach their mentor and engage in meaningful dialogue regarding their training.

This ensures that the newly qualified CPAs arrive to market with thorough and in-depth practical training to compliment their professional examination success.

## COVID-19 Resource Hub



It is important to us in CPA Ireland that we communicate with our members in an effective, timely, consistent and clear manner. With the huge volume of essential and worrying information around COVID-19 and what it meant for Irish businesses and Irish accountants in 2020, we were very conscious of both the best channels for communication and the wording that we used. Our COVID-19 Resource Hub was quickly launched to provide support and the most up to date information on the ongoing crisis as well as a weekly emails highlighting the most important updates.



**"The Member Services department of CPA Ireland is focused on providing knowledge and support to our members."**

## Technical Queries in 2020

**309** technical queries from members



**24** 87% were answered **within 24 hours** (92% within 48 hrs).

## Understanding the Challenges Members Faced

The Member Services department of CPA Ireland is focused on providing knowledge and support to our members. During 2020 we provided more free training courses than in any other year. Webinars were provided free of charge on essential topics in relation to government and banking supports for businesses hit by COVID-19 including wage subsidy schemes, the impact on financial reporting, audit, liquidations, credit guarantee scheme and Budget 2021.

## Conferring Ceremony



One of the highlights of the year was the CPA Ireland Conferring Ceremony 2020. The achievements of our newly qualified accountants during such challenging times cannot be overstated. We were delighted to host a digital conferring ceremony for our newly qualified members that provided us with the opportunity to recognise each and every one of them and congratulate them on their success. CPA Ireland President, John Devaney, joined us from his home in Milton Keynes to formally admit each candidate as a member of CPA Ireland.

## Economic Report with Economist, Jim Power

Extensive research was carried out in 2020 to assess the economic impact of both COVID-19 and Brexit on both our members and the businesses they support. CPA Ireland collaborated with Economist, Jim Power to produce a report on these findings in November 2020.

At the time of the Report launch, Jim Power, stated "It is clear that COVID-19 has had a profound impact on the vast majority of SMEs. COVID-19 has altered the whole environment in a dramatic fashion and while our collective optimism about a vaccine is growing, the bottom line is that many SMEs are now under considerable pressure and will need as much assistance as possible for as long as possible".

"There are many long-term and strategic challenges facing SMEs post COVID-19 including adapting to an increasingly virtual trading environment, sustainability planning, a continued shift towards remote working and an overall weaker economic demand.'

A copy of the report and findings can be found on the CPA Ireland website.

# Protecting the Public Interest



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.

CPA Ireland aims to carry out its statutory obligations in a manner which is balanced and proportionate, promotes quality by supporting members and firms, and is underpinned by appropriate and dissuasive penalties and sanctions.

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 to 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 as amended 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.

During 2020, the CPA Ireland discharged its regulatory obligations in the following areas:

## Registration And Licensing

2020 saw the issue of a revised Bye Law 13, Practice and Audit Regulations, which provided for revisions to reflect changes in legislation and most significantly changes to the training requirements for those members wishing to become statutory auditors.

The revised Bye Law also provides for a more streamlined re-application process for those considering re-entering public practice, allowing for ease of re-entry into practice.

The Registration Committee issued guidance for audit applicants entitled "Guidelines – Audit Competency" to provide a clear eligibility framework for those members considering an application for statutory auditor status. The framework focuses on the achievement by an applicant of a certain level and depth of competency in key areas such as technical competence, professional skills, values, ethics and attitudes.

## Licensing Numbers at 31st December 2020

- ✓ **670**  
Practising certificate holders
- ✓ **319**  
Auditing certificates
- ✓ **233**  
Non-audit firms
- ✓ **412**  
Statutory auditors
- ✓ **74**  
Investment business firms

**66**  
onsite or remote  
visits were  
conducted in  
2020

**62**  
AML inspections  
of CPA regulated  
firms were  
conducted

## Quality Assurance

CPA Ireland's quality assurance process endeavours to ensure that CPA member firms maintain an appropriate level of professional standards in the performance of their duties and in the provision of services to clients. The process is conducted in accordance with Bye Law 7, Quality Assurance and the Companies Act 2014.

