Registered number: 100175

THE INSTITUTE OF ACCOUNTING TECHNICIANS IN IRELAND CLG

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

COMPANY INFORMATION

Directors	Sinead Donovan John McElhinney Mary Gleeson Ivor Gleeson Kathya Rouse Dargan FitzGerald Micheal Meegan (appointed 28 June 2019) Louise Gorman (resigned 18 June 2019) Peter Johnson (resigned 18 June 2019)
Company secretary	Derek Boate
Registered number	100175
Registered office	47 - 49, Pearse Street Dublin 2
Independent auditors	PKF O'Connor Leddy & Holmes Limited Statutory Audit Firm Harold's Cross Road Dublin 6W
Bankers	Bank of Ireland Ballsbridge Dublin D04 X738
Solicitors	Matheson 70 Sir John Rogerson's Quay Dublin 2
Charity registration number	CHY6846
Charity regulatory authority number	20013622

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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present their annual report and the audited financial statements for the year ended 31 December 2019. The Company qualifies as a small company in accordance with Section 280A of the companies Act 2014 and this report has been prepared in accordance with the small companies regime.

Directors' responsibilities statement

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

Irish company law requires the directors to prepare the financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and Financial Reporting Standard 102 ‘The Financial Reporting Standard applicable in the UK and Republic of Ireland' .

Under company law, the directors must not approve the financial statements unless they are satisfied they give a true and fair view of the assets, liabilities and financial position of the Company as at the financial year end date, of the profit or loss for that financial year and otherwise comply with the Companies Act 2014.

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

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for ensuring that the Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss 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 Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Principal activities, business review and future developments

Accounting Technicians Ireland (ATI) is the leading professional Accounting Technicians body, with more than 10,000 members and students across the island of Ireland. ATI promote the highest standards of excellence in education and training to our members and students. The principal activity of the company is the provision of a qualification in accounting and information skills for persons working in the accounting profession, in industry and commerce and in the public sector. ATI welcome students and members into a strong community of practice and provide an excellent suite of Continuous Professional Development (CPD) programmes for life-long learning. Technicians are qualified accounting professionals employed throughout all levels of finance across the public sector, industry, commerce and the private accountancy practices

The Board recognises the Institute's strong financial position and its capacity to invest from reserves for future proofing the business. ATI has strong cash reserves allowing it to operate without exposure to debt. However, the financial statements (presented on pages 8 to 27) show an operating deficit of (€171,974) on ordinary activities in 2019. This is a significant decrease on operating surplus in 2018, €562,426, which included grant funding of €827,500 (for 2017 & 2018). Income for 2019 is €4,114,995, which includes grant funding of €748,281, and expenditure was €4,286,969. As part of the mid-year review of the current Strategy 2020 performance, the Board recognised the need to strengthen the organisation's ability to flex and move in an agile manner in the future. Consequently, €161k was made available to the Executive for expenditure across categories including brand repositioning, people management and a programmatic review for the education bodies.

The membership renewals across all categories of members have been largely maintained at 5,201 for the year (2018, 5,217) and represents a churn rate of 0.3%. A Total of 380 new members were admitted to Membership of which 25% (94) came through the Apprenticeship programmes both in ROI / NI. The Membership survey carried out in 2019 has provided invaluable information to continue building the strength of the Accounting Technician membership community. The Annual Conference theme "The Promises and Perils of the Next Gen Finance", was well supported by the Members. The path to digital transformation, the rapid pace of technological advancements, and how they will impact finance professionals were among the range of issues enthusiastically debated across the day. Other activities for members included the District Societies' annual calendar of events which was delivered across the 32 counties, improving network opportunities for all attendees.

The provision of the continuing professional development programme continued in its second year of delivery. It has been well received by the Fellows and Members with new content added across Core, Technical, Soft and General Business Skills. The successful launch of the CPD App took place in the autumn of 2019.

During the year, the Education Services Unit achieved new student registrations with a total of 1,582 which include 180 for January and 1,402 for the September programmes. This represents an 11% reduction on the 2018 (1,567) numbers for the September intake. The trend reversed for the January in-take, which increased by 39% compared to 2018 (111). This has had a subsequent impact on the Academy programme with Modules sales down by 23% at 301 compared with 391 for 2018. The continuing students were in line with 2018 at 1,304, the online programme continues to match market trends with an up take of 1,085 modules.

