



CERTIFIED
PUBLIC
ACCOUNTANTS



2013

annual report

*The Institute of Certified
Public Accountants in Ireland*

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Public Accountants in Ireland*

Annual Report 2013

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As CPA Ireland evolves and progresses, it is critical that our organisation remains relevant and vital.

The beginning of my Presidency saw the launch of a new brand identity based on our core values of Openness, Assurance and Progression. The CPA qualification opens a wide range of business opportunities for students, members and employers.

It assures students and members of an internationally recognised qualification and employers of progressive, pragmatic individuals capable of making a broad contribution to business. CPA Ireland is an Irish body, operating globally. The CPA designation is one of the best known accounting

designations worldwide and our members are qualified to operate in any jurisdiction internationally.

I believe our new brand identity, specifically it's refreshed colour palette, sense of space, modern open type face and creative reference to the bridge of our old logo, gives us a forward-looking, energized identity. CPA Ireland allows us to trade on our sense of 'Irishness', while placing us firmly on the international stage.

As CPA Ireland President, I am very proud to represent an Institute of over 5,000 members and students working globally alongside and within businesses every day, contributing collectively towards an economic recovery. As a business owner, I am also genuinely optimistic about a long hoped for recovery.

The main engine of employment and jobs growth in the economy continues to be the SME sector.

CPA Ireland takes pride in the supports it offers to the greater business community. This year saw the launch of the Institute's new look

website with lots of helpful, freely available resources for business. For example, the CPA Ireland Business Tracker is a web-based App, which automatically calculates financial ratios to measure a company's performance. Also accessible via the site is a free series of twenty minute CPA Ireland Skillnet webinars; the Taking Charge of Your Business resource covers a variety of topics, including Cash Flow Management, Recruitment, Marketing, HR and Risk.

Similarly, the Institute's long running initiative, the Simple Facts of Accounting Bulletins in conjunction with the Small Firms Association, helps business owners understand complex accountancy and regulatory issues and the impact on day-to-day business.

Finally, for job seekers, CPA Ireland JobSearch lists jobs for qualified and part qualified accountants in companies around Ireland. And of course, the CPA Ireland Skillnet Career Link programme continues to go from strength to strength.

The past year has seen lots of

changes for our members in practice, with a considerable amount of new legislation and regulation compressed into a relatively short period of time. Accountants in industry have had to contend with the new FRS102 standard. The Companies Bill, yet to be finalised, is one of the largest single pieces of legislation in the history of the State. There is much to be welcomed in the Bill including a simplification of company law with a focus on 'think small first'. The profession continues to lobby on the recognition of the term 'Accountant' and is

still hopeful that the Bill will be amended to protect the term 'Accountant'. The Single European Payments Area was also introduced in February 2014.

Practitioners are answerable to an increasing number of regulators, from the newly formed Insolvency Service to the Central Bank, along with the demands of their own member body. CPA Ireland has always been a proponent of proportionate regulation and cutting of unnecessary red tape. We will continue to support our

members with regular updates and monitor this area with interest.

As my term as CPA Ireland President comes to a close, I would like to wish my successor, Cormac Fitzgerald, the very best of luck for his coming year. I would also like to thank the staff of the Institute and members of Council for their advice and support. And finally, I wish my fellow members every success for the future and know that you will continue to uphold the reputation and good standing of CPA Ireland at home and abroad.



Joe Aherne
President, CPA Ireland

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I am very proud to represent an Institute of over 5,000 members and students working globally alongside and within businesses every day..

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provided adequate resources, human and financial, to support the Institute's operational plan.

in 2013. This includes the signing of Memorandums of Understanding with CPA Bulgaria and the Association of National Accountants of Nigeria (ANAN).