In 2020 due to the impact of COVID 19 and in line with Government advice, the CPA quality assurance process moved to an offsite process and Bye Law 7, Quality Assurance was revised accordingly.

66 onsite or remote visits were conducted in 2020. Of these, 82% were found to be conducting their work to an acceptable standard, the remainder being subjected to further regulatory action. The process engaged with all firms to ensure that issues identified were addressed expeditiously. For more detailed information on the results for 2020, please visit the quality assurance resource on the CPA website.

## Anti Money Laundering Activities

CPA Ireland is recognised as a competent authority under S.60 of the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010 as amended, and under this legislation is required to effectively monitor and take measures that are reasonably necessary for the purpose of securing compliance by its members with the requirements of the Act.

To this end, the discharge of CPA Ireland's anti money laundering and terrorist financing (AML/TFS) responsibilities as a competent authority is conducted primarily through the following functions;

- Issue and renewal of practising certificates
- Quality Assurance process

- Provision of an AML information resource and CPD programme
- Investigation and disciplinary process

In 2020, 62 AML inspections of CPA regulated firms were conducted. These reviews incorporated a review of firms' compliance with AML/TFS requirements. 89% of firms inspected were considered satisfactory in terms of their compliance with AML obligations, the remainder being subject to further regulatory action.

## Investigation and Disciplinary Activities

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 and disciplinary and appeal tribunal hearings are held in public.

During 2020, as part of a continuous improvement, revisions to Bye Law 6 on discipline were implemented with effect from 1 January 2020 and included clarifications on the closing of complaints by the Secretary at the early stage in the process and revisions to the appeal process. The publication policy was revised with effect from 1 July 2020, the register of findings and orders was published on the website and improvements recommended by IAASA following their onsite review in 2019 were implemented.

In light of the COVID-19 pandemic, all investigation and discipline activities moved to remote environment during 2020. CPA Ireland received 16 new complaints and 14 complaints were concluded. Adverse findings were made in 7 cases, 3 by consent order issued by the Investigation Committee and 4 by Disciplinary Tribunal.

# Council & Other Information

## Members of Council



John Devaney (President)  
Áine Collins (Vice President)  
Mark Gargan (Vice President)  
Brendan Brady  
Nano Brennan  
Barry Clarke  
Gillian Cregan  
Clodagh Henehan  
Enda Jordan  
Michael Kavanagh  
Cormac Mohan  
Gearóid O'Driscoll  
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

The Directors are pleased to submit the 78th Annual Report of the Council and the Financial Statements for the year ended 31 December 2020.

The surplus for the financial year amounts to €235,377 (2019 €135,942).

## Risks and Uncertainties

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 high risk items identified in 2020 included Brexit and the consequence of no deal, the increased potential liabilities arising from legal changes to IAASA's regulatory process, reputational damage to the Institute, and the unprecedented impact of the Covid-19 pandemic.

The Covid-19 pandemic materialised as the major risk, presenting a serious continuing and evolving risk to our operations and the wider economy. It threatened the Institute's financial stability, compromised our business operations and put examination process at risk, as well as threatening the livelihood of our members.

Initially this impacted on our 2020 Q2 performance with the deferral of the April Exams, necessitating an earlier than planned movement to an online assessment solution, and to the cancellation of CPD events including our major conferences which had been planned as physical events.. A re-alignment of services and supports quickly turned this threat into a challenge which CPA Ireland accepted, responding with virtual services and supports which were well received and supported by members and students, leading to an improved financial performance in 2020 H2. As the pandemic continues to evolve so we continue to measure the risks and take measures to ensure the financial stability of the Institute and continued delivery of improved services to our members and students.