The Accounting Technician Apprenticeship programme is continuing to deliver the programme in seven Partner colleges. A total of 102 Apprentices registered for the first year of the programme and the transition to second year has been 73% at 64 students. The programme is delivered nationally across all Education and Training Board regions. The expansion to the programme has delivered Apprentices on a January intake across three Partner colleges in 2019 a total of 36 Apprentices were registered. In January induction training was delivered by the Apprenticeship Programme Director to new employers and employer mentors. The focus of the training was to ensure employer mentors were informed about the programme and understood their role as mentor for their apprentice and assessor to help them meet the programme learning outcomes.

The supporting functions of Finance and IT continued to provide quality data driven inputs to the operational decision making of the business.

The directors are satisfied with the Institute's overall performance during the year. In line with its strategy, ATI continues to be well placed to deal with emerging new technologies, and to enhance the status and reputation of the accounting technician profession. There is increasing competition in the delivery of education through digital channels, and ATI are strengthening its presence in this space.

Results and dividends

The deficit for the year, after taxation, amounted to €159,701 *(2018 - surplus €552,943)*.

Directors

The directors who served during the year were:

Sinead Donovan
John McElhinney
Mary Gleeson
Ivor Gleeson
Kathya Rouse
Dargan FitzGerald
Micheal Meegan (appointed 28 June 2019)
Louise Gorman (resigned 18 June 2019)
Peter Johnson (resigned 18 June 2019)

The current Directors and Secretary do not hold any beneficial interest in the company.

Political contributions

The Company made no political contributions in 2019 (2018; €Nil).

Principal risks and uncertainties

The global COVID-19 pandemic has given rise to significant issues across many sectors and industries globally including the financial services sector, which may impact on the company's ability to continue to generate existing revenue and profit levels. Whilst, it is not possible to quantify the financial effect of the pandemic at this date due to the ongoing uncertainties in relation to the timing and outcome, the Board are of the view that no additional financial adjustments to the financial statements are required.

The Board feel that it has put in place adequate measures and controls to mitigate the risk and uncertainties to ensure the company continues to maintain satisfactory levels of revenue and performance, these include;

- Coronavirus COVID-19 Business continuity planning has been enacted.
- ATI Crisis Management team convene daily to review critical action.
- All staff have been given equipment to work from home.
- Classroom delivery programmes have been switched to online tuition delivery.
- Any planned events including District society events has been postponed and will be delivered online where possible
- A full communications plan to all stakeholders is under way.
- Plans for September academic year are continuing to be agreed with Colleges

Accounting records

The measures taken by the directors to ensure 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 maintenance of computerised accounting systems. The company's accounting records are maintained at the company's registered office at 47-49 Pearse Street, Dublin 2.

Statement on relevant audit information

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Post balance sheet events

With the exception of the global COVID-19 pandemic there have been no other significant events affecting the company since the year end.

As outlined in the directors' report the board have taken temporary precautionary measures intended to help minimize the risk of the virus to the business.

Auditors

The auditors, PKF O'Connor Leddy & Holmes Limited, continue in office in accordance with section 383(2) of the Companies Act 2014.

This report was approved by the board and signed on its behalf.

DocuSigned by:
Sinead Donovan
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....
Sinead Donovan
Director

Date:

DocuSigned by:
Mary Gleeson
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....
Mary Gleeson
Director

Date:

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE INSTITUTE OF ACCOUNTING TECHNICIANS IN IRELAND CLG

Report on the audit of the financial statements

Opinion

We have audited the financial statements of The Institute of Accounting Technicians in Ireland CLG (the 'Company') for the year ended 31 December 2019, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Cash Flows, the Statement of Changes in Equity and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is Irish law and Financial Reporting Standard 102 ‘The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion, the accompanying financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with Financial Reporting Standard 102 ‘The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard 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

We have nothing to report in respect of the following matters in relation to which ISA (Ireland) 570 requires us to report to you where:

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE INSTITUTE OF ACCOUNTING TECHNICIANS IN IRELAND CLG (CONTINUED)

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies 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.