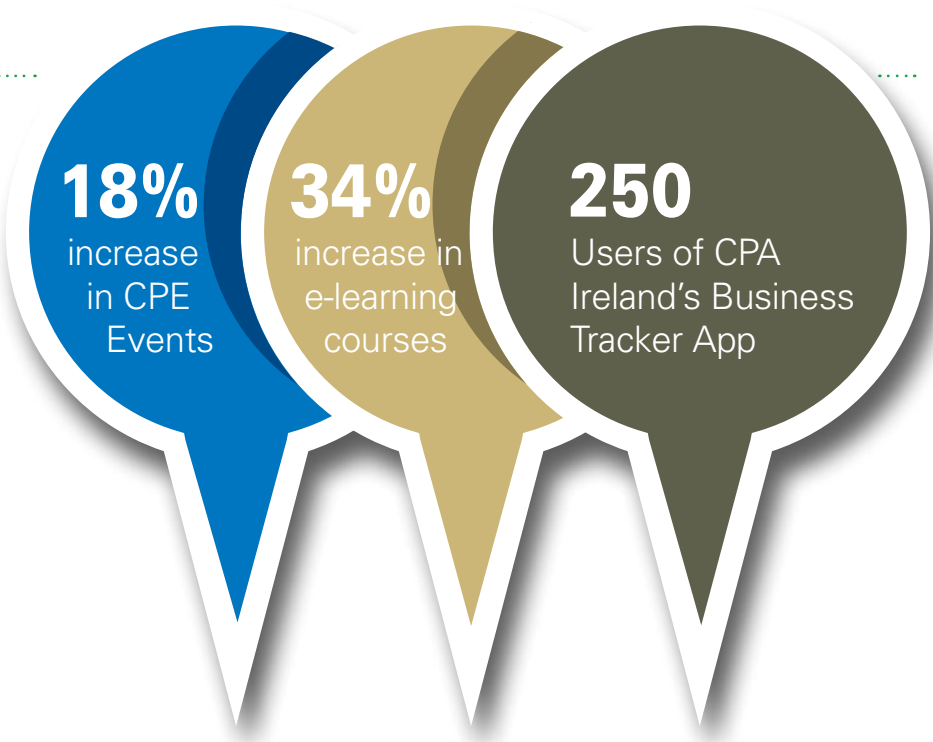
CPA Ireland has made great progress in its World Bank Contract in Mozambique with OCAM, where the Institute is assisting in the establishment of a new national accountancy body in the country, including the development of all the legal, institutional and governance structures in line with international best practice.

Throughout 2013, CPA Ireland's Council carefully monitored the implementation of strategy by the executive team and

CPA Ireland is part of a growing international community and our members work in 40 countries worldwide. As an accountancy body, we continue to develop our reputation on a global scale, which is reflected in the Institute's international accomplishments

Key Performance Indicators 2013	Membership	▲	3869	▶	3929
	Students	▼	927	▶	885
	New Students	▲	173	▶	176
	Audit Firms	▲	361	▶	371
	Practising Certs	▲	572	▶	581
	Educators (Active)	●	9	▶	9*
	Approved Employers	▲	136	▶	151
	CPE Events	▲	123	▶	145
	CPE Attendees	▲	4919	▶	5472
	Technical Queries	▲	730	▶	761

* Including distance and e-learning from Griffith College



Members of CPA Ireland have represented Ireland and the Institute on an international scale as well this year, with Past President and Council Member, Gail McEvoy appointed as a Board Member to the International Federation of Accountants (IFAC).

CPA Ireland is a progressive and innovative body, which is reflected in the great strides the Institute has made in its digital and online output. It was the year that launched the Institute's redesigned website, the CPA Ireland Business Tracker App, the advent of online examinations and the growth in online CPE courses.

We were delighted to welcome the Head of Google in Ireland, John Herlihy, to CPA Ireland's Annual President's Dinner at Trinity College Dublin. John's address was very insightful and gave those in attendance much 'pause for thought' in terms of the accountant's role as strategic business adviser in helping our client companies take advantage of digital opportunities.

The main operational highlights are described over the following areas; Business Development, Education & Training, Member Services, Continuous Professional Education, Technical Services and Professional Standards.

Business Development

In 2013, the main focus of the Business Development Department was on building the CPA Ireland brand and driving student recruitment, both nationally and internationally.

