

# Annual Report and Financial Statements 2022

## The Future of Accounting



# Contents

03

Message from  
the President

06

Message from the  
Chief Executive

09

CPA Strategic Priority:  
Brand

14

CPA Strategic Priority:  
Product

18

CPA Strategic Priority:  
Customer Centricity

21

CPA Strategic Priority:  
Global

24

CPA Strategic Priority:  
People

26

Protecting the  
Public Interest

34

Council and  
Other Information

35

Report from  
the Directors

37

Financial  
Statements 2022

---

# Message from the President



**Áine Collins**  
President

**"...we are seeing some positive indicators that, in macro-economic terms, the worst may be over for Ireland.."**

**2022 had promised to be a bounce-back year, where pent-up demand and savings from the pandemic would drive strong growth.**

Unfortunately, the promise was quickly extinguished by Russia's attack on the Ukraine and the immediate impact on energy prices.

In effect, 2022 became a year in which multiple, overlapping, and compounding crises challenged the very way we live. International political tensions, the lingering uncertainty from Brexit, global economic growth slowing, rising inequality, and the end of a decade of low interest rates have all contributed to global uncertainty and financial weakness. All of this, of course, is taking place against the backdrop of the most existential threat of all: climate change.

Almost every jurisdiction faces additional national challenges, and Ireland is no different in this regard as housing and healthcare dominate the challenges facing policy makers.

As we look forward to early 2023, we are seeing some positive indicators that, in macro-economic terms, the worst may be over for Ireland.

Inflation is showing signs of having peaked, and most commentators agree that inflation is now on a downward trajectory. Ireland's GDP (gross domestic product) is now forecast to grow by more than 6% in 2023 as a consequence of better than expected performance in Q4 of 2022.

The Irish economy grew by 12.2 percent in GDP terms in 2022, the fastest level of expansion seen anywhere in the EU. Recent decreases in natural gas prices have yet to be passed on to consumers, but this should happen in Q2 of 2023, which will have a positive impact for consumers and businesses alike.

The challenging times will continue in 2023 and who knows what unforeseen shocks will emerge.

This is simply the reality of the geopolitical instability that pervades the globe.

As policymakers in every jurisdiction face challenges, professional bodies with a public interest mandate, such as CPA Ireland, must advocate for solutions that benefit both business and society.

CPAs are ideally positioned in key financial roles across all sectors and industry types.

Your views are well informed and authentic and, when harnessed by CPA Ireland, can inform pro-business policy development.

Examples of positive policy inputs in 2022 are many.

In light of Ireland's shrinking talent pipeline, we have strongly advocated for urgent reform of the out-of-date Leaving Certificate Accounting Curriculum. The current curriculum also reflects poorly on the current range and diversity of roles available to accountants.

Extending proposed energy supports to professional services and the extension of debt-warehousing are two prominent outcomes for which the profession can take some credit.

CPA Ireland is particularly conscious of policies that impact indigenous businesses, and particularly SMEs.

With this in mind, we engaged directly with the then Minister for Finance, Paschal Donohue TD, and with Máiréad McGuinness, European Commissioner for Financial Stability, Financial Services, and the Capital Markets Union.

Both engagements were supported by policy inputs from CPAs, a survey, volunteers on Council, and Committees, and direct engagement.

**"In 2022,  
CPA Ireland  
developed  
platforms for  
CPAs in every  
sector"**

On behalf of Council, I wish to thank the many CPAs who regularly inform policy and advocacy positions through surveys and other inputs, as this enables CPA Ireland to focus on those issues of concern to CPAs and the businesses they serve.

Even in times of such disruption and uncertainty, there are opportunities to innovate to create value for CPAs and for society.

CPA Ireland developed platforms in 2022 for CPAs in every sector, public and private, to seize opportunities in organisations' and economies' digital and sustainability journeys.

At the time of writing, a public consultation is taking place throughout the EU on the Corporate Sustainability Reporting Directive, which will require companies in its scope to report annually on environmental, social, and governance (ESG) and human rights matters according to the EU mandatory standards, to be known as European Sustainability Reporting Standards.

CPAs have a significant opportunity to deploy their skills and experience both within entities and as external assurance providers with regards to corporate sustainability reporting.

In 2022, CPA Ireland launched its Sustainability Hub, which is the single source of relevant information on sustainability for CPAs.

CPA Ireland is also preparing credible and valuable micro-credentials in sustainability reporting for CPAs. These credentials will launch in 2023, in parallel with the launch of European and International Sustainability Standards.

Issues such as digitalisation and sustainability underpin the global nature of the accountancy profession and support CPA Ireland's active participation in organisations such as:

- The International Federation of Accountants (IFAC);
- Accountancy Europe; and,
- The Edinburgh Group.

With travel restrictions easing in 2022, I had the pleasure of representing CPA Ireland at the World Congress of Accountants in Mumbai and using the occasion to participate in the IFAC Council meeting and the AGM of the Edinburgh Group.

Our colleagues in ICA India delivered an amazing World Congress, which brought together over 6,000 accountants from around the globe.

From a CPA Ireland perspective, we also used the occasion of the World Congress to create awareness of the critical skills shortage of accountants in Ireland. We engaged with our international partners outside of the European Economic Area (EEA) to highlight the opportunities now for non-EEA accountants to live and work in Ireland. It is fair to report that interest was most evident among highly educated, motivated members of ICA India. This interest is understandable when one considers the existing community of Indian professionals in Ireland who are bringing their talents to information technology, medicine, and accounting.

In addition, the Chief Executive and I met with Anita Kelly, Ireland's consul General, in Mumbai to discuss visa issues for ICA India professionals coming to Ireland, as well as opportunities for Irish companies to increase trade with India.

Through our Mutual Recognition Agreements (MRAs) with international peer bodies, we are facilitating overseas professionals to join CPA Ireland and progress their careers and lives in Ireland.

In this way, we are supporting CPAs as employers who are faced with an ongoing challenge to recruit and retain talent.

In mid-2022, I was privileged to represent CPA Ireland in New York at the signing of our MRA with the American Institute of CPAs (AICPA) and the National Association of State Boards of Accountancy (NASBA).

In doing so, I am conscious that CPA Ireland has become one of nine professional bodies worldwide to gain recognition in the USA.

MRAs, by their very nature, involve painstaking detail in terms of comparing qualifications, and I wish, on behalf of CPAs, to acknowledge the tenacity and professionalism of the executive team in delivering this MRA and others.

To have recognition in the USA follow on so closely after audit recognition in the UK speaks volumes for the quality of the CPA Ireland qualification and the opportunities that the qualification offers, nationally and internationally.

I encourage all CPAs to act as ambassadors for the qualification and to influence quality students to choose CPA Ireland as the qualification to progress their careers in accountancy. In closing, and as I reflect on my two-year term as President, CPA Ireland has made incredible progress on some of the greatest challenges and opportunities facing the profession.

Our progress is based on innovation and agility, and our strategy offers tactical flexibility to our executive team.

In key areas we have supported CPAs and CPA trainees in an entirely altered world of work.

Highlights of our progress include our developments in:

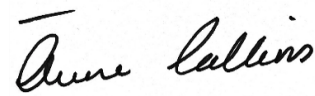
- Assessment;
- Digitalisation;
- Sustainability;
- Advocacy;
- Service delivery;
- Talent; and
- Our global connections.

I am indebted to my colleagues on Council, the Vice Presidents, Mark Gargan and Clodagh Henehan, and the executive team at CPA Ireland.

In the current environment, who can really predict what will happen next? However, the past two years have demonstrated how CPAs continue to adapt and deliver value in the public interest.

I wish Mark Gargan well in his new role as President of CPA Ireland in 2023/2024, and I have every confidence in his ability to lead CPA Ireland to new heights.

It has been a privilege to serve as President of CPA Ireland.



**Aine Collins**  
President, CPA Ireland



# Message from the Chief Executive

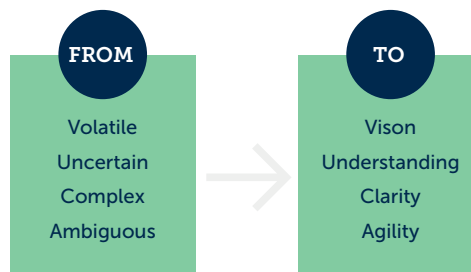


**Eamonn Siggins**  
Chief Executive

**"...leadership in such disrupted times will require visioning, inventing, sense making and relating."**

**Just 12 months ago, global geopolitical and macroeconomic trends were shaping the external environment into a VUCA world. The acronym refers to a world that is volatile, uncertain, complex, and ambiguous.**

The objective of the leadership of CPA Ireland in 2022 was to reframe VUCA.



