

**THE REGISTER OF GAS INSTALLERS
OF
IRELAND LIMITED**

Company Limited by Guarantee

FINANCIAL STATEMENTS

31ST DECEMBER 2013

**THE REGISTER OF GAS INSTALLERS OF IRELAND LIMITED
COMPANY LIMITED BY GUARANTEE**

FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2013

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**THE REGISTER OF GAS INSTALLERS OF IRELAND LIMITED
COMPANY LIMITED BY GUARANTEE**

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

C. Costello
A. Crotty
L. Nolan
S. Corrigan
W. Doyle
J. O'Dwyer
D. F. Higgins

Company secretary

P. Waldron

Registered office

Unit 9
KCR Industrial Estate
Ravensdale Park
Kimmage
Dublin 12

Auditor

Grant Thornton
Chartered Accountants
& Registered Auditor
24 - 26 City Quay
Dublin 2

Bankers

Allied Irish Bank
9 Terenure Road East
Rathgar
Dublin 6

Solicitors

Daly Lynch Crowe and Morris
The Corn Exchange
Burgh Quay
Dublin 2

THE REGISTER OF GAS INSTALLERS OF IRELAND LIMITED COMPANY LIMITED BY GUARANTEE

DIRECTORS' REPORT

YEAR ENDED 31ST DECEMBER 2013

The directors present their report and the financial statements of the company for the year ended 31st December 2013.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year is to be a non profit - making regulatory body for the gas contracting industry. On 6th November 2008 the company was appointed by the Commission for Energy Regulation (CER) to be the gas safety supervisory body under S9F(1)(a) of the Electricity Regulation Act 1999 (as amended) for a period of 7 years from the "go live date", 5th January 2009. Under the terms of agreement with CER the company must operate regulated activities on a not-for-profit basis. Any surplus arising on regulated activities cannot be distributed to members of the company but used to fund future regulated activities. The company has no activities other than regulated activities.

PRINCIPAL RISKS AND UNCERTAINTIES

The directors consider that the principal risks and uncertainties faced by the company are in the following categories:

Principal risk

The principal risk faced by the company is the redesignation process for awarding the Safety Supervisory Body contract when the existing contract comes to an end on 5th January 2016. The directors are taking every step to ensure the company meets its agreed performance targets with the Commission for Energy Regulation.

Financial risk

The company has budgetary and financial reporting procedures, supported by appropriate key performance indicators, to manage credit, liquidity and other financial risk. All key financial figures are monitored on an ongoing basis.

People in our business

The continued success of the company has been achieved by the people working in it. The relatively low turnover of personnel reflects the general policy of providing good terms and conditions of employment while dealing with staff as well as the other stakeholders in the business, in a fair and consistent manner.

RESULTS

The results for the year are set out in the company profit and loss account on page 7.

IMPORTANT EVENTS SINCE THE YEAR END

There have been no significant events affecting the company since the year end.

THE REGISTER OF GAS INSTALLERS OF IRELAND LIMITED COMPANY LIMITED BY GUARANTEE

DIRECTORS' REPORT *(continued)*

YEAR ENDED 31ST DECEMBER 2013

DIRECTORS

The directors and secretary who served the company during the year were as follows:

C. Costello
L. Nolan
S. Corrigan
W. Doyle
J. O'Dwyer
D. F. Higgins
A. Crotty

(Appointed 1st November 2013)

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable Irish law and Generally Accepted Accounting Practice in Ireland including the accounting standards issued by Financial Reporting Council and promulgated by The Institute of Chartered Accountants in Ireland.

Irish company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year.

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

select suitable accounting policies and then apply them consistently;

make judgements and accounting estimates that are reasonable and prudent; 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 confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper books of account that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements are prepared in accordance with accounting standards generally accepted in Ireland and comply with the Companies Acts, 1963 to 2013. The directors 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 REGISTER OF GAS INSTALLERS OF IRELAND LIMITED
COMPANY LIMITED BY GUARANTEE**

DIRECTORS' REPORT *(continued)*

YEAR ENDED 31ST DECEMBER 2013

BOOKS OF ACCOUNT

The directors believe that they have complied with the requirements of Section 202 of the Companies Act, 1990 with regard to books of account by employing a person with appropriate expertise and by providing adequate resources to the financial function. The books of account are held at Unit 9, KCR Industrial Estate, Ravensdale Park, Kimmage, Dublin 12.