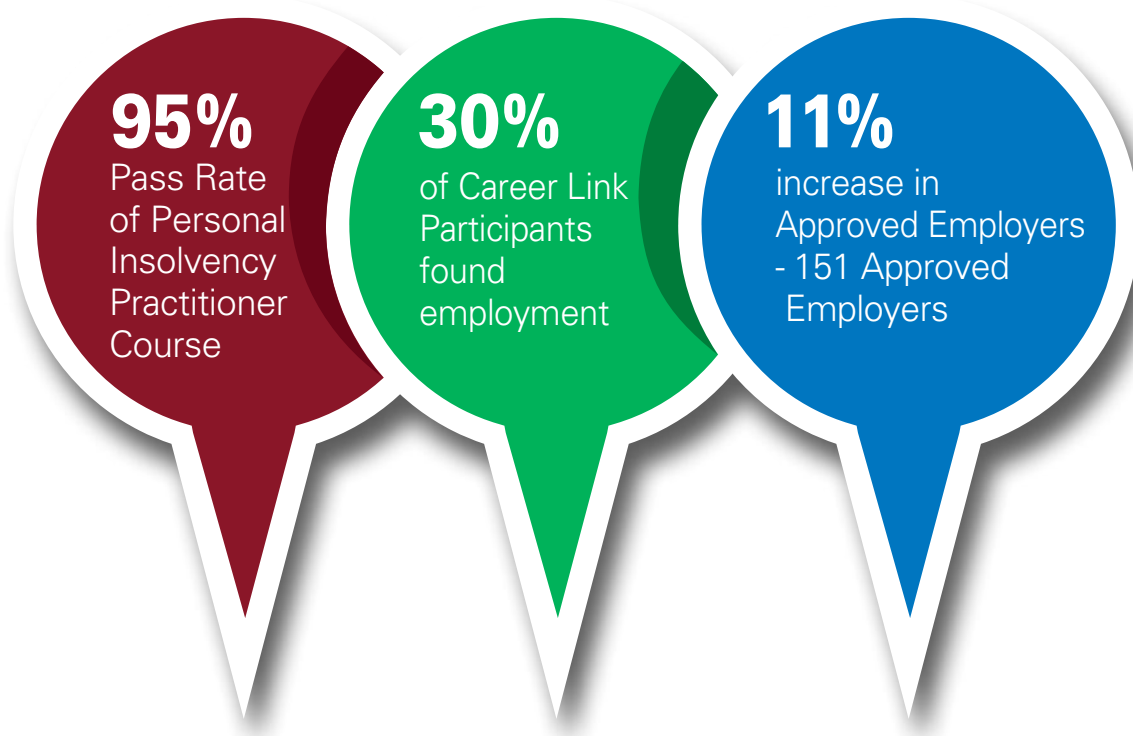
In 2013, CPA Ireland's marketing strategy changed from a 'one size fits all' national campaign to targeted regional activity, carried out in co-operation with local stakeholders. Marketing, matched by a dedicated sales effort, worked together to achieve maximum sales impact. Bringing the marketing closer to the sales effort and collaborating with educators and approved employers allowed us a marginal increase in student recruitment from 173 to 176 in what continues to be difficult market conditions.

The 2013 CPA Ireland recruitment campaign, 'CPA Ireland – A Career Move Worth Making' ran throughout April, June, August and September on radio, in press

and online. We would like to thank approved employers Glanbia, Insomnia, Microsoft, Morgan McKinley and State Street for their assistance in developing the advertisement and continued support for CPA recruitment.

The CPA Ireland Student Development Award continues to be a facilitator for prospective students to pursue their goal of becoming a professional accountant. The award is a way of providing prospective students with an opportunity to pursue their CPA studies in a time when continued education can be hindered by financial difficulties.

This year, the €5000 student bursary was awarded to Charlene Foley from Dungarvan, Co. Waterford. Runners-up, Michael O'Connor from Enniscorthy, Co. Wexford and Mairead O'Shea from Ardahan, Co. Galway, both received a €1000 towards their CPA studies, sponsored by CPA Ireland and Big Red Book, respectively. The finalists were



judged by CPA Ireland President, Joe Aherne, CEO of Big Red Book, Marc O'Dwyer and Vice President in Skills Training at State Street, Alex Fisher.

CPA Ireland unveiled its new look website this year, complete with the CPA Ireland Skillnet Job Search facility and a business and careers resource section. The new website provides our members, students, prospective CPAs, business owners and the public with an easy-to-use website, with information rich content in an easy to use format.

The JobSearch facility was also significantly enhanced during the year with the help of CPA Ireland Skillnet funding. This is regularly updated with job vacancies for qualified and part qualified accountants.

Social media is a significant part of CPA Ireland's communications and provides the Institute with

an ideal platform to communicate with our members, students, prospective students and members of the public through various different mediums. CPA Ireland is represented on Facebook, Twitter, Google Plus, Youtube and most recently, Pinterest. The Institute hopes to continue to enhance its online profile in 2014.

The CPA Ireland Business Tracker App was launched in May 2013. This free web-based App helps entrepreneurs and business owners to monitor their company's finances and to automatically calculate and track financial ratios. The App is a collaboration between CPA Ireland, App developer Razor and Small Business Can and was a finalist in the 2014 Samsung Digital Awards in the Innovation in Financial Services category. 250 users have signed up to date.

The development of the Business

Tracker App and the continued update and maintenance of the 'Taking Charge of Your Business' webinar resource are both funded by CPA Ireland Skillnet.

CPA Ireland took part in Movember for the first year ever and raised €1405 for the charity. Special congratulations to student Pat O'Callaghan and member Pat Murray, who led the fundraising effort and many thanks to all who supported the team.