The Council and senior executive team in CPA Ireland embarked on 2022 with the common understanding that leadership in such disrupted times required visioning, inventing, making sense, and relating. As we responded and got our heads up to anticipate the future, that visioning capacity was tested like never before.

The term VUCA, which has stood the test of time since the 1980s, suddenly became inadequate in terms of describing the critical nature of the disruption that society was facing.

New definitions were coined, such as "permacrisis"—an extended period of instability and insecurity—and "polycrisis"—the simultaneous occurrence of several catastrophic events.

Globally, governments were challenged to support economies and societies as the combined impacts of Russia's war on Ukraine, a disrupted global supply chain, fuel and food insecurity, soaring inflation, rising interest rates, stock market fluctuations, and mass migrations of displaced people all contributed to a global

crisis. Ireland was not immune to all of the above and was already challenged by a housing crisis, a health system under incredible pressure, and the lingering uncertainties from Brexit.

Against this dramatic backdrop of uncertainty, which impacted businesses, tax payers, and society in general, CPAs continued to deliver value, innovation, adaptation, and leadership in support of the public interest.

CPA Ireland responded swiftly to the Ukraine crisis and introduced a range of measures in support of Ukrainian refugees seeking to live and work in Ireland and to have their professional accountancy qualifications recognised.

CPA Ireland kept CPAs informed of the potential anti-money laundering, cybersecurity, accounting, audit, and reporting obligations of the war in Ukraine on the professional activities of accountants, particularly in support of EU sanctions on Russia.

CPA Ireland also cancelled its MOUs with the profession in both Russia and Belarus and ceased all professional activity in both jurisdictions.

In terms of sensing and vision making, CPA Ireland responded with agility to many of the key challenges facing the profession, namely:

- Technology;
- Sustainability;
- Talent;
- Data and Data Analytics;
- Accounting Education.

## Technology

Technology continues to have an impact on the roles of accountants in every sector. Emerging technologies are impacting business processes and providing new and reliable alternatives to traditional approaches.

Through its Digitalisation Hub, CPA Ireland is supporting a community of digitally savvy CPAs and CPA trainees. Our pivot to online assessments supported by artificial intelligence in invigilation is supporting both student progression and technology skills in CPA trainees.

## Sustainability

Sustainability and climate action are shaping global policy. The demand for enhanced sustainability reporting and assurance will continue to grow. International sustainability standards will add impetus and position CPAs and global peers as best placed to provide assurance on ESG information due to their qualifications, professional standards, ethical requirements, and expertise in financial reporting and audit.

CPA Ireland, for its part, will keep CPAs and CPA trainees at the forefront of sustainability information through our Sustainability Hub and qualifications, which will be rolled out in 2023.

## Talent

Talent to fuel the profession and the economy in Ireland is in such short supply that the Government has added accounting to the critical skills list. This in turn means that employers in Ireland can turn to accountants from outside the European Economic Area to offer employment and the chance to live and work in Ireland.

CPA Ireland has adopted a multi-faceted approach to address the talent deficit, including:

- Advocating for long overdue Leaving Certificate reform to the accounting syllabus to make the content contemporary and to reflect the diversity of roles in accountancy.

- Engagement with employers through our Careers Advisory Service, matching talented individuals with vacancies. Our Jobsearch facility amplifies this effort and offers CPAs the opportunity to showcase vacancies without cost.
- Internationally, and particularly during the World Congress of Accountants in Mumbai, in November 2022 we will be connecting with our international partners outside of the EEA to showcase opportunities to live and work in Ireland.
- Advocating for shorter turnaround times for visa approvals and meeting with Irish Consuls overseas to create awareness of the skills shortage in Ireland for accountants.
- Speaking at international conferences and events promoting the CPA Ireland qualification as a gateway to a professional career in Ireland;
- Continuing to engage with employers and other stakeholders to attract quality students to CPA Ireland.

## Data

The pandemic has accelerated developments in technology and, as one consequence, has created access to data at unprecedented volumes and in real time.

CPA Ireland is supporting CPAs and CPA trainees to take advantage of this data-driven world with programmes of education at the pre- and post-qualification levels that prepare CPAs as data analysts and offer a dual qualification with the Analytics Institute of Ireland.



## Accounting Education

Through a future-focused syllabus, CPD, and further learning specializations—delivered through our Learning Management System—CPA Ireland is preparing CPAs for the world of work and for future challenges and opportunities.

Having a digitally savvy community of CPAs facilitates education delivery online, which greatly increases availability, scope, and flexibility.

2022 also saw a return to "in person" events and some flagship hybrid events, all in support of education delivery.

In conclusion, as we enter 2023, we are seeing some cautious optimism on some of the geopolitical and global economic shocks for 2022.

Hopefully, inflation has peaked, cost of living increases are abating (albeit slowly), and the global economy is picking up. CPA Ireland and its peer bodies in the CCAB-I have advocated throughout 2022 for measures to minimise regulatory burdens and assist business survival and growth. This advocacy is informed by CPAs who serve as volunteers and by the CPA membership in general.

CPAs can be justifiably proud of their contribution to societies and economies in over 50 countries worldwide, and CPA Ireland, with the input of dedicated volunteers and talented staff, will continue to innovate and provide world-class support to CPAs.

*Eamonn Siggins.*

**Eamonn Siggins**

Chief Executive



# 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





**1. Salary – Endless Career Opportunities**



**2. Career Progression – CPA FastTrack Programme**



**3. Job Security & Work/life Balance - Trainee Placement Service**



**4. Work Abroad - Global Connections**



In 2022, a conscious effort was made to ensure the CPA Ireland brand was meeting the needs of our target market. Based on research carried out in late 2021, the top 5 needs of the graduate market were:

1. Salary
2. Career Progression
3. Job Security
4. Work Life Balance
5. Work Abroad

Due to these needs and wants, the 2022 marketing campaign focused on CPA Ireland fulfilling these career hopes.

### 1. Salary – Endless Career Opportunities

The hero image of the campaign portrayed various pathways CPA Accountants can take and the various areas they can work within.

### 2. Career Progression – CPA FastTrack Programme

The CPA FastTrack Programme was promoted as a solution to career progression, fast-tracking those applicable to a fully qualified accountancy role in under three years.

To complement this, additional content in the form of a testimonial video was created with a past FastTrack student, Mark Twomey, who qualified in two and a half years. This testimonial was used across digital campaigns and in-person presentations to ensure students were met with relatable social proof to help influence their decisions.

### 3. Job Security & Work/life Balance

The support and guidance CPA Ireland offers through the Trainee Placement Service provides both job security and the support needed for a work-life balance. CPA Ireland is the only accountancy body in Ireland that can currently assist you in finding your first trainee placement, so ensuring graduates were aware of this was a prominent goal of the 2022 campaign.

In a world where there are many stressors, we wanted to make prospective students aware of the support CPA Ireland offers through this service and tap into that need for work/life balance and how this assistance can help with your well-being throughout your job search.

### 4. Work Abroad

The final message portrayed in the 2022 campaign was that of CPA Ireland's global connections and the ability to work in many countries worldwide through our mutual recognition agreements. A huge announcement that took place in 2022 was our new mutual recognition agreement with the American Institute of CPA's, and this message was also used in the promotion of this new pathway for our members and students.

# QuitCh



Pictured L to R: Dylan Donnelly, National Accounting Competition Winner, Brendan McLarney, Accounting Lecturer, TUS Athlone Campus, Trevor Prendergast, Head of Department, Accounting and Business Computing, TUS Athlone Campus, Adam O'Reilly, CPA Ireland.

## The National Accounting Competition in association with QuitCh

2022 saw the launch of the National Accounting Competition for third-level accounting students across the Island of Ireland. The competition, which was solely sponsored by CPA Ireland, was launched in conjunction with the gamification app QuitCh. The competition ran for 10 weeks, with students answering a weekly set of accounting theory questions. With weekly communications from CPA Ireland throughout the competition, the initiative provided a unique and fun way to interact with the students and increase brand recognition among third-level students.