## President and Vice-Presidents

At a meeting of Council on 14 February 2020, John Devaney was elected President and at a meeting on 29 April 2020, Áine Collins was re-elected Vice President and Mark Gargan 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 three non-members. Council met on 9 occasions in 2020.

## Principal Activity

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.

## Directors

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

Brendan Brady, CPA

Nano Brennan, FCPA

Barry Clarke, FCPA

Aine Collins, CPA

Gillian Cregan, FCPA

John Devaney, CPA

Mark Gargan, FCPA

Clodagh Henehan, CPA

Enda Jordan, CPA

Michael Kavanagh, CPA

Cormac Mohan, CPA

Gearóid O'Driscoll, FCPA

Richard O'Hanrahan, FCPA

Michael O'Regan, FCPA

Brian Purcell, CPA

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: -

- Brian Purcell

- Gearóid O'Driscoll

The following Director is retiring by rotation and is not going forward for re-election: -

- Enda Jordan

The following Director has tendered her resignation from Council:

- Nano Brennan

The following valid nominations for election to Council have been received:

- Carla Manning
- Lorraine O'Flynn

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

## Subsequent Events

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

## 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.

## Statement on Relevant Audit Information

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

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

## On Behalf of the Directors:



John Devaney CPA  
Director and Council Member

Dated: 31st March, 2021



Clodagh Henehan CPA  
Director and Council Member

# Financial Statements 2020

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# Directors' responsibility 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 31st March, 2021 and signed on its behalf by:



**John Devaney CPA**  
Director and Council Member



**Clodagh Henehan CPA**  
Director and Council Member

# Independent auditor's report

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

## Report on the audit of the financial statements

### Opinion

We have audited the financial statements of The Institute of Certified Public Accountants in Ireland ('the Company') for the financial year ended 31 December 2020, 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 their preparation is Irish Law and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued in the United Kingdom by the Financial Reporting Council.

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 2020 and of its financial performance for the financial year then ended;
- 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 described below in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the Company in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### Other information

The directors are responsible for the other information in the annual report. The other information comprises the information included in the annual report other than the financial statements and our auditor's

# Independent auditor's report

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

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.

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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2014

In our opinion, based on the work undertaken in the course of the audit, we report that:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are 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, and the financial statements are in agreement with the accounting records.

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

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

The Companies Act 2014 requires us to report to you if, in our opinion, the requirements of any of sections 305 to 312 of the Act, which relate to disclosures of directors' remuneration and transactions are not complied with by the Company. We have nothing to report in this regard.

## Respective responsibilities

### Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement on page 31, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

# Independent auditor's report

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

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, if 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 have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Irish Auditing and Accounting Supervisory Authority's website at: <http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description%20of%20auditors%20responsibilities%20for%20audit.pdf>. This description forms part of our auditor's report.

## 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

Dated: 31st March, 2021

# Income statement

For the Financial Year Ended 31 December 2020

	Note	2020	2019
		€	€
<b>Income</b>	5	4,049,617	4,444,808
Administration expenses		(3,154,076)	(3,508,286)
Other operating expenses		(692,701)	(727,820)
Other operating income	6	156,005	60,088
		(3,690,772)	(4,176,018)
 <b>Operating surplus</b>	7	 358,845	 268,790
Interest receivable		81	81
Interest payable and similar charges	8	(120,133)	(125,857)
<b>Surplus on ordinary activities before taxation</b>		<b>238,793</b>	<b>143,014</b>
Tax charge on surplus on ordinary activities	9	(3,416)	(7,072)
<b>Surplus for the financial year</b>	16	<b>235,377</b>	<b>135,942</b>
<b>Total Comprehensive Income for the year</b>		<b>235,377</b>	<b>135,942</b>