Education & Training

The Education & Training Department continued to support and assist students of the Institute in 2013. The Department's priority is to ensure that education remains at the highest possible standard and that CPA students receive the help and support they need throughout their studies, examinations and training.

The Institute prides itself on the high standard of its Approved Educators. In 2013, CPA Ireland welcomed two new Approved Educators, the Western Management Centre in Galway and the CPA Academy in Sri Lanka.

CPA Ireland advanced its online offering further in 2013, with examinations being completed online for students in the Certificate in Business and Accounting and Formation 1 Stage in May and December for the first time in the Institute's history.

In 2013, CPA Ireland awarded a certificate to the first of its students in the online CPA Certificate in Business and Accounting programme. Bernie Moran from Citywest, Dublin was presented with her Certificate at the Annual Conference held at the Carton House, Kildare. Bernie studied

through CPA E-Learning with Griffith College Dublin.

Training is a crucial part of becoming a professional accountant. The Approved Employer Programme provides a quality framework for CPA students and we are pleased with its continued growth in 2013, with a total number of 151 employers.

In 2013, CPA Ireland proactively contacted past students to encourage them to recommence their CPA studies. Two day workshops were held in Cork and Dublin, which covered the areas of Taxation, Law, Ethics, Financial Accounting, Auditing and Governance. This initiative was funded by CPA Ireland Skillnet and resulted in a number of students successfully recommencing their studies. This initiative will be repeated in 2014.

The Institute would like to

congratulate all the CPA Ireland student prizewinners in 2013 and recognise the academic excellence they achieved in their accountancy studies. Full details of all 2013 prizewinners can be found [here](#).

Finally, the Education & Training Department would like to welcome Carol Dooley as one of the newest members to the CPA Ireland team. Carol, who is originally from Kildare, has been appointed to the Education & Training Department as Student Development Executive.

Member Services

The Institute supports and assists CPA Ireland members, both at home and abroad. Services range from general support and advice to the provision of professional education ensuring CPAs remain at the leading edge of their profession.

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CPA Ireland unveiled its new look website this year, complete with the CPA Ireland Skillnet Job Search facility and a business and careers resource section.

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In 2013, CPA Ireland ran a number of successful training and professional education courses, including the Certified Tax Adviser (CTax) qualification and the Personal Insolvency Practitioner (PIP) course.

CPA Ireland Skillnet also ran its very successful "Career Link" programme in Dublin and Cork. This course enables relevant accountants to update their knowledge and enhance their skills in a number of key areas, giving them a distinct advantage when seeking employment. Approximately 30% of those who participated in the programme had progressed into employment by the end of 2013.

The third cohort of the Certified Tax Adviser (CTax) qualification began in September 2013. During the year, the second cohort of 55 Certified Tax Advisers qualified, and a further 88 participants commenced the 2013/2014 programme in Dublin and Cork. Participants of the course continue to be extremely positive about its benefits and advantages for their career.

2013 saw the launch of the first Personal Insolvency Practitioner (PIP) course. This comprehensive 2 day course delivered by CPA Ireland in

partnership with ACCA and CIMA, provided delegates with the required knowledge and information to apply to the Insolvency Service of Ireland to become a PIP. A total of 173 people participated in Dublin and Cork and 153 sat the final exams, with a pass rate of approximately 95%.

CPA Ireland further developed its library of publications in 2013, with the launch of the CPA Ireland Skillnet "Quick Guide to FRS 102". The Institute also increased its range of audit packs, with the launch of the new CPA Ireland Skillnet OMC Audit Programme. This was designed to complement the current CPA audit programme offering for practitioners undertaking a statutory audit of an owner management company.

The Institute was delighted to welcome its first member through the Mutual Recognition Agreement with ICA India in 2013. Babu Vellathazhathi Joseph was presented with his certificate of membership at the 2013 Practitioners Conference, held in Carton House, Co. Kildare.

Continuing Professional Education (CPE)

The Member Services Department

increased the number of Continuing Professional Education (CPE) courses in 2013 by approximately 18%, with a comprehensive series of training events held nationwide. These consisted of 145 separate events, including 30 online webinars and approximately 50% of events were provided by CPA Ireland Skillnet.

Webinars proved to be extremely popular in 2013 accounting for 42% of all CPE event attendance. Recognising the continued popularity of online CPE for its ease and convenience, the Institute expanded its online suite of courses to a total of 52 in 2013.