Over the course of the competition, 17 colleges across Ireland and Northern Ireland took part. The overall winner was Dylan Donnelly, a student of TUS, Athlone, with 88619 points. TUS Athlone Campus was the 'Winning College' of the competition. The competition was very well received by both the students and colleges and will return in February 2023, open to both accounting and business third level students.

Trevor Prendergast, Head of Department, Accounting and Business Computing at TUS Athlone Campus, said,

*"We are absolutely thrilled at Dylan's achievement; this is particularly noteworthy as he is in his first year of studies for the BA in Accounting here at TUS Athlone Campus. Dylan was also competing against more experienced students at other universities, some in their final year and studying on master's programmes. We are delighted that Dylan availed himself of this opportunity with CPA Ireland and QuitCh to showcase his accounting abilities on the national stage."*

## Partnership with AIB

We were delighted to have excellent speakers from AIB at our Annual Conference, Women in Business events, and roadshows, which were held both in person and online and covered local, regional, and sectoral updates across Ireland. Thank you to Lorraine Greene (Head of Market Engagement, Retail SME) and Jim O'Keefe (Managing Director, Retail Banking) for their continued engagement with CPA Ireland and our members.

## PR and Advocacy

In 2022, CPA Ireland carried out several representations on behalf of members and promoted a number of initiatives through media attention, including:

- Irish Examiner, Donohoe Speaks at CPA Ireland Event, February 4
- Sunday Independent, CPA Ireland announce partnership with American Institute, June 5
- Newstalk, Interview with Eamonn Siggins on Breakfast Business, June 15
- Silicon Republic, Budget 2023: What's in it for businesses in Ireland?, September 27
- Business Plus, CPA Ireland Launches Online Sustainability Hub For Accountants, October 20
- RTÉ: The rising cost of credit will be a "huge burden" on SMEs, starting December 1
- Irish Examiner, SMEs must prepare for "inevitable" interest rate increases, CPA warns, December 6



## Online Presence

Paid Digital advertising across 5 platforms



over 4 million eyes

6 Online Webinars 

## In Person Presence

 55 In class Presentations

14 Career Fairs 

## Sponsorships

7 College Sponsorships 

 2 IAFA Doctorates

National Accountancy Awards 

 Finance Leadership Summit

## Sponsorships

In 2022, CPA Ireland continued to contribute to strengthening the profession and expanding the reach of the CPA Ireland brand by sponsoring various awards across both the third-level and professional spaces. We sponsored awards for high performance in subjects in seven colleges across Ireland and sponsored two IAFA doctorates.

CPA Ireland was once again a professional partner for the Irish Accountancy Awards 2022 and the Finance Leadership Summit 2022. Recognising and celebrating excellence in the accountancy profession in Ireland, the 2022 accountancy awards were a great evening of networking and celebration, and it was a pleasure to be involved again this year. Congratulations to Geoff Meagher from CPA Ireland for winning the Global Achievement in Accountancy Award at the Irish Accountancy Awards 2022 in recognition of Geoff's stellar career in the global agri business.



Award for the Strategic Analysis Module, Institute of Technology Carlow



Award for best student on the Bachelor of Business (honours) in Accounting (Part Time) at MTU Cork



Accountancy Awards Pictured L-R (Eamonn Siggins, CEO CPA Ireland, Geoff Meagher, CPA, Aine Collins, CPA Ireland President, Brendan Brady, CPA and Mark Gargan, CPA Ireland Vice President



Finance leadership summit pictured L-R Ceara McGovern, Senior Consulting Manager, Sia Partners, along with Brian Mortimer, VP New Customer Success Ireland, SAP, Gillian Peters, Director Business Development, CPA Ireland and David Nevill

Sponsorship award TUD Blanchardstown



TUD tallaght



Award SETU Waterford





## Virtual Conversations

We positioned ourselves as thought leaders in the finance space by holding virtual conversations with key public figures in 2022.

### Conversation with Minister for Finance, Paschal Donohoe

CPA Ireland was delighted to welcome President of the Eurogroup and Minister for Finance, Paschal Donohoe to a conversation with CPA Ireland President, Aine Collins at CPA Ireland HQ.

During the conversation, which was streamed online for our members along with a recording, Aine and the Minister spoke about several topics including:

- How the government will support SMEs in both the medium and long term,
- The two pillars of the OECD agreement
- The funding of public services
- The potential Impact on the exchequer in the next 3 to 5 years due to Ireland increasing its corporate tax rate from 12.5% to 15% for large companies.



Pictured L-R: Aine Collins, CPA Ireland President and Minister for Finance, Paschal Donohoe

### CPA Ireland Conversation with European Commissioner for Financial Services, Financial Stability and Capital Markets Union, Mairead McGuinness and CPA Ireland President Aine Collins.

CPA Ireland was delighted to host a virtual conversation between European Commissioner for Financial Services, Financial Stability, and Capital Markets Union, Mairead McGuinness, and CPA Ireland President Aine Collins.

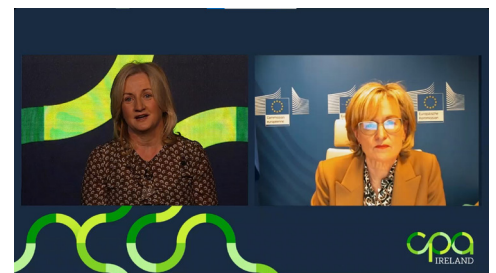
The conversation focused on a range of topics of relevance to Irish accountants and Irish business, including:

The proposal for an EU Corporate Sustainability Reporting Directive and its implications for businesses, large and small, and for the reporting of non-financial information by companies.

The proposal for a Directive to strengthen the quality of corporate reporting and its enforcement in the EU.

The call for evidence on improving the quality and enforcement of corporate reporting has been issued by the European Commission and is relevant to Boards, Audit Committees, Auditors and the supervision of corporate reporting in the EU.

The EU's post COVID-19 economic recovery plans.



Pictured L-R: Aine Collins, CPA Ireland President and Mairead McGuinness, European Commissioner for Financial Services, Financial Stability, and Capital Markets Union

# Product

---

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



# 2





**"...we continued to emphasise the support and opportunities available to students..."**

### Trainee Placement Service

The Trainee Placement continued to grow in 2022. With over 40 employers signing up to take on CPA Ireland trainees, we continued to emphasise the support and opportunities available to students during in-class presentations, and we received very positive feedback. The wellbeing of our students is at the forefront of the CPA Ireland brand, and letting them know that we can provide this assistance when they need it was a very welcome message.

In late 2022, we also launched the CPA Ireland 2023 Graduate Programme, a subset of the placement service comprised of employers already looking for 2023 graduates. Emphasis was placed on this to inform those in their final year of college that they could sign up now and receive assistance with their first trainee role when they graduate in 2023.



### Examination Developments

To ensure our students are being tested to the highest level, improvements have been made to the examination setting process. Historically, responsibility for examinations has been delegated to a single examiner. In 2022, this approach was changed to attribute responsibility to the subject examinations team. This change more accurately reflects the exam setting process and places responsibility directly on the institute.

In order to ensure greater coherence across levels, subject-specialist meetings occurred at the request of individual specialists. In the past, the focus of collaboration amongst examination teams was confined primarily to the exam level—Foundation, Professional, and Strategic, respectively.

While collaboration at this level is still vital, a new series of meetings between similar subject specialists at different levels was instituted and proved very productive. This development enhances the desired progression of difficulty and complexity within disciplines for related subjects.

The combination of both approaches will allow us to pursue a more integrated approach in future examinations, both across levels and disciplines, and hence stress the interconnections.





Sustainability Hub Launch  
Pictured L-R Patricia O'Neill, Director of Member Services, CPA Ireland and Eamonn Siggins, CEO, CPA Ireland

## Sustainability Hub

In October 2022, CPA Ireland Skillnet launched a new interactive and practical Sustainability Hub to help guide members and students in developing sustainability strategies for business.

In recent years, climate and weather catastrophes, environmental disasters, legislation and regulation, consumer demand, the investor perspective, and the views of all stakeholders in the business ecosystem have dramatically shifted sustainability from a theme to an action item at the heart of every business.

Global standards on sustainability reporting are in development by the International Sustainability Standards Board, and the European Commission is also setting disclosure standards, initially for large companies, that will take those global standards as a baseline and take account of any variations required in the EU. Mandatory reporting is on the immediate horizon, and sustainability reporting will be core to what CPAs do in the immediate future. Sustainability reporting will not be confined to large companies, and we are already seeing SMEs being asked to verify their sustainability credentials within the supply chains of larger companies and when tendering for public contracts.