Opinion on other matters prescribed by the Companies Act 2014

Based solely on the work undertaken in the course of the audit, we report that:

- in our opinion, the information given in the Directors' Report is consistent with the financial statements; and
- in our opinion, the Directors' Report has been prepared in accordance with applicable legal requirements.

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited, 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 disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE INSTITUTE OF ACCOUNTING TECHNICIANS IN IRELAND CLG (CONTINUED)

Respective responsibilities and restrictions on use

Responsibilities of directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: https://www.iaasa.ie/Publications/ISA-700-(Ireland). This description forms part of our Auditors' Report.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members 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 Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members for our audit work, for this report, or for the opinions we have formed.

Keith Doyle
for and on behalf of
PKF O'Connor Leddy & Holmes Limited
Statutory Audit Firm
Harold's Cross Road
Dublin 6W
Date:

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	2019 €	*2018* *€*
Income	4	**4,114,995**	*4,360,508*
Operating expenses		**(1,781,782)**	*(1,560,024)*
Administrative expenses		**(2,505,187)**	*(2,238,058)*
Operating (deficit)/surplus	5	**(171,974)**	*562,426*
Gain/(Loss) on financial assets at fair value through statement of comprehensive income	14	**11,298**	*(9,368)*
Other interest receivable and similar income	7	**2,929**	*3,296*
Interest payable and similar expenses	8	**(1,954)**	*(3,411)*
(Deficit)/surplus before taxation		**(159,701)**	*552,943*
Tax on (deficit)/surplus	9	**-**	*-*
(Deficit)/surplus for the financial year		**(159,701)**	*552,943*
Other comprehensive income			
Actuarial (loss)/gain on defined benefit schemes	11	**(18,735)**	*96,688*
Other comprehensive income for the financial year		**(18,735)**	*96,688*
Total comprehensive income for the financial year		**(178,436)**	*649,631*

There were no recognised gains and losses for 2019 or 2018 other than those included in the statement of comprehensive income.

Signed on behalf of the board:

DocuSigned by:
Sinead Donovan
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Sinead Donovan

Director

Date:

DocuSigned by:
Mary Gleeson
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Mary Gleeson

Director

Date:

BALANCE SHEET
AS AT 31 DECEMBER 2019

	Note		2019 €		2018 €
Fixed assets					
Tangible fixed assets	13		**80,546**		*184,816*
Financial assets	14		**162,812**		*151,514*
			243,358		*336,330*
Current assets					
Debtors: amounts falling due within one year	15	**639,156**		*267,548*	
Cash At Bank And In Hand	16	**3,424,966**		*3,784,763*	
		4,064,122		*4,052,311*	
Creditors: amounts falling due within one year	17	**(1,398,131)**		*(1,316,497)*	
Net current assets			**2,665,991**		*2,735,814*
Total assets less current liabilities			**2,909,349**		*3,072,144*
Pension Scheme Obligation	11		**(125,396)**		*(109,755)*
Net assets			**2,783,953**		*2,962,389*
Reserves					
Accumulated Surplus	19		**2,783,953**		*2,962,389*
Members' funds			**2,783,953**		*2,962,389*

These financial statements have been prepared in accordance with the small companies regime.

The financial statements were approved and authorised for issue by the board:

DocuSigned by:
Sinead Donovan
B78EF479CDB1433
Sinead Donovan
Director

Date:

DocuSigned by:
Mary Gleeson
2FE9E26D661E4D7
Mary Gleeson
Director

Date:

The notes on pages 12 to 27 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019

	Accumulated Surplus	Total equity
	€	€
At 1 January 2019	2,962,389	2,962,389
Comprehensive income for the year		
Deficit for the year	(159,701)	(159,701)
Actuarial losses on pension scheme	(18,735)	(18,735)
Other comprehensive income for the year	(18,735)	(18,735)
Total comprehensive income for the year	(178,436)	(178,436)
At 31 December 2019	2,783,953	2,783,953

The notes on pages 12 to 27 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018