CPA Ireland is especially pleased with the success of its conference programme in 2013. The annual Tax Conferences, which are held in Dublin and Cork, attracted over 400 attendees. The CPA Ireland Practitioners' Conference, held in the Carton House Hotel, Co. Kildare, showcased high profile speakers including Josephine Feehily, Chairman of the Revenue Commissioners and Lorcan O'Connor, Chief Executive of the Insolvency Service of Ireland.

Industry Matters Conferences took

place in Dublin and Cork in October and featured expert speakers such as Professor Robert Kirk and Colm Divilly.

The Annual Conference was well attended and featured Paul Mason of the BBC, Hugh Cooney, Chairman of Enterprise Ireland and Thomas Hunter McGowan, CEO of InterTrade Ireland. The Institute was particularly gratified at the support given to the CPA Ireland Skillnet Innovation Conferences, which attracted over 200 attendees.

Technical Services

During 2013, the CPA Ireland Technical Services team responded to 761 technical queries from members. This service provides CPA members with support and advice on any technical query over the phone, with 86% of queries answered on the day and 97% completed within 48 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. The Institute 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. The Institute in turn is supervised in all its regulatory activities by the Irish Auditing and Accounting Supervisory Authority (IAASA). The Institute also enjoys delegated authority from the Central Bank to authorise CPA member firms to engage in investment business services and in turn, are supervised by the Central Bank in this area of operation.

The Institute'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 2013, 7 cases were heard in public by disciplinary tribunals and one by an appeal tribunal. The Institute received 23 new complaints against members, from a combination of members of the public, other regulators and internal sources. The Institute's investigation committee met on 12

occasions during 2013 and 2 cases was referred for independent review.

Under the quality assurance system, the Institute 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. The Institute undertook 57 on-site visits to regulated firms in 2013 and conducted a further 20 desk-based reviews.

Moving Forward in 2014

As 2014 moves forward, CPA Ireland will continue to dedicate the necessary resources to increase the number of new students choosing CPA as their accountancy qualification of choice. As always, we want to acknowledge the role our members play in this function, as they continue to promote and recommend the CPA qualification to others at every opportunity.

We would also like to recognise the continued support and loyalty of our members, who uphold the CPA values across businesses in Ireland and around the world. Thanks to you, the CPA qualification has become synonymous with excellence, dedication and hard work.



Eamonn Siggins
Chief Executive, CPA Ireland

Members of Council

- Joseph Aherne *President*
- Niall Byrne
- Nano Brennan
- John Devaney
- Cormac Fitzgerald *Vice-President*
- Evelyn Fitzpatrick
- Enda Jordan
- Deirdre Kiely
- Gail McEvoy
- Ciarán Martin
- Geoffrey Meagher
- Gearóid O'Driscoll
- Paul O'Leary
- Michael O'Regan
- Brian Purcell *Vice-President*
- James Sheehan
- John Cusack *(External Council Member)*



*Joe Aherne, President, CPA Ireland
with newly elected Council
member, James Sheehan.*

Chief Executive: Eamonn Siggins

Secretary: Cáit Carmody

Registered Office: 17 Harcourt Street, Dublin 2.

Registered Number: 010475

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

Bankers:

AIB Bank	Ulster Bank
1/3 Baggot Street, Dublin 2.	33 College Green, Dublin 2.

Report of the Directors

The Directors are pleased to submit the 71st Annual Report of the Council and the Financial Statements for the year ended 31 December 2013.

The surplus for the financial year amount to €17,187 (2012: €52,976)

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) 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 in practice, and ensuring that education and training standards are maintained.

President and Vice-Presidents

At a meeting of Council on 15 February 2013, Joe Aherne was elected President and Brian Purcell was elected as Vice-President. At a meeting of Council on 25 April 2013, Cormac Fitzgerald was re-elected as Vice-President.

Council

Council is the governing body of the Institute, and is comprised of a maximum of 16 elected members and up to three non-members. Council met on 6 occasions in 2013.



Boyko Kostov, President of CPA Bulgaria with past President, CPA Ireland, Niall Byrne.

Directors

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

Norman Adams (Retired 25 April 2013)

Joseph Aherne

Nano Brennan

Niall Byrne

John Cusack (External Council Member)

John Devaney

Cormac Fitzgerald

Evelyn Fitzpatrick

Enda Jordan (Appointed 25 April 2013)

Deirdre Kiely

Ciarán Martin

Gail McEvoy

Geoffrey Meagher

Gearóid O'Driscoll

Paul O'Leary

Michael O'Regan

Brian Purcell

James Sheehan (Appointed 7 December 2013)

John White (Resigned 7 December 2013)



*Joe Aherne, President, CPA Ireland
with the Head of Google Ireland,
John Herlihy.*

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

Ciaran Martin

Gearoid O'Driscoll

Niall Byrne

James Sheehan

In accordance with Article 22 (b) such candidates will, without the need for a postal vote, be duly elected to Council.