To support CPAs in providing that transparency and trust, both knowledge and credentials are, we believe, essential. CPAs already possess the core technical skills to lead in the domain of sustainability reporting, and CPA Ireland is delivering the knowledge advantage through the development and launch of this Sustainability Hub.

This initiative follows on from and builds upon CPA Ireland's leadership positions in Digitalisation and in Wellbeing, and the Sustainability Hub will provide knowledge across all aspects of sustainability that are relevant to CPAs and the businesses they advise.

## CPA Ireland Skillnet

Skillnet Ireland is a business support agency of the Government of Ireland, responsible for advancing the competitiveness, productivity, and innovation of Irish businesses through enterprise-led workforce development.

CPA Ireland Skillnet is one of 73 Skillnet Business Networks, and in 2022, many of the CPD courses and post-qualification specializations were funded, or in part funded, by CPA Ireland Skillnet.

We would like to acknowledge and thank Skillnet Ireland for their support throughout 2022. The funding received went towards developing and rolling out the new programme in Python for Finance Professionals and Effective Mentoring Practices as well as the hugely successful Sustainability Hub and related webinars.

We were delighted to welcome exceptional speakers from both at home and abroad throughout the year, whose insights and advice proved invaluable. The network focused on the future of work in Ireland and how the CPD programme and post-qualification specialties could provide opportunities for upskilling and growth.







## Remote Mentoring Course

In partnership with Rowena Hennigan, a University Lecturer and Adjunct Faculty member at TU Dublin, and focusing on the subject areas of remote work skills and digital communications, we introduced Effective Mentoring Practices, an online learning programme to help accountants understand how to best engage their trainees in this new world of work.

The course is delivered through a mixture of live masterclasses and self-paced interactive content, offering an enriched learning experience to help you understand and apply the key concepts.

On completion of this course, trainees understand the fundamentals of virtual operations and best practices in communication and collaboration.

The course offers multiple benefits to both the learner and their organisation, including;

- **Improve trainee retention,**
- **Boost employer brand,**
- **Facilitate trainee onboarding,**
- **Build a reputation,**
- **Exposure to New Perspectives,**
- **Leadership skills.**

## Annual Conference

On Thursday, May 26, CPA Ireland hosted our 2022 Annual Conference. Opening the conference, Aine Collins, President of CPA Ireland, spoke about the importance of empathy in the workplace. Returning to the office, even in a hybrid capacity, can be unsettling for some people, and leaders need to take account of the fact that people react differently to the same situations. We welcomed a series of excellent speakers focusing on sustainability, mental wellbeing in a modern world, geopolitical instability, and the continued exponential growth of technology opportunities.

Thank you to our Conference Partner, AIB, for their continued support of this flagship event.



Pictured Left to Right: Che McGann, Director of ESG and Responsible Business Strategy, Clearstream Solutions; Catherine Moroney, Head of Business Banking AIB; Jim O'Keeffe, MD of AIB Retail Banking; Eamonn Siggins, CEO CPA Ireland, Aine Collins, President CPA Ireland; Catherine Guy, CEO of Autolease Fleet Management, (trading as NiftiBusiness & Nifti Personal Leasing) and Lorraine Greene, Head of Market Engagement, Retail SME.



# Customer Centricity

---

Offer a great personalised  
service to our stakeholders.



# 3





## Online Education

CPA Ireland is dedicated to providing a flexible and supportive learning environment for our students. 2022 was a year of consolidation as students continued to adapt to the online environment for studies, examinations, and training records. Additional supports were put in place for students undertaking the online exams, including a suite of test tutorials to enable students to become familiar with the system and the layout for each paper. It was noticeable that support calls to CPA Ireland during examinations were significantly reduced as students took advantage of these resources in advance of the examinations. Students were also allowed to use a second, larger screen to enhance their exam experience. We have continued to work with our software suppliers, Cirrus and Proctorio, and with other institutes to ensure that ongoing enhancements to the system meet our future requirements in terms of examination security and provide enhanced features that can be utilised in future examinations.



Cenit college prizewinners and faculty



Griffith College prizewinners and faculty



Data Analytics Prizewinner, Jurate Naujikaite and Eamonn Siggins, CEO, CPA Ireland



Aine Collins, CPA Ireland President and Chloe O'Sullivan, Liam Donnelly Medal Winner

## Conferring

One of the highlights of the year was the CPA Ireland Conferring Ceremony in 2022. The achievements of our newly qualified accountants during these two challenging years cannot be overstated. We were delighted to congratulate the student prize winners who achieved excellence in individual examinations. Chloe O'Sullivan from Banduff in Cork was the top-performing student worldwide in the CPA Ireland examinations for 2022 and was awarded the Liam Donnelly Medal in recognition of her achievement.

This award is made in recognition of the first Chief Executive of CPA Ireland, Liam Donnelly. Liam joined CPA Ireland in the 1970s, and throughout his career, he held a special place in his heart for CPA Ireland students. He was the first to advocate for a modular approach to examinations, allowing CPA Ireland students to combine work, study, and life.

Overall, the exam results for 2022 were consistent with previous years, with an overall pass rate of 61%.

## Student Webinar Series

Extra care was taken in 2022 in light of the changes to an online education environment to ensure our students felt supported. We developed our Student Webinar Series, covering topics such as New Student Induction, Enhancing Exam Performance, Training, Open Book Examinations, and Admission to Membership, and have received very positive feedback from our students in relation to these resources.





## Networking Events

In 2022, we continued to ensure we provided the right mix of online, in-person, and hybrid events. We were delighted to welcome members, colleagues, and stakeholders in person to our summer social events, Women in Business events, and the President's Breakfast. It was heartening to see and hear the networking and positivity from all those that attended. As a professional accountancy body, CPA Ireland provides multiple supports to its members, and in turn, we greatly appreciate the support members gave us through their attendance at all of our events and courses throughout 2022.

## Environmentally Sustainable Organisation

Following on from our sustainability audit in 2021, one way to reduce our carbon footprint was to switch from hard copy to fully online Accountancy Plus.

In June 2022, we printed the final hardcopy edition of Accountancy Plus, and the following September, we launched our first digital-only version of the publication.

In February 2022, the UN's Intergovernmental Panel on Climate Change released a new report stating that climate change is already causing severe and widespread disruption around the world and that drastic action is needed. CPA Ireland is dedicated to becoming a sustainable organisation, and having a digitally confident membership makes our journey to becoming carbon neutral possible.

We are excited to be moving to a digital future with reduced printing and being able to significantly reduce CPA Ireland's environmental impact. Over 55% of our members had already opted to receive a digital copy only.

The digital copy allows members to easily share content; you can access the journal at any time; and the digital copy also allows you to easily navigate to links within the content. The digital copy will include hyperlinks, the ability to bookmark, share, and download content, and an option to click through to additional resources on relevant topics.

## CPA Ireland and CIIA Partnership

With great pleasure, CPA Ireland has announced a new partnership with the Chartered Institute of Internal Auditors (CIIA). Our members now have the option to join the Chartered Institute of Internal Auditors by passing the online CIA challenge exam and satisfying the qualifications for good standing. The CIA challenge exam is a fast-track route for qualified accountants to complete the highly respected Certified Internal Auditor (CIA) certification. This route is available only to members of qualified accounting bodies and covers all areas of the CIA certification.

We have also concluded an access agreement to the highest level of CIA membership (Chartered Internal Auditor status), the gold standard in internal auditing.



# Global

---

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



# 4





American MRA Signing Back Row: Eamonn Siggins, CEO, CPA Ireland and Mike Fritz, Chairman of the Board, NASBA. Front Row: Barry Melancon, President CEO, AICPA Aine Collins, President, CPA Ireland and Ken Bishop, President and CEO, NASBA

## MRA with the American Institute of CPAs

In 2022, after years of work and discussions to ensure the alignment of our two accounting qualifications, The National Association of State Boards of Accountancy (NASBA)/American Institute of CPAs (AICPA), the U.S. International Qualifications Appraisal Board (IQAB), and CPA Ireland signed a mutual recognition agreement (MRA) that went into effect on June 1, 2022.

Under the agreement, qualified U.S. CPAs will be eligible to obtain the CPA Ireland credential, a pathway to obtaining audit rights in Ireland, if the holders meet the eligibility requirements detailed in the appendices of the MRA. Similarly, CPA Ireland credential holders will be eligible to obtain the U.S. CPA credential if the holders meet the eligibility requirements outlined in the MRA's appendices.