	Accumulated Surplus	Total equity
	€	€
At 1 January 2018	2,312,758	2,312,758
Comprehensive income for the year		
Surplus for the year	552,943	552,943
Actuarial gains on pension scheme	96,688	96,688
Other comprehensive income for the year	96,688	96,688
Total comprehensive income for the year	649,631	649,631
At 31 December 2018	2,962,389	2,962,389

The notes on pages 12 to 27 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2019

	2019 €	*2018* *€*
Cash flows from operating activities		
(Deficit)/surplus for the financial year	**(159,701)**	*552,943*
Adjustments for:		
Depreciation of tangible assets	**141,178**	*181,447*
Interest payable and similar charges	**1,954**	*3,411*
Interest received and similar income	**(14,227)**	*(3,296)*
(Increase)/decrease in debtors	**(381,336)**	*140,697*
Decrease/(increase) in amounts owed by groups	**28,073**	*(11,555)*
Increase in creditors	**86,202**	*121,101*
(Decrease)/increase in amounts owed to groups	**(4,569)**	*4,568*
Net fair value losses/(gains) recognised	**(5,048)**	*9,368*
Net cash generated from operating activities	**(307,474)**	*998,684*
Cash flows from investing activities		
Purchase of tangible fixed assets	**(64,596)**	*(115,483)*
Interest received	**2,929**	*3,296*
Gain on fair value of financial asset	**11,298**	*-*
Net cash from investing activities	**(50,369)**	*(112,187)*
Cash flows from financing activities		
Interest paid	**(1,954)**	*(3,411)*
Net cash used in financing activities	**(1,954)**	*(3,411)*
Net (decrease)/increase in cash and cash equivalents	**(359,797)**	*883,086*
Cash and cash equivalents at beginning of year	**3,784,763**	*2,901,677*
Cash and cash equivalents at the end of year	**3,424,966**	*3,784,763*
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	**3,424,966**	*3,784,763*
	3,424,966	*3,784,763*

The notes on pages 12 to 27 form part of these financial statements.

1. General information

These financial statements comprising the Profit and Loss, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the Statement of Cashflows and the related notes constitute the individual financial statements of The Institute of Accounting Technicians in Ireland Company Limited By Guarantee for the financial year ended 31 December 2019.

The Institute of Accounting Technicians in Ireland Company Limited By Guarantee is a not for profit organisation incorporated in the Republic of Ireland. The registered office and its principal place of business is 47 - 49 Pearse Street, Dublin 2. The nature of the Company operations and its principal activities are set out in the Director’s Report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and Irish statute comprising of the Companies Act 2014.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The financial statements are prepared on a going concern basis.

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is Euro.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2. Accounting policies (continued)

2.4 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Annual subscription income is recognised on a straight line basis over the financial year it relates to. Income from admission, registration and examinations is recognised in the financial year of relevant admission, registration or examination. Course income is recognised in the financial year of the relevant course. Manuals income is recognised on dispatch.

To the extent that income is received in advance, it is deferred and recognised in the relevant financial year for which services for these subscriptions or fees are given. Income in advance includes subscriptions, education and course fees.

Income from government and other grants, whether ‘capital’ grants or ‘revenue’ grants, is recognised when the company has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.6 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.7 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2. Accounting policies (continued)

2.8 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for certain employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

Defined benefit pension plan

The Company operates a defined benefit plan for certain employees. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including but not limited to age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

The liability recognised in the Balance Sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the balance sheet date less the fair value of plan assets at the balance sheet date (if any) out of which the obligations are to be settled.

The defined benefit obligation is calculated using the projected unit credit method. Annually the company engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in Euros and that have terms approximating to the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the Company's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Remeasurement of net defined benefit liability'.

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises:

a) the increase in net pension benefit liability arising from employee service during the period; and

b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss as a 'finance expense'.

2. Accounting policies (continued)

2.9 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Computer equipment	- 33.3%
Fixtures and fittings - Pearse St	- 10%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2.10 Investments

Financial assets are stated at fair value at the financial year end.