Compliance with Section 90 of the Company Law Enforcement Act, 2001.

To ensure that proper books and accounting records are kept in accordance with Section 202, Companies Act 1990, appropriately qualified accounting personnel are employed and the Institute has maintained appropriate computerised accounting systems. The books of accounts are located at the Institute's registered office at 17 Harcourt Street, Dublin 2.

Post Balance Sheet Events

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

Auditors

The Auditors, Hayes & Co, have indicated their willingness to continue in office in accordance with the provision of Section 160(2) of the Companies Act, 1963.

On Behalf of the Directors



Joe Aherne, FCPA

Director and Council Member



Gearóid O'Driscoll, FCPA

Director and Council Member

Dated: 28 March 2014

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with Irish law and regulations.

Irish company law requires the directors to prepare financial statements giving a true and fair view of the state of affairs of the company and the profit or loss of the company for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with Irish Generally Accepted Accounting Practice (accounting standards issued by the Financial Reporting Council and Irish law).

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 keeping proper books of account that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Acts 1963 to 2013. 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 28 March 2014 and signed on its behalf by:



Joe Aherne, FCPA

Director and Council Member



Gearóid O'Driscoll, 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 2013 which comprise the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement 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).

This report is made solely to the Institute's members as a body in accordance with the requirements of the Companies Acts 1963 to 2013. Our audit work has been undertaken so that we might state to the Institute'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 Institute or the Institute'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 18 the directors are responsible for the preparation of the financial statements giving a true and fair view. 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 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 Institute'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 Executives 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 misstatement's 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 in accordance with Generally Accepted Accounting Practice in Ireland of the state of the Institute's affairs as at 31 December 2013 and of its surplus for the year then ended; and
- have been properly prepared in accordance with the requirements of the Companies Acts 1963 to 2013.

Matters on which we are required to report by the Companies Acts 1963 to 2013

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit
- In our opinion proper books of account have been kept by the Institute.
- The financial statements are in agreement with the books of account.

Matters on which we are required to report by exception

We have nothing to report in respect of the provisions in the Companies Acts 1963 to 2013 which require us to report to you if, in our opinion the disclosures of directors' remuneration and transactions specified by law are not made.



Kieron P Hayes

For and on behalf of
Hayes & Co.
Certified Public Accountants,
Statutory Audit Firm,
7 Fields Terrace, Ranelagh, Dublin 6.
Date: 28th March 2014

07 Income and Expenditure Account

for the year ended 31 December 2013

The Institute of Certified Public Accountants in Ireland

		2013	2012
	Notes	€	€
Income	1	3,826,222	3,793,768
Administration expenses		(2,841,877)	(2,773,803)
Other operating expenses		(784,553)	(694,247)
		<u>(3,626,430)</u>	<u>(3,468,050)</u>
Operating Surplus	2	199,792	325,718
Interest receivable		37,859	32,123
Interest payable and similar charges	3	(210,999)	(296,835)
Surplus before taxation		26,652	61,006
Taxation	4	(9,465)	(8,030)
Surplus for the year	10	<u>17,187</u>	<u>52,976</u>

All income and expenditure and the surplus for the year arise from continuing activities.

There are no recognised gains or losses other than those included in the above two financial years.

Approved by the Board of Directors on 28 March 2014 and signed on its behalf by:



Joe Aherne, FCPA

Director and Council Member



Gearóid O'Driscoll, FCPA

Director and Council Member

o8 Balance Sheet

for the year ended 31 December 2013

The Institute of Certified Public Accountants in Ireland

		2013		2012	
	Notes	€	€	€	€
Fixed Assets					
Tangible assets	5		<u>10,510,133</u>		<u>10,650,957</u>
Current Assets					
Debtors	6	279,287		296,188	
Prize bonds		190		190	
Cash at bank		<u>1,070,020</u>		<u>1,123,791</u>	
		1,349,497		1,420,169	
Creditors: amounts falling due within one year	7	<u>(653,052)</u>		<u>(645,490)</u>	
Net Current Assets			<u>696,445</u>		<u>774,679</u>
Total Assets Less Current Liabilities			11,206,578		11,425,636
Creditors: amounts falling due after more than one year	8		<u>(5,851,446)</u>		<u>(6,087,691)</u>
Net Assets			<u><u>5,355,132</u></u>		<u><u>5,337,945</u></u>
Reserves					
Accumulated surplus	10		<u><u>5,355,132</u></u>		<u><u>5,337,945</u></u>