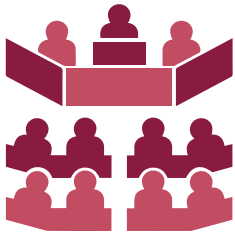
**"I am pleased that after many years of discussions concerning a mutual recognition agreement with CPA Ireland, and in spite of challenges resulting from the COVID-19 pandemic, our teams effectively managed the process to solidify a meaningful agreement," said Ken L. Bishop, President and CEO of NASBA.**

**"This agreement provides an exciting new opportunity to Irish CPAs, helping them to travel further and avail of new opportunities in the U.S., and is also a very strong endorsement of the CPA Ireland qualification."**

The U.S. and Ireland have a unique relationship based on historic cultural ties that is now represented through a strong economic relationship. "We are excited to be playing a part in enhancing this relationship by facilitating CPAs from both the U.S. and Ireland to form part of the next generation of that relationship." Aine Collins, President, CPA Ireland

We are delighted that our members and students can now avail themselves of this pathway. The prospect of this opportunity is now something additional to offer to those considering a career as a CPA Accountant, which in turn strengthens our global brand even further.





## World Congress of Accountants Mumbai

Senior members of the CPA Ireland team were delighted to attend the World Congress of Accountants, which was hosted in Mumbai from November 18th–22nd, 2022. The theme this year was "Building Trust, Enabling Sustainability," keeping in mind the important role the accounting profession is playing as a protector of the public interest and how the profession can play an instrumental role in enabling sustainable economies for the future. It was a pleasure to attend and network with the worldwide accounting community and gain insights on global practice and emerging trends to bring these new connections and knowledge back to benefit our members.

## New MRA with ICMA Bangladesh

CPA Ireland and the Institute of Cost and Management Accountants Bangladesh have entered into a Mutual Recognition Agreement, which was signed during the World Congress of Accountants 2022 in Mumbai, India. The agreement was signed by Aine Collins, President, CPA Ireland, and Mr. Md. Mamunur Rashid, FCMA, President, ICMAB.

## Renewal of MRA with ANAN

CPA Ireland signed a renewal of the Mutual Recognition Agreement (MRA) with ANAN during the World Congress Of Accountants in Mumbai, India on the 18th November 2022.



World Congress of Accountants  
Aine Collins, CPA Ireland President with ICA India attendees.



Signing of the ICMA Bangladesh MRA at the WCOA in Mumbai



Signing of the ANAN MRA renewal at the WCOA in Mumbai.

# 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.



# 5







**"As an organisation we value our team and their talent and recognise the importance of employee wellbeing."**

## Hybrid Work Policy

As the covid pandemic came to an end, the new world of work compelled all organisations to make big decisions on working arrangements. As an organisation, we value our team and their talent and recognise the importance of employee wellbeing. During the pandemic our employees proved they could work efficiently in a remote environment and continued to go above and beyond for our organisation and membership base.

However, the remote work environment did make it difficult to harness our innovative culture and promote interdepartmental collaboration. As a result, a hybrid work policy consisting of two days in the office and three days of remote work was introduced and has been very well received. This balance ensures that the wellbeing of our employees is considered while we continue to operate as an innovative and progressive organisation.



## Well-Being

The well-being of all our stakeholders is very important to us at CPA Ireland. Our well-being platform, which we launched in 2021, has been continuously available throughout 2022 to offer support and resources to our employees, members, and students.

Student support and resources available were increased to ensure our students felt supported in this new online world, while greater support was given to members in the pressing areas of sustainability and digitalisation through the creation of the sustainability and digitalisation hubs.

## Upskilling and Development

At CPA Ireland, we highly value our staff, their skills and experience, and we want to ensure that they grow with us as an organisation. In 2022, all staff continued to have access to LinkedIn Learning, an online platform with over 16,000 micro-courses available in many areas of business and technology.

We continued to have an open-door policy in relation to upskilling and education, with some members of staff completing sponsored diplomas, courses, and even master's degrees to help them grow in their roles and ultimately help to strengthen the organisation with this new knowledge.

# Protecting the Public Interest



Confidence and trust in the accounting and auditing profession are fundamental to the operation of businesses 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 always operating to the highest standards.

CPA Ireland conducts its statutory obligations in a manner that 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 the 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 the 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 of Ireland to authorise CPA member firms to engage in investment business services. CPA Ireland is supervised by the Central Bank of Ireland 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.

## Professional Conduct Activity

CPA Ireland operates a disciplinary process that provides for the investigation of complaints and disciplinary matters relating to members, authorised firms, affiliated partners, responsible individuals and students where an allegation of misconduct is made that is likely to bring discredit to themselves, the Institute or the profession of accountancy. The process operates in an open and transparent manner, independent of Council and in accordance with international best practice. The disciplinary committee, investigation committee and appeal panel are all appointed by Council and all comprise of a majority of lay members. Training is provided on an annual basis for all participants in the regulatory processes. Disciplinary and appeal tribunal hearings are held in public.

IAASA issued guidelines for Recognised Accountancy Bodies when performing investigation and disciplinary functions and these were implemented with effect from 1 January 2022. Some changes were made to CPA Ireland Bye law 6 – Discipline, during 2022 to ensure more efficient and effective operation of the disciplinary processes and to reflect changes to the CPA Ireland Constitution made in 2021, these changes came into effect from 1 January 2023.

Considering the ongoing Covid 19 pandemic, the majority of investigation and discipline activities continued to operate in a remote environment during 2022.



Going forward, Committees have agreed to a hybrid approach, which will facilitate in-person hearings at the request of a participant or where deemed appropriate, and will also continue to hold meetings remotely to facilitate participants.

During 2022, CPA Ireland received ten new complaints, nine of these came from members of the public, and one came from the quality assurance process. Complaints related to the provision of poor or unsatisfactory service to clients, breaches of the CPA Ireland Code of Ethics, breaches of CPA Ireland regulations and audit failures.

Ten complaints were concluded during 2022 as follows:

Number	Closed by	Outcome	Sanctions Imposed
1	Secretary following a mediation process	No case to answer	None
1	Secretary/ Chair of Investigation Committee	No case to answer	None
1	Investigation Committee	Prima facie evidence of misconduct	No sanction imposed – no further action taken
1	Investigation Committee	Prima facie evidence of misconduct	No sanction imposed – matter to rest on file
2	Investigation Committee	No prima facie evidence of misconduct. Both cases referred for independent review at the request of complainant and decision of Investigation Committee found to be correct	None
1	Disciplinary Tribunal	No case to answer	None
3	Disciplinary Tribunal	Misconduct proven	Yes - see table of order above

In addition, publication by name was made in all cases where misconduct was proven in accordance with the Institute’s publication policy.

During 2022, CPA Ireland reached a settlement agreement with IAASA in relation to a failure to investigate a complaint in accordance with Bye Law 6.

As part of this settlement agreement, CPA Ireland was censured and required to pay €15,000 by way of sanction.

## Orders made during 2022

Reprimand	2
Severe Reprimand	1
Fine	3
Costs imposed	3
Exclusion from Membership	1

In total, fines of €23,500 and costs of €13,188 were imposed.

Conditions were attached in respect of two cases and included rectification of issues regarding service to clients and compliance with previous orders of CPA Ireland.



## Licensing

CPA Ireland's licensing regime is conducted in accordance with Bye Laws 13 – 15, and the Companies Act 2014. It is overseen by CPA Ireland's Registration Committee and Registration Appeals Committee.

All members engaged in public practice must hold a practicing certificate. To provide statutory audit services, members and firms must be approved in accordance with the Companies Act 2014.

### 2022 Licensing Activities

#### Inspection of licensing regime for statutory auditors

An inspection of CPA Ireland's licensing regime for statutory auditors was conducted in 2022 by IAASA. Issues identified during this inspection included;

- Updates to Bye Law 13 required to reflect more closely the language and requirements of Part 27 of the Companies Act 2014.
- Enhancement is needed of the information collected from audit firms to ensure that the details required by Schedule 20 of the Companies Act 2014 are being fully met, including details of network firms.
- The requirement to establish standards statutory auditors should possess to enable them to provide training to an adequate standard.
- Requirement to align the standards required of members and members of other RABs applying for approval as statutory auditors.
- The need to update delegation policies to ensure that powers of the Registration Committee are adequately delegated to the executive.