2.11 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.12 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

2.13 Creditors

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

2. Accounting policies (continued)

2.14 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.15 Financial instruments

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

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Statement of Comprehensive Income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

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 Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

2. Accounting policies (continued)

2.15 Financial instruments (continued)

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The Directors consider the accounting estimates and assumptions below to be its critical accounting estimates and judgments:

Retirement benefit asset and obligation
The retirement benefit asset and obligation has been calculated by the scheme's actuary using key assumptions, which are detailed in note 11, as provided by the pension advisers. The assumptions used include the discount rate, future inflation and other assumptions. Any changes in these assumptions will affect the carrying amount of the pension asset and obligation. The discount rate is used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, consideration has been given to interest rates of high quality corporate bonds denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related pension obligation. Other key assumptions for pension obligations are based in part on current market conditions. Additional information is disclosed in note 11.

Income Recognition
Income from subscriptions, admissions, registration and examinations are recognised in the financial year of the subscription, admission, registration or examination. Income received in advance, it is deferred and recognised in the relevant financial year. Judgment is used to determine the extent that income received in advance, is deferred based on the timing of receipt and the relevant financial year to which it relates.

4. Income

	2019	*2018*
	€	*€*
Assessment fees	**946,823**	*952,163*
Student education income	**774,713**	*887,029*
Members' fee income	**651,212**	*653,305*
Textbooks	**544,438**	*564,936*
Student fee income	**398,046**	*415,821*
Members' education income	**35,435**	*40,277*
Sundry receipts	**16,047**	*19,476*
Apprenticeship Coordinating Provider current year funding	**659,362**	*502,500*
Apprenticeship Coordinating Provider prior year funding	**-**	*325,000*
Apprenticeship Collaborator Provider funding	**88,919**	*-*
	4,114,995	*4,360,507*

5. Deficit on ordinary activities before taxation

The operating deficit is stated after charging:

	2019	*2018*
	€	*€*
Depreciation of tangible fixed assets	**168,866**	*181,447*
Operating lease - rent	**155,029**	*152,472*
Gain on foreign exchange	**(21,994)**	*(1,160)*
Defined contribution pension cost	**62,543**	*43,753*

6. Employees

The average monthly number of employees, including the directors, during the year was as follows:

	2019 No.	2018 No.
Management	**2**	*2*
Administration	**24**	*21*
Placement Services	**-**	*1*
	26	*24*

In accordance with the Memorandum of Association, the directors do not receive any remuneration from the company.

The total compensation paid to key management personnel during the financial year was €257,015 (2018; €232,085).

Note 11 sets out the financial circumstances of Chartered Accountants Ireland's pension scheme, in which the Institute of Accounting Technicians in Ireland CLG is a participating employer, covering its eligible employees. The information required to be given to comply with FRS 102 is set out in note 11 and is based on the latest full actuarial valuation as at 1st January 2018 updated by the actuary to 31 December 2019.

7. Interest receivable

	2019 €	2018 €
Deposit interest	**2,929**	*3,296*
	2,929	*3,296*

8. Interest payable and similar expenses

	2019 €	2018 €
Other pension finance costs	**1,954**	*3,411*
	1,954	*3,411*

9. Tax on ordinary activities

On 16 March 1994, charitable status was granted by the Revenue Authorities, thereby exempting subsequent income from taxation.

10. Retirement benefit obligations

The company operates a defined contribution scheme for some of its employees. The pension entitlements of employees are secured by contributions of the company to a separately administered pension fund. The defined contribution pension charge for the financial year was €62,543 (2018; €43,753). The amount outstanding at the financial year end was €508 (2018; €387).

11. Pension commitments

The Company operates a Defined Benefit Pension Scheme.

Defined Benefit Scheme

(a). Description of pension scheme and actuarial assumptions

The Institute of Accounting Technicians in Ireland CLG is a participating employer in Chartered Accountants Irelands' Staff Pension Scheme. The funds for the pension schemes are held separately from the employers and are administered by the respective trustees within the trust deed and regulatory framework. The contributions are based on triennial valuations prepared by independent professionally qualified actuaries and annual examinations of the funding position subject to pension law and regulations. As a result of the substantial increased cost of maintaining the schemes, they were closed to new entrants in 2002. Defined contribution pension (DC scheme) arrangements are in place for employees joining service after 1 May 2002. Contributions to the DC scheme are charged to the profit and loss as they are incurred.