Approved by the Board of Directors on 28 March 2014 and signed on its behalf by:



Joe Aherne, FCPA

Director and Council Member



Gearóid O'Driscoll, FCPA

Director and Council Member

09 Cash flow statement

for the year ended 31 December 2013

The Institute of Certified Public Accountants in Ireland

	Notes	2013 €	2012 €
Reconciliation of operating surplus to net cash inflow from operating activities			
Operating surplus		199,792	325,718
Depreciation		244,801	227,422
(Increase) in debtors		16,485	(162,228)
Increase in creditors		(26,520)	11,559
(Decrease) in deferred revenue		427	(12,374)
Net cash inflow from operating activities		434,985	390,097
Cash flow statement			
Net cash inflow from operating activities		434,985	390,097
Returns on investments and servicing of finance	12	(173,140)	(264,712)
Taxation	12	(9,049)	(7,637)
Capital expenditure	12	(103,977)	(94,794)
		148,819	22,954
Financing	12	(159,245)	(91,098)
(Decrease) / Increase in cash in the year		(10,426)	(68,144)
Reconciliation of net cash flow to movement in net funds			
(Decrease) / Increase in cash in the year		(10,426)	(68,144)
Cash outflow from decrease in debt and lease financing		159,245	91,098
Movement in net funds in the year	13	148,819	22,954
Net debt at 1 January 2013	13	(5,102,364)	(5,125,318)
Net debt at 31 December 2013	13	(4,953,545)	(5,102,364)

Approved by the Board of Directors on 28 March 2014 and signed on its behalf by:



Joe Aherne, FCPA

Director and Council Member



Gearóid O'Driscoll, FCPA

Director and Council Member

Accounting policies

The significant accounting policies adopted by the Institute are as follows:

Historical Cost Convention

The financial statements are prepared under the historical cost convention.

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

Tangible assets

Tangible assets are shown at cost 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 with reference to the above value to write off the assets over their expected useful lives on a straight line basis at the following annual rates:-

Computer equipment	20%
Computer software	33.3%
Fixtures / Fittings & Equipment	10%
Buildings	2%
Land	Nil

Taxation

Corporation tax payable is provided on deposit interest earned in the year.

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 Income and Expenditure Account over the term of the primary lease period.

Rentals in respect of operating leases are charged to the Income and Expenditure Account as incurred.

Regional Societies

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

Pension Benefits

The Institute operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Institute in independently administered funds. Pension costs are charged to the income and expenditure account as they fall due.

Grants

The Institute 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.

II Notes to the Financial Statements

for the year ended 31 December 2013

The Institute of Certified Public Accountants in Ireland

1. Income	2013	2012
	€	€
Deferred subscriptions at 1 January	241,486	253,860
Income receivable in year	3,826,649	3,781,394
	<u>4,068,135</u>	<u>4,035,254</u>
Deferred subscriptions at 31 December	(241,913)	(241,486)
Income for year	<u><u>3,826,222</u></u>	<u><u>3,793,768</u></u>

2. Surplus before taxation	2013	2012
	€	€
The surplus before taxation is stated after charging:		
Directors' emoluments	-	-
Depreciation of tangible assets	244,801	227,422
Auditors' remuneration	12,730	12,730
	<u><u>244,801</u></u>	<u><u>227,422</u></u>

3. Interest payable and similar charges	2013	2012
	€	€
On bank loans and overdrafts	210,999	296,835
	<u><u>210,999</u></u>	<u><u>296,835</u></u>

4. Taxation	2013	2012
	€	€
Current year taxation		
Corporation tax @ 25% on interest earned	9,465	8,030
	<u><u>9,465</u></u>	<u><u>8,030</u></u>

5. Tangible assets

	Premises €	Fittings & Equipment €	Total €
Cost			
At 1 January 2013	11,128,864	824,867	11,953,731
Additions	-	103,977	103,977
At 31 December 2013	<u>11,128,864</u>	<u>928,844</u>	<u>12,057,708</u>
Depreciation			
At 1 January 2013	677,709	625,065	1,302,774
Charge for the year	142,576	102,225	244,801
At 31 December 2013	<u>820,285</u>	<u>727,290</u>	<u>1,547,575</u>
Net book values			
At 31 December 2013	<u>10,308,579</u>	<u>201,554</u>	<u>10,510,133</u>
At 31 December 2012	<u>10,451,155</u>	<u>199,802</u>	<u>10,650,957</u>