CPA Ireland will work in 2023 to implement the recommendations and findings.

#### Practice population at 31st December 2022

Practising Certificate holders	636
Audit Firms	289
Statutory Auditors	371
Non audit firms	242
Investment business firms	64

#### Approvals

During 2022 the following were approved;

Practising certificates approved	9
Statutory auditors approved	6
Statutory audit firms	9
Investment intermediaries	1

#### Cessations during 2022

Practising certificates ceased	37
Statutory auditors ceased	31
Statutory audit firms ceased	28
Investment intermediaries	4

#### Renewals

Licences expire annually on the 31 March and must be renewed by members if they wish to continue in public practice. In 2022 the Registration Committee renewed 632 practising certificates, 290 auditing certificates and 64 investment business certificates. In doing so the Committee considered the fit and proper status of the member and the compliance by the member with CPD requirements, Professional Indemnity Insurance requirements, and compliance with any conditions attaching to authorisations.



## Conditions on Licences

CPA Ireland’s licensing, quality assurance or investigation and disciplinary processes may impose a condition on the licence of a member or firm. The following number of conditions were in place at 31 December 2022;

- Hot file review condition on all the audits of an individual statutory auditor / audit firm – 18 individuals/firms (2021:15)
- Hot file review condition on all medium/ large statutory audit clients – 1 firm (2021:1 firm)
- Hot file review condition imposed on the corporate clients of a non-audit firm – 1 firm (2021:1 firm)
- Joint auditor condition – None (2021:1 firm)

These conditions are monitored on an ongoing basis by CPA Ireland’s executive. Breaches of conditions are subject to further regulatory action.

## Corporate Sustainability Reporting Directive

In January 2023, a public consultation on Ireland’s transposition of the Corporate Sustainability Reporting Directive was published, ahead of Ireland’s transposition of the Directive into Irish Law.

CPA Ireland will engage with this consultation and its stakeholders during 2023 to ensure that it has in place an appropriate and proportionate regime for the licensing and quality assurance of sustainability auditors.

## Continuing Professional Development (CPD) for Statutory Auditors

IAASA’s CPD Guidelines for Statutory Auditors became effective on January 1, 2022. As a result, revisions to Bye Laws 7, 8 and 13 were implemented as of this date to give effect to the new requirements. These regulations require that statutory auditors document the planning, completion, and evaluation of their CPD activities in accordance with the Guidelines.

In response to this the Quality Assurance team commenced formalised reviews of the CPD of statutory auditors in 2022, with 64 such reviews concluded in the year.

Where a non-compliant grade was awarded to a statutory auditor, guidance was provided by the Quality Assurance team to help remediate the weaknesses identified, and referral to the Registration Committee to consider further action as appropriate. Those who received a generally compliant grade were required to remediate within a set time period and provide evidence of same. The outcome of these reviews is detailed below;

Total	Compliant	Generally Compliant	Non-Compliant
64	31	25	8

In addition, 9 non-audit firms were also subject to a review of the appropriateness of their firm partners CPD in conjunction with their non-audit quality assurance review.

Non- members, who are members of other RABs and authorised as affiliated partners in CPA firms and approved by CPA Ireland as statutory auditors, are also subject to the revised Bye Laws, and accordingly will be required to make a detailed CPD return as part of their renewal of their statutory auditor status in 2023.



## Quality Assurance

CPA Ireland's Quality Assurance process ensures 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, for all firms with specific guidance for statutory auditors within the Companies Act 2014. All statutory auditors and audit firms are required to have a quality assurance review at least once every six years. In addition to this, an extensive risk assessment process is conducted annually with respect to all licenced firms to establish whether risk indicators exist and whether an accelerated review is required.

IAASA undertook an inspection of CPA Ireland's Quality Assurance process in the year 2020, the report for which issued in 2021. As of the 30th June 2022, all findings in the report were successfully actioned by the quality assurance team. As part of this action plan, in the year 2022, a Practice Regulation Manager was appointed to manage the Quality Assurance function. This has brought about a robust review process within the function with the main aim of bringing consistency and standardisation to the process.

In 2022 due to the ongoing impact of COVID-19, CPA quality assurance reviews continued to be conducted in an offsite manner. A hybrid approach was developed during 2022 and will be rolled out in 2023, using a risk rating to determine those firms whose visits will occur onsite.

Risk ratings will be assigned on a firm basis and awarded as low, medium and high. For example, statutory audit firms assessed as medium or high risk will be visited onsite and in person.

51 (2021: 81) offsite reviews were concluded\* in the year 2022.

Of these, 70% (2021: 84%) of firms were found to be conducting their work to an acceptable standard. Firms scoring a Grade C or D were subject to further regulatory action, which can include a full re-review of the practice, the imposition of hot and cold file review conditions and referral for disciplinary action.

The outcome of the 2022 reviews is detailed below;

Type of review	Total	Grade			
		A	B	C	D
Offsite and remote reviews of statutory audit firms	42	9	22	5	6
Offsite and remote visits of non-audit firms	9	3	2	0	4
<b>Total</b>	51	12	24	5	19

*\*For the purposes of preparing Annual statistics for this report a Quality Assurance review is considered "concluded" once the fieldwork of the review has been conducted (either onsite or offsite) and the final report has issued to the firm.*

The Quality Assurance team engaged with all firms reviewed to ensure that issues identified were addressed expeditiously. The International Standard on Quality Management (ISQM1) came into effect on the 15th December 2022 requiring all firms to update and refresh their audit quality control systems and procedures, to ensure they are fit for purpose. This refresh should also aid firms in obtaining better outcomes in their Quality Assurance reviews.

An extensive education and training process was undertaken in the year 2022 to prepare firms for this change. For example, an ISQM resource was launched to support audit firms in their transition to ISQM, and the online Quality Assurance Resource was revamped and relaunched.



## Anti-Money Laundering (AML)

The Criminal Justice (Money Laundering and Terrorist Financing) Act 2010, as amended, (the Act), provides the legislative framework for combating money laundering and terrorist financing (MLTF) in Ireland. The accountancy profession plays an important role within this framework and CPA members and firms that provide audit, accounting, tax and trust or company services (TCSPs) are required under the Act to have in place specific policies and procedures to combat MLTF.

CPA Ireland is recognised as a competent authority under S.60 of the Act and under this legislation it 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, CPA Ireland discharges its obligations under the Act through the following functions;

- Licensing
- Quality Assurance/inspection regime
- Investigation and discipline
- Outreach and education programme

The Act places obligations on CPA members who are considered “designated persons” to guard against their businesses being used for money laundering or terrorist financing purposes and provides for the supervision of all “designated persons” by a competent authority.

“Designated persons” coming under the supervision of CPA Ireland include those members who are;

- Statutory Auditors;
- External accountants including practising certificate holders and book-keepers;
- Tax advisers;
- Trust company service providers (TCSPs).

Members currently holding CPA practice certificates are supervised under the Institute’s current Quality Assurance programme for AML purposes.

Members who provide services that make them a designated person under the Act, but do not require them to hold a practising certificate in accordance with Bye Law 13, Practice and Audit Regulations, such as book-keeping services, payroll services or TCSPs are required to register separately for AML purposes with CPA Ireland.

The population of supervised firms is outlined in the licensing section. In addition, CPA Ireland supervises twenty providers of book-keeping and payroll services and seven TCSP providers.

### New Bye Law 15, AML Regulations

The introduction of Bye Law 15, Anti-Money Laundering Regulations provided for the consolidation of the AML obligations of CPA Ireland and its members within one regulation.

Bye Law 15, Anti Money Laundering, became effective from 1st January 2022.



## Risk-based Approach to supervision

### Basis for risk analysis

CPA Ireland collects an online annual return from its regulated firms. This return comprises data regarding the firm’s income, services, and client profile. Also included is a dedicated AML return which collects information regarding the firm’s potential vulnerabilities to MLTF such as;

- Risk profiling of services provided – identification of higher risk services such as TCSP services, tax mitigation schemes, payroll etc.
- Risk profiling of clients – identification of higher risk clients including those operating in cash-intensive businesses, politically exposed persons, non-face-to-face clients, clients operating in high-risk jurisdictions etc.

The information collected is collated and a risk rating is applied to each firm. This risk rating underpins the scheduling of AML inspections.