AUDITOR

The auditor, Grant Thornton, will continue in office in accordance with section 160(2) of the Companies Act 1963.

Registered office:

Signed on behalf of the directors

Unit 9
KCR Industrial Estate
Ravensdale Park
Kimmage Dublin 12

W. Doyle
Director

J. O'Dwyer
Director

Approved by the directors on 12th May 2014.

THE REGISTER OF GAS INSTALLERS OF IRELAND LIMITED COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE REGISTER OF GAS INSTALLERS OF IRELAND LIMITED FOR THE YEAR ENDED 31ST DECEMBER 2013

We have audited the financial statements of The Register of Gas Installers of Ireland limited for the year ended 31 December 2013 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is Irish law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on page 3 the directors are responsible for the preparation of the financial statements giving a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's [APB's] Ethical Standards for Auditors.

This report is made solely to the company's members, as a body, in accordance with Section 193 of the Companies Act, 1990. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland of the state of the company's affairs as at 31st December 2013 and of its profit for the year then ended; and
- have been properly prepared in accordance with the requirements of the Companies Acts 1963 to 2013.

**THE REGISTER OF GAS INSTALLERS OF IRELAND LIMITED
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE REGISTER OF GAS INSTALLERS OF IRELAND LIMITED FOR
THE YEAR ENDED 31ST DECEMBER 2013 *(continued)***

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY THE COMPANIES ACTS 1963 TO 2013

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

24 - 26 City Quay
Dublin 2
Ireland

12th May 2014

TURLOUGH MULLEN FCA
For and on behalf of
GRANT THORNTON
Chartered Accountants
& Registered Auditor

**THE REGISTER OF GAS INSTALLERS OF IRELAND LIMITED
COMPANY LIMITED BY GUARANTEE**

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31ST DECEMBER 2013

	Note	2013 €	2012 €
TURNOVER	2	1,301,895	1,210,184
Cost of sales		(737,740)	(570,536)
GROSS PROFIT		564,155	639,648
Administrative expenses		(539,944)	(600,179)
OPERATING PROFIT	3	24,211	39,469
Interest receivable		17,880	22,804
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		42,091	62,273
Tax on profit on ordinary activities	6	(5,123)	(6,438)
PROFIT FOR THE FINANCIAL YEAR		<u>36,968</u>	<u>55,835</u>

All of the activities of the company are classed as continuing.

Statement of total recognised gains and losses

There are no recognised gains or losses other than the profit of €36,968 attributable to the members for the year ended 31st December 2013 (2012 - profit of €55,835).

These financial statements were approved by the directors on the 12th May 2014 and are signed on their behalf by:

W. Doyle
Director

J. O'Dwyer
Director

The notes on pages 11 to 15 form part of these financial statements.

**THE REGISTER OF GAS INSTALLERS OF IRELAND LIMITED
COMPANY LIMITED BY GUARANTEE**

BALANCE SHEET

31ST DECEMBER 2013

	Note	2013 €	€	2012 €	€
FIXED ASSETS					
Tangible assets	7		66,774		22,177
CURRENT ASSETS					
Stocks	8	17,515		21,563	
Debtors	9	37,187		56,530	
Cash at bank		1,044,728		1,013,955	
		<u>1,099,430</u>		<u>1,092,048</u>	
CREDITORS: Amounts falling due within one year	10	<u>319,345</u>		<u>304,334</u>	
NET CURRENT ASSETS			<u>780,085</u>		<u>787,714</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>846,859</u>		<u>809,891</u>
RESERVES	12				
Profit and loss account	13		<u>846,859</u>		<u>809,891</u>
MEMBERS' FUNDS			<u>846,859</u>		<u>809,891</u>

These accounts were approved by the directors and authorised for issue on 12th May 2014, and are signed on their behalf by:

W. Doyle
Director

J. O'Dwyer
Director

The notes on pages 11 to 15 form part of these financial statements.