# Statement of financial position

As at 31 December 2020

	Notes	2020	2019
		€	€
<b>Fixed assets</b>			
Intangible assets	10	110,016	148,848
Tangible assets	11	9,502,400	9,610,634
<b>Total fixed assets</b>		<b>9,612,416</b>	<b>9,759,482</b>
<b>Current assets</b>			
Debtors	12	512,648	406,725
Prize bonds		190	190
Cash and cash equivalents		1,436,831	1,024,868
<b>Total current assets</b>		<b>1,949,669</b>	<b>1,431,783</b>
Creditors: amounts falling due within one year	13	(983,822)	(773,540)
<b>Net current assets</b>		<b>965,847</b>	<b>658,243</b>
<b>Total assets less current liabilities</b>		<b>10,578,263</b>	<b>10,417,725</b>
Creditors: amounts falling due after more than one year	14	(4,412,461)	(4,487,300)
<b>Net assets</b>		<b>6,165,802</b>	<b>5,930,425</b>
<b>Reserves</b>			
Accumulated surplus	16	6,165,802	5,930,425

Approved by the Board of  
Directors on 31st March, 2021  
and signed on its behalf by:

  
John Devaney CPA  
Director and Council Member

  
Clodagh Henehan CPA  
Director and Council Member

# Statement of changes in equity

For the Financial Year Ended 31 December 2020

	Accumulated Surplus Account
	€
At 1 January 2019	5,794,483
Surplus for the year	135,942
<b>At 31 December 2019</b>	<b>5,930,425</b>
At 1 January 2020	5,930,425
Surplus for the year	235,377
<b>At 31 December 2020</b>	<b>6,165,802</b>

# Statement of cash flows

For the Financial Year Ended 31 December 2020

	2020	2019
	€	€
<b>Cash flows from operating activities</b>		
Operating surplus for the financial year	358,845	268,790
Adjustments for:		
Amortisation of intangible assets	38,832	48,174
Depreciation of property, plant and equipment	220,196	218,704
(Increase)/decrease in trade and other receivables	(105,923)	107,067
Increase in trade payables	210,282	34,478
<b>Cash from operations</b>	<b>722,232</b>	<b>677,213</b>
Interest paid	(120,133)	(125,857)
Tax paid	(3,416)	(10,253)
<b>Net cash generated from operating activities</b>	<b>598,683</b>	<b>541,103</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(111,962)	(58,099)
Interest received	81	81
<b>Net cash from investing activities</b>	<b>(111,881)</b>	<b>(58,018)</b>
<b>Cash flows from financing activities</b>		
Repayment of borrowings	(74,839)	(253,007)
Net cash used in financing activities	(74,839)	(253,007)
<b>Net increase in cash and cash equivalents</b>	<b>411,963</b>	<b>230,078</b>
Cash and cash equivalents at beginning of year	1,024,868	794,790
<b>Cash and cash equivalents at end of year</b>	<b>1,436,831</b>	<b>1,024,868</b>

# Notes to the financial statements

For the Financial Year Ended 31 December 2020

## 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 on the going concern basis and in accordance 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.

### 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.

# Notes to the financial statements

For the Financial Year Ended 31 December 2020

## 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.

## 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.

# Notes to the financial statements

For the Financial Year Ended 31 December 2020

## 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.

The company also received government grant support by way of the Temporary Wage Subsidy Scheme for Q2 of 2020 and this has been accounted for on an accruals basis and included in other income in the income statement.

## 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 funds. 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 S.18.18H. 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.

## 5. Income

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

# Notes to the financial statements

For the Financial Year Ended 31 December 2020

## 6. Other operating Income

	<b>2020</b>	<b>2019</b>
	€	€
Government Grant - TWSS	109,985	-
Rental Income	46,020	60,088
	<b>156,005</b>	<b>60,088</b>

## 7. Surplus before taxation

	<b>2020</b>	<b>2019</b>
	€	€
The surplus before taxation is stated after charging:		
Directors' emoluments	-	-
Amortisation of intangible assets	38,832	48,174
Depreciation of tangible assets	<b>220,196</b>	<b>218,704</b>

## 8. Interest payable and similar charges

	<b>2020</b>	<b>2019</b>
	€	€
On bank loans and overdrafts	<b>120,133</b>	<b>(125,857)</b>