In accordance with FRS 11: Impairment of Fixed Assets and Goodwill, the carrying value of the Institute's premises have been compared to the recoverable amount (the higher of the net realisable value and the value in use). Due to the current limited activity in the property market it is not considered possible to obtain a reliable estimate of net realisable value and therefore the recoverable amount has been determined by value in use alone. Value in use is defined as the "present value of the future cashflows obtainable as a result of the asset's continued use, including those resulting from its ultimate disposal. The directors have considered the current cash flows being generated and expected growth rates for the coming years. They have also considered the projected property valuation on an assumed disposal date of fifty years from the date of review. Having considered all of the above the directors have concluded that the recoverable amount is greater than the carrying value and therefore in accordance with the requirements of FRS 11 the asset is not impaired.

6. Debtors

	2013 €	2012 €
€ Debtors - (due within one year)	278,096	290,602
Corporation tax refundable	1,191	1,607
PAYE/PRSI refundable	-	3,979
	<u>279,287</u>	<u>296,188</u>

7. Creditors: amounts falling due within one year	2013	2012
€	€	€
Bank overdraft (See Note 9)	12,309	55,654
Bank loan (See Note 9)	160,000	83,000
Subscriptions in advance (See Note 1)	241,913	241,486
PAYE / PRSI	35,307	-
Creditors and accruals	203,523	265,350
	<u>653,052</u>	<u>645,490</u>

8. Creditors: amounts falling due after more than one year	2013	2012
€	€	€
Bank loan (See Note 9)	5,851,446	6,087,691
	<u>5,851,446</u>	<u>6,087,691</u>

9. Details of Borrowings

Repayable	Within 1 Year	Between 1 & 2 years	Between 2 & 5 years	After 5 Years	Total
€	€	€	€	€	€ €
Other than by instalments					
Bank overdraft	12,309	-	-	-	12,309
By instalments					
Bank loans	160,000	320,000	480,000	5,051,446	6,011,446
Net obligations under finance leases	-	-	-	-	-
	<u>172,309</u>	<u>320,000</u>	<u>480,000</u>	<u>5,051,446</u>	<u>6,023,755</u>

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

10. Reserves

Accumulated Surplus

€

At 1 January 2013

5,337,945

Surplus for year

17,187

At 31 December 2013

5,355,132

11. Employee information

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

**2013
Number** **2012
Number**

Administration

25

24

Staff costs

2012

2011

€

€

€

€

Wages and salaries

1,274,012

1,207,578

Social welfare costs

133,752

126,235

Pension costs

94,912

104,296

1,502,676

1,438,109

The pension charge represents contributions payable by the Institute to independently administered defined contribution pension schemes.

12. Gross Cash Flows	2013	2012
	€	€
Returns on investments and servicing of finance		
Interest received	37,859	32,123
Interest paid	(210,999)	(296,835)
	<u>(173,140)</u>	<u>(264,712)</u>
Taxation		
Corporation tax paid	(10,656)	(9,637)
Corporation tax repaid	1,607	2,000
	<u>9,049</u>	<u>(7,637)</u>
Capital expenditure		
Payments to acquire tangible assets	<u>(103,977)</u>	<u>(94,794)</u>
Financing		
Repayment of bank loan	<u>(159,245)</u>	<u>(91,098)</u>

13. Analysis of changes in net debt

	At 1 Jan 2013	Cash flows	Other changes	At 31 Dec 2013
	€	€	€	€
Cash at bank	1,123,791	(53,771)	-	1,070,020
Overdrafts	(55,654)	43,345	-	(12,309)
	<u>1,068,137</u>	<u>(10,426)</u>	<u>-</u>	<u>1,057,711</u>
Current asset investments	<u>190</u>	<u>-</u>	<u>-</u>	<u>190</u>
Debt due within one year	(83,000)	-	(77,000)	(160,000)
Debt due after one year	(6,087,691)	159,245	77,000	(5,851,446)
	<u>(6,170,691)</u>	<u>159,245</u>	<u>-</u>	<u>(6,011,446)</u>
Total	<u><u>(5,102,364)</u></u>	<u><u>148,819</u></u>	<u><u>-</u></u>	<u><u>(4,953,545)</u></u>

14. Company status

The Institute is a Company limited by guarantee and not having a share capital. 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.

15. Approval of financial statements

The financial statements were approved by the board of directors on 28 March 2014.

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The Institute of Certified Public Accountants in Ireland (CPA) is one of the main Irish accountancy bodies with 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 Europeens (FEE), the representative body for the main accountancy bodies in 33 European countries, including all of the 27 EU Member States.

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 Education 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