The scheme is subject to a funding proposal to the Pensions Board, with an effective date of 30 September 2009. The aim of the funding proposal is for the scheme to satisfy the minimum funding standard by 30 September 2020. The scheme is on track to eliminate the scheme deficit by the committed date. The FRS 102 valuations were carried out for each scheme by independent firms of actuary and pension advisors, and were based on the benefit structures and employee contribution rates in place at 31 December 2019.

(b). Retirement benefits

For the purposes of reporting in accordance with FRS 102, Retirement Benefits, the Institute of Accounting Technicians in Ireland CLG has been advised by its actuary. The valuation is based on the most recent actuarial valuation (January 2018) and has been updated by the actuary to 31 December 2019 so as to comply with the requirements of FRS 102 in order to assess the liabilities of the scheme at 31 December 2019.

11. Pension commitments (continued)

Reconciliation of present value of plan liabilities:

	2019 €	2018 €
Reconciliation of present value of plan liabilities		
At the beginning of the year	**109,755**	*209,205*
Current service cost	**12,369**	*12,827*
Interest cost	**1,954**	*3,411*
Actuarial gains/losses	**18,735**	*(96,688)*
Contributions	**(17,417)**	*(19,000)*
At the end of the year	**125,396**	*109,755*

Composition of plan assets:

	2019 €	2018 €
Equities	**153,311**	*94,331*
Bonds	**897,702**	*818,739*
Property	**22,844**	*22,384*
Alternatives	**147,128**	*145,911*
Other	**847**	*(281)*
Total plan assets	**1,221,832**	*1,081,084*

	2019 €	2018 €
Present value of plan liabilities	**(125,396)**	*(109,755)*
Net pension scheme liability	**(125,396)**	*(109,755)*

11. Pension commitments (continued)

The amounts recognised in profit or loss are as follows:

	2019 €	*2018* *€*
Current service cost	**12,369**	*12,827*
Interest on obligation	**1,954**	*3,411*
Total	**14,323**	*16,238*

The amounts recognised in the statement of comprehensive income is an actuarial loss of €18,735 (2018; gain of €96,688).

Reconciliation of fair value of plan liabilities were as follow:

	2019 €	*2018* *€*
Opening defined benefit obligation	**(1,190,839)**	*(1,279,818)*
Current service cost	**(12,369)**	*(12,827)*
Contributions by scheme participants	**(1,686)**	*(1,817)*
Actuarial gains and (losses)	**(148,607)**	*95,922*
Interest cost	**(22,937)**	*(21,509)*
Benefits paid	**29,210**	*29,210*
Closing defined benefit obligation	**(1,347,228)**	*(1,190,839)*

Reconciliation of fair value of plan assets were as follows:

	2019 €	*2018* *€*
Opening fair value of scheme assets	**1,081,084**	*1,070,613*
Actuarial gains and (losses)	**129,872**	*766*
Contributions by employer	**17,417**	*19,000*
Contributions by scheme participants	**1,686**	*1,817*
Interest	**20,983**	*18,098*
Benefits paid	**(29,210)**	*(29,210)*
	1,221,832	*1,081,084*

The cumulative amount of actuarial gains and losses recognised in the Statement of Comprehensive Income was €18,735 *(2018 - €96,688).*

11. Pension commitments (continued)

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2019	*2018*
	%	*%*
Discount rate	**1.15**	*1.95*
Future salary increases	**2.40**	*2.50*
Future pension increases	**0.84-1.40**	*0.90-1.50*
Inflation assumption	**1.40**	*1.50*
Mortality rates		
- for a male aged 65 now	**21.7**	*21.50*
- for a female aged 65 now	**24.1**	*24*

Amounts for the current and previous four periods are as follows:

Defined benefit pension schemes

	2019	*2018*
	€	*€*
Defined benefit obligation	**(1,347,228)**	*(1,190,839)*
Scheme assets	**1,221,832**	*1,081,084*
Net pension scheme liability	**(125,396)**	*(109,755)*
Experience adjustments on scheme liabilities	**(148,607)**	*95,922*
Experience adjustments on scheme assets	**129,872**	*766*
	(18,735)	**96,688**

12. Commitments under operating leases

At 31 December 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019	*2018*
	€	*€*
Not later than 1 year	**171,582**	*161,213*
Later than 1 year and not later than 5 years	**686,328**	*-*
Later than 5 years	**857,910**	*-*
	1,715,820	*161,213*

This operating lease relates to the rental of premises which are the company's registered office.