## 9. Taxation

	<b>2020</b>	<b>2019</b>
	€	€
<b>Current year taxation</b>		
Corporation tax @ 25% on passive income	<b>3,416</b>	<b>7,072</b>

# Notes to the financial statements

For the Financial Year Ended 31 December 2020

## 10. Intangible Fixed Assets

	Website Development	Programme Development	Total
Cost	€	€	€
At 1 January 2020 and 31 December 2020	194,151	74,988	269,139
<b>Depreciation</b>			
At 1 January 2020	45,303	74,988	120,291
Charge	38,832	-	38,832
At 31 December 2020	84,135	74,988	159,123
<b>Net Book Values</b>			
At 31 December 2020	110,016	-	110,016
At 31 December 2019	148,848	-	148,848

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

# Notes to the financial statements

For the Financial Year Ended 31 December 2020

## 11. Tangible Fixed Assets

	Land & Buildings	Equipment, Fixtures & Fittings	Total
Cost	€	€	€
At 1 January 2020	11,128,864	1,549,637	12,678,501
Additions	-	111,962	111,962
Disposals / scrapped	-	(145,617)	(145,617)
At 31 December 2020	11,128,864	1,515,982	12,644,846
<hr/>			
<b>Depreciation</b>			
At 1 January 2020	1,675,741	1,392,126	3,067,867
Charge	142,575	77,621	220,196
Disposals / scrapped	-	(145,617)	(145,617)
At 31 December 2020	1,818,316	1,324,130	3,142,446
<hr/>			
<b>Net Book Values</b>			
At 31 December 2020	9,310,548	191,852	9,502,400
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At 31 December 2019	9,453,123	157,511	9,610,634
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# Notes to the financial statements

For the Financial Year Ended 31 December 2020

## 12. Debtors

	2020	2019
	€	€
Debtors (due within one year)	510,248	404,280
Corporation tax refundable	2,400	2,445
	<b>512,648</b>	<b>406,725</b>

## 13. Creditors: amounts falling due within one year

	2020	2019
	€	€
Bank Loan (see note 15)	261,689	253,120
Subscriptions in advance	319,960	192,881
PAYE / PRSI	58,225	61,792
Creditors and accruals	343,948	265,747
	<b>983,822</b>	<b>773,540</b>

## 14. Creditors: amounts falling due after more than one year

	2020	2019
	€	€
Bank loan (see note 15)	4,412,461	4,487,300

## 15. Details of Borrowings

	Within 1 year	Between 1 & 2 years	Between 2 & 5 years	After 5 years	Total
<b>Repayable</b>	€	€	€	€	€
<b>By Instalments</b>					
Bank Loans	261,689	542,245	867,054	3,003,162	4,674,150

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

# Notes to the financial statements

For the Financial Year Ended 31 December 2020

## 16. Reserves

	2020	2019
	€	€
Retained surplus at beginning of year	5,930,425	5,794,483
Surplus for the year	235,377	135,942
Retained surplus at end of year	<u>6,165,802</u>	<u>5,930,425</u>

## 17. Employee information

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

	2020	2019
	Number	Number
Administration	31	31

## Staff costs

	2020	2019
	€	€
Wages and salaries	1,553,377	1,731,712
Social welfare costs	189,250	181,744
Employee Benefits - TWSS	109,985	-
Retirement benefits - defined contribution plans	160,328	166,015
	<u>2,012,940</u>	<u>2,079,471</u>

## 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 5 (2019: 6).

	2020	2019
	€	€
Total key management compensation	<u>688,969</u>	<u>743,451</u>

## 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 2020

## 18. Capital commitments

The Institute had outstanding commitments for building renovations of €214,030 as at 31st December 2020.

## 19. Comparative figures

Comparative figures have been regrouped and presented on the same basis as current year.

## 20. Events after the reporting period

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

## 21. Approval of financial statements

The financial statements were approved by the board of directors on 31st March 2021.



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