**THE REGISTER OF GAS INSTALLERS OF IRELAND LIMITED
COMPANY LIMITED BY GUARANTEE**

CASH FLOW STATEMENT

YEAR ENDED 31ST DECEMBER 2013

	2013		2012	
	€	€	€	€
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES		80,327		(4,847)
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE				
Interest received	17,880		22,804	
NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		17,880		22,804
TAXATION		(5,475)		(7,246)
CAPITAL EXPENDITURE				
Payments to acquire tangible fixed assets	(76,755)		(12,240)	
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE		(76,755)		(12,240)
CASH INFLOW/(OUTFLOW) BEFORE USE OF LIQUID RESOURCES AND FINANCING		15,977		(1,529)
MANAGEMENT OF LIQUID RESOURCES				
Cash placed in short term deposits	(201,311)		-	
NET CASH OUTFLOW FROM MANAGEMENT OF LIQUID RESOURCES		(201,311)		-
FINANCING				
Repayment of amounts owed to group undertakings	14,796		(113)	
NET CASH INFLOW/(OUTFLOW) FROM FINANCING		14,796		(113)
DECREASE IN CASH		(170,538)		(1,642)

The notes on pages 11 to 15 form part of these financial statements.

**THE REGISTER OF GAS INSTALLERS OF IRELAND LIMITED
COMPANY LIMITED BY GUARANTEE**

CASH FLOW STATEMENT

YEAR ENDED 31ST DECEMBER 2013

**RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW/(OUTFLOW)
FROM OPERATING ACTIVITIES**

	2013 €	2012 €
Operating profit	24,211	39,469
Depreciation	32,158	63,588
Decrease in stocks	4,048	1,146
Decrease/(increase) in debtors	19,695	(12,457)
Increase/(decrease) in creditors	215	(96,593)
Net cash inflow/(outflow) from operating activities	<u>80,327</u>	<u>(4,847)</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2013 €	€	2012 €	€
Decrease in cash in the period	(170,538)		(1,642)	
Net cash (inflow) from/outflow from amounts owed to group undertakings	(14,796)		113	
Cash used to increase liquid resources	<u>201,311</u>		<u>-</u>	
		<u>15,977</u>		<u>(1,529)</u>
Change in net funds		15,977		(1,529)
Net funds at 1 January 2013		<u>986,501</u>		<u>988,030</u>
Net funds at 31 December 2013		<u>1,002,478</u>		<u>986,501</u>

ANALYSIS OF CHANGES IN NET FUNDS

	At 1 Jan 2013 €	Cash flows €	At 31 Dec 2013 €
Net cash:			
Cash in hand and at bank	1,013,955	30,773	1,044,728
Less: deposits treated as liquid resources	-	(201,311)	(201,311)
	<u>1,013,955</u>	<u>(170,538)</u>	<u>843,417</u>
Liquid resources:			
Deposits included in cash	-	<u>201,311</u>	<u>201,311</u>
Debt:			
Debt due within 1 year	(27,454)	(14,796)	(42,250)
Net funds	<u>986,501</u>	<u>15,977</u>	<u>1,002,478</u>

The notes on pages 11 to 15 form part of these financial statements.

THE REGISTER OF GAS INSTALLERS OF IRELAND LIMITED COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2013

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements are prepared in accordance with generally accepted accounting principles under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board, as promulgated by the Institute of Chartered Accountants in Ireland, and Irish statute comprising the Companies Acts, 1963 to 2013.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Equipment - 25% Straight Line

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Deferred set up costs

Set up costs in relation to the contract with the commission for energy regulation are being released to the profit and loss account over the period of the contract, 7 years.

Deferred income

Initial application fees payable the gas installers under the terms of the contract with the commission for energy regulation are being released to the profit and loss account over the period of the contract, 7 years.

Accounting policy on reserves

Under the terms of agreement with CER the company must operate on a not-for-profit basis. Any surplus arising on regulated activities cannot be distributed to members of the company but used to fund future regulated activities. The company has no activities other than regulated activities.

2. TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below:

	2013	2012
	€	€
Republic of Ireland	<u>1,301,895</u>	<u>1,210,184</u>

**THE REGISTER OF GAS INSTALLERS OF IRELAND LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2013

3. OPERATING PROFIT

Operating profit is stated after charging:

	2013	2012
	€	€
Depreciation of owned fixed assets	32,158	63,588
Auditor's remuneration	<u>8,500</u>	<u>8,500</u>

4. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to:

	2013	2012
	No	No
Number of inspectors	5	5
Number of administrative staff	5	5
Number of other staff – directors	6	7
	<u>16</u>	<u>17</u>

The aggregate payroll costs of the above were:

	2013	2012
	€	€
Wages and salaries	474,649	481,713
Social welfare costs	41,455	41,167
Staff pension costs	10,764	10,589
	<u>526,868</u>	<u>533,469</u>

5. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were:

	2013	2012
	€	€
Remuneration receivable	<u>5,785</u>	<u>9,937</u>

**THE REGISTER OF GAS INSTALLERS OF IRELAND LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2013

6. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2013	2012
	€	€
Current tax:		
Irish Corporation tax based on the results for the year at 12.50% (2012 - 12.50%)	5,123	6,438
Total current tax	5,123	6,438

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in Ireland of 12.50% (2012 - 12.50%).

	2013	2012
	€	€
Profit on ordinary activities before taxation	42,091	62,273
Profit on ordinary activities by rate of tax	5,261	7,784
Profit not subject to tax	(3,026)	(4,934)
Timing differences	326	369
Additional tax arising on profits chargeable at 25%	2,562	3,219
Total current tax (note 6(a))	5,123	6,438

7. TANGIBLE FIXED ASSETS

	Brought forward	Additions	Carried forward
	1 Jan 13	€	31 Dec 13
	€	€	€
COST			
Equipment	254,346	76,755	331,101

**THE REGISTER OF GAS INSTALLERS OF IRELAND LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2013

7. TANGIBLE FIXED ASSETS *(continued)*

	Brought forward 1 Jan 13 €	Charges €	Carried forward 31 Dec 13 €
DEPRECIATION			
Equipment	<u>232,169</u>	<u>32,158</u>	<u>264,327</u>
		Brought forward 1 Jan 13 €	Carried forward 31 Dec 13 €
NET BOOK VALUE			
Equipment		<u>22,177</u>	<u>66,774</u>

8. STOCKS

	2013 €	2012 €
Finished goods	<u>17,515</u>	<u>21,563</u>

The replacement cost of stocks did not differ significantly from cost.

9. DEBTORS

	2013 €	2012 €
Trade debtors	614	690
Amounts owed by related entities	–	1,431
Corporation tax repayable	1,639	1,287
Prepayments and accrued income	<u>34,934</u>	<u>53,122</u>
	<u>37,187</u>	<u>56,530</u>

10. CREDITORS: Amounts falling due within one year

	2013 €	2012 €
Trade creditors	63,563	29,863
Amounts owed to related entities	58,219	27,454
Other creditors including taxation and social welfare: PAYE and social welfare	10,696	8,768
Accruals and deferred income	<u>186,867</u>	<u>238,249</u>
	<u>319,345</u>	<u>304,334</u>

**THE REGISTER OF GAS INSTALLERS OF IRELAND LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2013

11. RELATED PARTY TRANSACTIONS

The company was under the control of the directors during the current year.

The following related party transactions occurred during the year:

The company is related to The Register of Electrical Contractors of Ireland Limited (RECI) due to common directors.

During the year the company had costs incurred on their behalf by RECI in the amount of €219,898 (2012: €261,477). The balance due to RECI was €58,219 at 31 December 2013 (2012: €26,015).

During the period RECI charged the company €14,500 for facility usage (2012: €14,500).

12. COMPANY LIMITED BY GUARANTEE

The company is a company limited by guarantee without a share capital.

13. PROFIT AND LOSS ACCOUNT

	2013	2012
	€	€
Balance brought forward	809,891	754,056
Profit for the financial year	<u>36,968</u>	<u>55,835</u>
Balance carried forward	<u>846,859</u>	<u>809,891</u>