### AML Inspections

51 (2021:81) AML inspections were conducted in 2022 and the results were as follows;

Total	Compliant	Generally Compliant	Non-Compliant
51	23	18	10

The inspections, supported by AML data collected through the annual return process and previous regulatory history, reviewed the following aspects of a firm’s compliance with the Act;

- The firm’s business risk assessment
- The firm’s approach to client risk assessments and customer due diligence
- AML training undertaken by principals and staff
- The Firm’s internal reporting structures

Firms found to be non-compliant were subject to further regulatory action with firms that received a generally compliant grade required to remediate within a set time period and provide evidence of the same.

### Licensing

CPA Ireland has implemented a registration process designed to meet its obligations under the Act, conducting various checks on applicants such as beneficial ownership checks, fitness and probity checks etc. New entrants to practice are required to complete the Practice Orientation Course, which includes a module on AML obligations.

### Outreach and Education

CPA Ireland hosts a dedicated AML resource on its website, providing support and information to its members on their AML obligations, including the AML Guidance for Members of CCAB-I, revised in March 2022, AML national risk assessments, training material and sanctions information etc.

Monthly news bulletins to members provided AML updates throughout 2022. Training and updates were provided to Members during 2022 through our extensive CPD programme.





### Engagement with other stakeholders

CPA Ireland is an associate member of the AML Steering Committee hosted by the Department of Finance and during 2022 it engaged with initiatives such as the subgroup on statistics gathering and analysis, and contributed to the national risk assessment on TCSPs.

CPA Ireland is also a member of the Joint Practices Group (an intelligence sharing group comprised of five Professional Accountancy Bodies, the Garda National Economic Crime Bureau and FIU Ireland).

During 2022 this group issued red flag training material, to assist firms in meeting the training requirements of the Act.

### Anonymous Reporting Channel

In accordance with the Act, CPA Ireland is required to establish effective and reliable mechanisms to encourage the reporting of potential and actual breaches of the Act. To this end, it hosts a secure communication channel via its website through which such reports can be made. No reports were made via this mechanism in 2022.

### AML Initiatives for 2023

A priority for 2023 will be the continued review of the current regulatory framework in place for TCSPs and those members registered for AML purposes as bookkeepers.

CPA Ireland will continue to build on its AML education and outreach programme, through the provision of information through the online AML Resource, monthly Practice Plus bulletins and its extensive CPD programme.

### Professional Standards Outreach Activities 2022

A series of webinars were provided to members by the Professional Standards Department during 2022 on various current topics such as regulatory updates, AML, ISQM, Audit matters, quality assurance, practising certificates and other general updates.

12 editions of Practice Plus were issued by the Department to CPA members in practice, providing topical information on practice and regulatory matters.

A CPD toolkit was published in 2022 to support the compliance of statutory auditors with IAASA CPD Guidelines.

The CPA Clarified Audit Procedures were revised for changes to ISA 315 and ISA 240, for a launch in early 2023.

# Council & Other Information

## Members of Council

1. Aine Collins (President)
2. Mark Gargan (Vice President)
3. Clodagh Henehan (Vice President)
4. John Devaney
5. Carla Manning
6. Gillian Cregan
7. Gearoid O'Driscoll
8. Brendan Brady
9. Richard O'Hanrahan
10. Cormac Mohan
11. Michael Kavanagh
12. Dr. Ruth Lynch
13. Barry Clarke
14. Brian Purcell
15. Michael O'Regan
16. Lorraine O'Flynn

## Chief Executive

Eamonn Siggins

## Secretary

Cáit Carmody

## Registered Office

17 Harcourt Street, Dublin 2, D02 W963

## Registered Number

010475

## Auditors

UHY Farrelly Dawe White Limited, FDW House, Blackthorn Business Park, Coes Road, Dundalk, Co. Louth, Ireland

## 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 80th Annual Report of the Council and the Financial Statements for the year ended 31 December 2022.

The deficit for the financial year amounts to €81,912 (2021 surplus of €261,593).

## 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.

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 2022 included Brexit which brings a real risk of increased costs and delay to the supply chain, the current economic downturn coupled with the continuing conflict in Ukraine, inflation and a decline in student registration numbers.

The Covid-19 pandemic materialised as the major risk in 2020 and its impact has been felt into the subsequent years as Government supports were understandably withdrawn and businesses and individuals were obliged to adapt to new circumstances as the restrictions on operating were largely rescinded. Last year the Ukrainian conflict was highlighted as the major risk superseding Covid-19 and threatening the Institute's financial stability, and it continues to be the major risk as the eurozone is particularly vulnerable to inflation, food and energy supplies. Coupled with the recent banking issues and ongoing ECB interest rate increases, 2023 shows no sign of these principal risks materially reducing in 2023.

## President and Vice-Presidents

At a meeting of Council on 17 February 2022, Áine Collins was re-elected President and Mark Gargan was re-elected Vice President and Clodagh Henehan was re-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 8 occasions in 2022.

## 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

Áine Collins, CPA

Brendan Brady, CPA

Barry Clarke, FCPA

Gillian Cregan, FCPA

John Devaney, CPA

Mark Gargan, FCPA

Clodagh Henehan, CPA

Michael Kavanagh, CPA

Carla Manning, CPA

Cormac Mohan, CPA

Gearóid O'Driscoll, FCPA

Lorraine O'Flynn, CPA

Richard O'Hanrahan, FCPA

Michael O'Regan, FCPA

Brian Purcell, CPA

Orna Stokes, FCPA (Retired 27/4/2022)

Ruth Lynch CPA (Appointed 27/04/2022)

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: -

- Brendan Brady
- Barry Clarke

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

- Michael O'Regan

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

- Tom Murray

There is one nomination for one vacancy, and in accordance with Article 22(b) such candidate 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 the requirements of Sections 281 to 285 of the 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

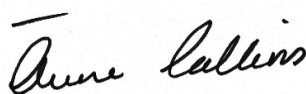
In accordance with Section 330 of the Companies Act 2014:

- 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., resigned their office on 13 January 2023. UHY Farrelly Dawe White Limited were appointed by Council as Statutory Auditor on an interim basis until the conclusion of the annual general meeting in accordance with the provisions of Section 384 of the Companies Act, 2014.

## On Behalf of the Directors:



Áine Collins CPA  
Director and Council Member



Clodagh Henehan CPA  
Director and Council Member

Dated: 29th March, 2023

# Financial Statements 2022

---

# 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 the 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 a going concern basis unless it is inappropriate to presume that the company will continue in business.

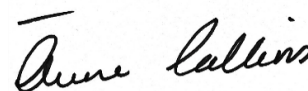
The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records that correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position, and surplus or deficit of the company to be determined 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 29th March 2023 and signed on its behalf by:



**Aine Collins CPA**  
Director and Council Member



**Clodagh Henahan CPA**  
Director and Council Member

# Independent auditor's report

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

## Opinion

We have audited the financial statements of The Institute of Certified Public Accountants in Ireland ('the Company') for the financial year ended December 31, 2022, 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 2022 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 the 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

# Independent auditor's report

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

included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 that, 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 38, 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 has 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, it 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:

[https://iaasa.ie/wp-content/uploads/docs/media/IAASA/Documents/audit-standards/Description\\_of\\_auditors\\_responsibilities\\_for\\_audit.pdf](https://iaasa.ie/wp-content/uploads/docs/media/IAASA/Documents/audit-standards/Description_of_auditors_responsibilities_for_audit.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 for 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.