13. Tangible fixed assets

	Computer equipment and software	**Fixtures and fittings - Pearse Street**	**Total**
	€	**€**	**€**
Cost or valuation			
At 1 January 2019	**819,378**	**635,114**	**1,454,492**
Additions	**64,596**	**-**	**64,596**
At 31 December 2019	**883,974**	**635,114**	**1,519,088**
Depreciation			
At 1 January 2019	**690,960**	**578,716**	**1,269,676**
Charge for the year on owned assets	**112,520**	**56,346**	**168,866**
At 31 December 2019	**803,480**	**635,062**	**1,438,542**
Net book value			
At 31 December 2019	**80,494**	**52**	**80,546**
At 31 December 2018	*128,418*	*56,398*	*184,816*

14. Financial assets

	Profit Bonds €
Cost or valuation	
At 1 January 2019	**151,514**
Revaluations	**11,298**
At 31 December 2019	**162,812**

Financial assets available for sale are held at fair value through profit and loss, using quoted market prices in an active market.

They comprise of profit bonds. At 31 December 2019 the historic cost of the bonds was €130,000 (2018; €130,000).

15. Debtors

	2019 €	*2018 €*
Trade debtors	**285,332**	*149,247*
Amounts owed by group undertakings	**-**	*28,073*
Prepayments and other debtors	**79,525**	*25,191*
Accrued income	**274,299**	*65,037*
	639,156	*267,548*

Amounts owed from group undertaking are unsecured, repayable on demand and interest free.

16. Cash and cash equivalents

	2019 €	*2018 €*
Cash at bank and in hand	**3,424,966**	*3,784,763*
	3,424,966	*3,784,763*

17. Creditors: Amounts falling due within one year

	2019 €	*2018 €*
Amounts owed to group undertakings	**781**	*5,350*
PAYE and PRSI	**49,147**	*44,568*
Other creditors and accruals	**331,368**	*258,159*
Deferred income	**1,016,835**	*1,008,420*
	1,398,131	*1,316,497*

The terms in relation to trade creditors and accruals are based on the underlying contracts. Amounts owed to group undertaking and all other amounts included within creditors not covered by specific note disclosures are unsecured, interest free and repayable on demand.

Deferred income consists of receipts in advance for the academic financial year 2019/2020.

18. Financial instruments

	2019 €	*2018 €*
Financial assets		
Financial assets measured at fair value through profit or loss	**3,424,966**	*3,784,763*
Financial assets measured at amortised cost	**490,034**	*177,320*
	3,915,000	*3,962,083*
Financial liabilities		
Financial liabilities measured at amortised cost	**332,149**	*263,509*

Financial assets measured at fair value through profit or loss comprise cash and cash equivalents.

Financial assets measured at amortised cost comprise of trade debtors and amounts owed by group undertakings.

Financial liabilities measured at amortised cost comprise of trade creditors,accruals and amounts owed to group undertakings.

19. Reserves

Accumulated surplus

The accumulated surplus represents cumulative gains and losses recognised.

20. Contingent liabilities

The company had no contingent liabilities at the financial year end (2018; €NIL).

21. Related party transactions

The Company has availed of the exemption provided in FRS 102, Section 33, "Related Party Disclosures", not to disclose transactions entered into with fellow group companies that are wholly owned within the group of companies of which the company is a wholly owned member.

The Directors are reimbursed by the Company for travel and subsistence costs they incur while carrying out their duties. During 2019, expenses totalling €8,814 (2018; €11,959), were reimbursed by the Company for 7 (2018; 7) of the directors.

22. Post balance sheet events

With the exception of the global COVID-19 pandemic there have been no other significant events affecting the company since the year end.

As outlined in the directors’ report the board have taken temporary precautionary measures intended to help minimize the risk of the virus to the business.

23. Controlling party

The parent company of The Institute of Accounting Technicians of Ireland is Chartered Accountants Ireland.