**Michael Bellew**

For and on behalf of:

UHY Farrelly Dawe White Limited  
Chartered Certified Accountants  
Statutory Auditor

FDW House  
Blackthorn Business Park  
Coes Road  
Dundalk  
Co. Louth  
Ireland

Dated: 29th March 2023

# Income Statement

For the Financial Year Ended 31 December 2022

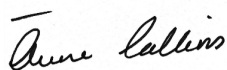
		2022	2021
	Note	€	€
<b>Income</b>	5	<b>4,206,107</b>	<b>4,200,243</b>
Administration expenses		(3,688,649)	(3,250,758)
Other operating expenses		(579,597)	(613,548)
Other operating income	6	53,660	45,660
		<b>(4,214,586)</b>	<b>(3,818,646)</b>
<b>Operating deficit</b>	7	<b>(8,479)</b>	<b>381,597</b>
Interest receivable		142	0
Interest payable and similar charges	8	(65,100)	(115,916)
<b>Deficit on ordinary activities before taxation</b>		<b>(73,437)</b>	<b>265,681</b>
Tax charge on deficit on ordinary activities	9	(8,475)	(4,088)
<b>Deficit for the financial year</b>	16	<b>(81,912)</b>	<b>261,593</b>
<b>Total Comprehensive Income for the year</b>		<b>(81,912)</b>	<b>261,593</b>

# Statement of Financial Position

As at 31 December 2022

	Note	2022 €	2021 €
<b>Fixed assets</b>			
Intangible assets	10	32,352	71,184
Tangible assets	11	9,513,725	9,660,755
<b>Total fixed assets</b>		<b>9,546,077</b>	<b>9,731,939</b>
<b>Current assets</b>			
Debtors	12	438,630	464,350
Prize bonds		190	190
Cash and cash equivalents		1,092,643	1,465,033
<b>Total current assets</b>		<b>1,531,463</b>	<b>1,929,573</b>
Creditors: amounts falling due within one year	13	(901,948)	(1,089,302)
<b>Net current assets</b>		<b>629,515</b>	<b>840,271</b>
<b>Total assets less current liabilities</b>		<b>10,175,592</b>	<b>10,572,210</b>
Creditors: amounts falling due after more than one year	14	(3,830,109)	(4,144,815)
<b>Net assets</b>		<b>6,345,483</b>	<b>6,427,395</b>
<b>Reserves</b>			
Accumulated surplus	16	6,345,483	6,427,395

Approved by the Board of Directors on 29th March 2023 and signed on its behalf by:



Aine Collins  
Director and Council Member



Clodagh Henahan CPA  
Director and Council Member

# Statement of changes in equity

For the Financial Year Ended 31 December 2022

	Accumulated Surplus Account
	€
At 1 January 2021	6,165,802
Surplus for the year	261,593
<b>At 31 December 2021</b>	<b>6,427,395</b>
At 1 January 2022	6,427,395
Deficit for the year	(81,912)
<b>At 31 December 2022</b>	<b>6,345,483</b>

# Statement of Cash Flows

For the Financial Year Ended 31 December 2022

	Note	2022 €	2021 €
<b>Cash flows from operating activities</b>			
Operating deficit for the financial year		(8,479)	381,597
Adjustments for:			
Amortisation of intangible assets	10	38,832	38,832
Depreciation of property, plant and equipment	11	255,195	238,898
(Increase)/decrease in trade and other receivables	12	24,073	(46,615)
Increase/(decrease) in trade payables	13	(187,355)	199,640
<b>Cash from operations</b>		<b>122,266</b>	<b>812,352</b>
Interest paid	8	(65,100)	(115,916)
Tax paid		(3,591)	(3,335)
<b>Net cash generated from operating activities</b>		<b>53,575</b>	<b>693,101</b>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets	11	(108,162)	(397,253)
Interest received		142	0
<b>Net cash from investing activities</b>		<b>(108,020)</b>	<b>(397,253)</b>
<b>Cash flows from financing activities</b>			
Repayment of borrowings	14	(314,706)	(267,646)
<b>Net cash used in financing activities</b>		<b>(314,706)</b>	<b>(267,646)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(372,390)</b>	<b>28,202</b>
Cash and cash equivalents at beginning of year		1,465,033	1,436,831
<b>Cash and cash equivalents at end of year</b>		<b>1,092,643</b>	<b>1,465,033</b>

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2022

## 1. General Information

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

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

## 2. Basis of preparation and statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 ("FRS 102"), the Financial Reporting Standard applicable in the Republic of Ireland and the 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 that would have a significant risk of causing material adjustments 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 to all years presented unless otherwise stated.

### 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 the end of each period, 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.

## 4.3. Income

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. The cost includes the purchase price 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.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2022

## 4.5. Leases

The cost of fixed assets acquired under finance leases is 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 the 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 an amortised cost using the effective interest method.

## 4.9. Financial Instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, and 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 as income in the year in which the specified training course is held.

## 4.12. Regional Societies

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

## 4.13. Retirement Benefits

Retirement benefits are met by payments to defined contribution pension 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 the 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 2022

<b>6. Other operating income</b>	<b>2022</b>	<b>2021</b>
	€	€
Rental Income	53,660	45,660
Deposit Interest	142	-
	<b>53,802</b>	<b>45,660</b>
<b>7. Deficit before taxation</b>	<b>2022</b>	<b>2021</b>
	€	€
The deficit before taxation is stated after charging:		
Directors' emoluments	-	-
Amortisation of intangible assets	38,832	38,832
Depreciation of tangible assets	255,195	238,898
<b>8. Interest payable and similar charges</b>	<b>2022</b>	<b>2021</b>
	€	€
On bank loans and overdrafts	65,100	115,916
<b>9. Taxation</b>	<b>2022</b>	<b>2021</b>
	€	€
<b>Current year taxation</b>		
Corporation tax @ 25% on passive income	8,475	4,088



# Notes to the Financial Statements

For the Financial Year Ended 31 December 2022

## 10. Intangible Fixed Assets

	Website Development	Programme Development	Total
Cost	€	€	€
At 1 January 2022	194,151	74,988	269,139
<b>Depreciation</b>			
At 1 January 2022	122,967	74,988	197,955
Charge	38,832	-	38,832
At 31 December 2022	161,799	74,988	236,787
<b>Net Book Values</b>			
At 31 December 2022	32,352	-	32,352
At 31 December 2021	71,184	-	71,184

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 2022

## 11. Tangible Fixed Assets

	Land & Buildings	Equipment, Fixtures & Fittings	Total
Cost	€	€	€
At 1 January 2022	11,413,917	1,628,185	13,042,102
Additions		108,162	108,162
Disposals / scrapped	-	(65,129)	(65,129)
At 31 December 2022	<u>11,413,917</u>	<u>1,671,218</u>	<u>13,085,135</u>

### Depreciation

At 1 January 2022	1,962,196	1,419,148	3,381,344
Charge	150,399	104,796	255,195
Disposals / scrapped	-	(65,129)	(65,129)
At 31 December 2022	<u>2,112,595</u>	<u>1,458,815</u>	<u>3,571,410</u>

### Net Book Values

At 31 December 2022	9,301,322	212,403	9,513,725
At 31 December 2021	<u>9,451,721</u>	<u>209,034</u>	<u>9,660,755</u>

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2022

12. Debtors	2022	2021
	€	€
Debtors (due within one year)	438,630	462,703
Corporation tax refundable	-	1,647
	438,630	464,350

13. Creditors: amounts falling due within one year	2022	2021
	€	€
Bank Loan (see note 14)	274,806	267,646
Subscriptions in advance	117,260	191,056
PAYE / PRSI	63,097	59,991
Corporation Tax	3,537	-
Creditors and accruals	443,248	570,609
	901,948	1,089,302

14. Creditors: amounts falling due after more than one year	2022	2021
	€	€
Bank loan (see note 15)	3,830,109	4,144,815

## 15. Details of Borrowings

Repayable	Within 1 year	Between 1 & 2 years	Between 3 & 5 years	After 5 years	Total
	€	€	€	€	€
By instalments					
Bank loans	274,806	573,887	915,399	2,340,823	4,104,915

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 2022

## 16. Reserves

	2022	2021
	€	€
Retained surplus at beginning of year	6,427,395	6,165,802
Deficit for the year	(81,912)	261,593
Retained surplus at end of year	<u>6,345,483</u>	<u>6,427,395</u>

## 17. Employee information

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

	2022	2021
	Number	Number
Administration	32	31

## Staff costs

	2022	2021
	€	€
Wages and salaries	1,933,868	1,746,049
Social welfare costs	214,211	196,753
Retirement benefits - defined contribution plans	169,725	177,333
	<u>2,317,804</u>	<u>2,120,135</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 (2021: 5).

	2022	2021
	€	€
Total key management compensation	<u>703,995</u>	<u>719,045</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 2022

## 18. Comparative figures

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

## 19. Events after the reporting period

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

## 20. Approval of financial statements

The financial statements were approved by the board of directors on 29th March 2023.



The Institute of Certified Public Accountants in Ireland

17 Harcourt Street, Dublin  
D02 W963, Ireland  
Phone: 01 425 1000  
Email: [cpa@cpaireland.ie](mailto:cpa@cpaireland.ie)

Unit 3, The Old Gasworks  
Kilmorey Street, Newry, Co. Down  
Northern Ireland, BT34 2DH  
Phone: +44 (0)28 305 50000

[www.cpaireland.ie](http://www.cpaireland.ie)