24. Approval of financial statements

The board of directors approved these financial statements for issue on

DETAILED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019

	2019 €	2018 €
Turnover	**4,114,995**	*4,360,508*
Operating expenses	**(1,781,782)**	*(1,560,024)*
Administration expenses	**(2,505,187)**	*(2,238,058)*
Operating (deficit)/surplus	**(171,974)**	*562,426*
Other interest receivable and similar income	**2,929**	*3,296*
Interest payable and similar expenses	**(1,954)**	*(3,411)*
Gain/(Loss) on financial assets at fair value through statement of comprehensive income	**11,298**	*(9,368)*
(Deficit)/surplus for the financial year	**(159,701)**	*552,943*

SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2019

	2019 €	2018 €
Income		
Assessment fees	**946,823**	*952,164*
Student education income	**774,713**	*887,029*
Members' fee income	**651,212**	*653,305*
Textbooks	**544,438**	*564,936*
Student fee income	**398,046**	*415,821*
Members' education income	**35,435**	*40,277*
Sundry receipts	**16,047**	*19,476*
Apprenticeship Coordinating Provider current year funding	**659,362**	*502,500*
Apprenticeship Coordinating Provider prior year funding	**-**	*325,000*
Apprenticeship Collaborator Provider funding	**88,919**	*-*
	4,114,995	*4,360,508*

	2019 €	2018 €
Operating expenses		
Members' service costs	**112,059**	*107,616*
Members' education costs	**39,364**	*42,613*
Student education costs	**642,183**	*411,783*
Textbook costs	**153,604**	*142,130*
Assessment costs	**515,118**	*536,113*
Apprenticeship costs	**278,971**	*289,551*
Compliance costs	**40,483**	*30,218*
	1,781,782	*1,560,024*

SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2019

	2019 €	2018 €
Administration expenses		
Staff salaries	**1,330,549**	*1,076,953*
Employers PRSI	**175,461**	*141,945*
Staff pension costs - defined contribution schemes	**62,543**	*43,753*
Staff pension current service costs	**12,369**	*12,827*
Gain on foreign exchange	**(21,994)**	*(1,161)*
Accommodation and office rent	**155,029**	*152,472*
Depreciation - computer equipment	**112,520**	*120,035*
Depreciation - fixtures and fittings	**56,346**	*61,412*
Marketing costs	**230,040**	*178,918*
Administrative expenses	**103,633**	*124,042*
IT costs	**133,582**	*145,352*
Facilities and premises	**102,716**	*116,389*
Finance	**52,393**	*65,121*
	2,505,187	*2,238,058*

	2019 €	2018 €
Interest receivable		
Bank interest receivable	**2,929**	*3,296*
	2,929	*3,296*

	2019 €	2018 €
Interest payable		
Other pension finance costs	**1,954**	*3,411*
	1,954	*3,411*

	2019 €	2018 €
Investment income		
Gain/(Loss) on financial assets at fair value	**11,298**	*(9,368)*
	11,298	*(9,368)*

THE INSTITUTE OF ACCOUNTING TECHNICIANS IN IRELAND CLG

SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2019

Apprenticeship funding

	2019 €	2018 €
Apprenticeship Coordinating Provider current year funding	659,362	502,500
Apprenticeship Coordinating Provider prior year funding	-	325,000
Apprenticeship Collaborator Provider funding	88,919	-
Total Income	748,281	827,500
Contribution to pay costs	(273,532)	(196,833)
Premises costs	-	(25,554)
Quality assurance		
Monitoring	(17,747)	(41,925)
Programme development	(100,634)	(32,520)
Programme information	(29,371)	(21,000)
Technical support		
IT support	(43,579)	(43,025)
Website	(11,634)	(11,634)
Premises		
Room hire	(9,058)	(8,603)
Marketing and promotions		
Business development	(9,456)	(12,252)
Marketing PR	(16,081)	(10,295)
Marketing print	(65,841)	(40,680)
Marketing digital	(82,430)	(58,179)
Collaborator provider expenditure		
Room hire	(11,850)	-
Lecturer fees	(62,673)	-
Administration	(11,396)	-
Ancillary costs	(3,000)	-
Total Expenditure	(748,281)	(502,500)
Net Surplus	-	325,000