

An Chomhairle Mhúinteoireachta
The Teaching Council

Financial Statements

for the year ended 31 December 2016

An Chomhairle Mhúinteoireachta
The Teaching Council

Council Information

Chairperson:

Gerry Quinn (elected 12 April 2016)

Micheál Ó Gríofa (term of office completed 27 March 2016)

Deputy-Chairperson:

Sean McMahon (elected 12 April 2016)

Bernie Ruane (term of office completed 27 March 2016)

Council Members:

From 04 April 2016

Elizabeth Cooney

Rev. Dr. Tom Deenihan (resigned 27th June 2016)

Michael Delargey

Karen Devine

Catherine Doolan

Niall Duddy

Patricia Duffy

Peter Finnegan (appointed 4th October 2016)

Dr. Mary Fleming

Pat Gilmore

Mairéad Glynn

Colm Harte

John Holian

Declan Kelleher

Ferdia Kelly

Gregor Kerr

Martin Lally (appointed 31st May 2016)

Máire Lineen

Áine Lynch

Denis Magner

Claire Markey

Paul Mooney

Noelle Moran

Yvonne Ní Mhurchu

Seamus Mulconry (appointed 11th July 2016)

Deirdre O'Connor

Séamus O'Connor

Prof. Pádraig Ó'Duibhir (appointed 31st May 2016)

Seamus Ó Fearraigh

Prof. Anne O'Gara (appointed 31st May 2016)

An Chomhairle Mhúinteoireachta
The Teaching Council

Council Information

Seán O'Neill
Prof. Mary O'Sullivan
Eamonn Shaughnessy
Tracie Tobin
Frank Turpin

Up to 27 March 2016

Michael Barry
Noel Buckley
Kieran Christie
Dr Marie Clarke
Eimear Cole
John Conlon
Lily Cronin
Derbhile de Paor
Elaine Devlin
Dr Ken Fennelly
Eileen Flynn
Prof Michael Hayes
Marie Humphries
Declan Kelleher
Mary Kelly
Áine Lynch
Christopher Maginn
Deirdre Mathews
Brendan McCabe
Fergal McCarthy
Anne McElduff
Dr Andrew McGrady
Marie McLoughlin
Patrick McVicar
Dympna Mulkerrins
Bríd Ní Raghallaigh
Diarmuid Ó Murchú
Kathleen O'Connor
Dr Joe O'Hara
Bernadine O' Sullivan
Eleanor Petrie
Don Ryan
Joan Russell
Frank Turpin
Milo Walsh

An Chomhairle Mhúinteoireachta
The Teaching Council

Council Information

Auditors

Anne Brady McQuillans DFK
Chartered Accountants
& Registered Auditors
Iveagh Court
Harcourt Road
Dublin 2

Business Address

Block A
Maynooth Business Campus
Maynooth
Co. Kildare

Bankers

Bank of Ireland
Main Street
Maynooth
Co. Kildare

AIB Bank plc
Main Street
Maynooth
Co. Kildare

Solicitors

McDowell Purcell Partnership
Solicitors
The Capel Building
Mary's Abbey, Dublin 7

Arthur Cox
Solicitors
Earlsfort Centre
Earlsfort Terrace, Dublin 2

An Chomhairle Mhúinteoireachta
The Teaching Council

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An Chomhairle Mhúinteoireachta

The Teaching Council

The Council presents its report and the financial statements for the year ended 31 December 2016. The Teaching Council (An Chomhairle Mhúinteoireachta) was established on a statutory basis on 28 March 2006 in accordance with the Teaching Council Act, 2001.

Principal Activity and Review of the Business

The principal activity of The Teaching Council is to promote teaching as a profession at primary and post-primary levels, to promote the professional development of teachers and to regulate standards in the teaching profession.

There has been no significant change in these activities during the year ended 31 December 2016.

Principal Risks and Uncertainties

The Council has assessed the following risks and has taken measures to manage these risks in The Teaching Council as follows:

Implementation of commenced functions

The Council's functions in relation to induction and probation were commenced in September 2012, and those relating to Fitness to Teach were commenced in July 2016. Resourcing of same, and stakeholder support, are important for their on-going successful implementation. The Council will continue to liaise with the Department of Education and Skills, and stakeholders, on these matters.

The commencement of Part 5(Fitness to Teach) has increased the risks of litigation against Council decisions. The Council continues to secure legal advice on this and other aspects of its work to minimise this risk.

Non-commencement of elements of the Teaching Council Act 2001

Section 39 (Teachers' Learning/CPD) of the Teaching Council Act has not yet been commenced. The Council has advised the Department of Education and Skills that it is commencing a development process for Cosán, the national framework for teachers' learning, due to conclude in 2020.

Results

The (deficit)/surplus for the year after providing for depreciation and taxation amounted to €(412,567) (2015: €745,128).

An Chomhairle Mhúinteoireachta
The Teaching Council

Future Developments

The Council plans to continue its present activities. The Council has commenced a development process for Cosán, the national framework for teachers' learning, due to conclude in 2020.

Books of Account

The Council is responsible under Section 18 of the Teaching Council Act, 2001, for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the organisation. The Council is also responsible for safeguarding the assets of the organisation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The books of account of The Teaching Council are maintained at Maynooth Business Campus, Maynooth, Co. Kildare.

Auditors

The auditors, Anne Brady McQuillans DFK, have indicated their willingness to continue in office.

Events after the Balance Sheet Date

There have been no circumstances or events subsequent to the year end, which require adjustment to, or disclosure in, the financial statements or in the notes thereto.

Payment of Creditors

The Council Members acknowledge their responsibility for ensuring compliance with the provisions of the EC (Late Payment) Regulation 2002. It is the Teaching Council's policy to agree payment terms with all suppliers and to adhere to those payment terms.

On behalf of the Council

Gerry Quinn
Chairperson

8 May 2017

Tomás Ó Ruairc
Director

8 May 2017

An Chomhairle Mhúinteoireachta
The Teaching Council

Statement of Council's Responsibilities for the Financial Statements

The Council is responsible for preparing the Annual Report and the Financial Statements in accordance with applicable Irish law, including Section 18 of the Teaching Council Act, 2001 and Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland).

Irish law including Section 18 (2) of the Teaching Council Act, 2001, requires the Council to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the organisation for that year.

In preparing the financial statements, the Council is required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed , subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the organisation will continue in business

The Council confirms that it has complied with the above requirements in preparing the financial statements.

The Council is responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the organisation and enable it to ensure the financial statements are prepared in accordance with accounting standards generally accepted in Ireland and with Irish Law including Section 18, of the Teaching Council Act, 2001.

The Council is responsible for safeguarding the assets of the organisation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Council is responsible for the maintenance and integrity of the website. Legislation in the Republic of Ireland concerning the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the Council

Gerry Quinn
Chairperson

8 May 2017

Tomás Ó Ruairc
Director

8 May 2017

An Chomhairle Mhúinteoireachta
The Teaching Council

Statement on Internal Financial Control

1. On behalf of the Teaching Council I acknowledge our responsibility for ensuring that an effective system of internal financial control is maintained and operated.
2. The system can only provide reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected in a timely period.
3. The following procedures have been put in place by the Council and are designed to provide effective internal financial control:
 - a) an appropriate control environment is ensured by clearly defined management responsibilities and procedures to identify and react to control failures.
 - b) a formal process to identify and evaluate organisational business risks is in place.
 - c) a comprehensive planning and budgetary system is in operation and expenditure trends are reviewed on a monthly basis.
 - d) procedures for addressing the financial implications of major business risks include financial instructions and notes of procedures, delegation practices such as authorisation limits approved by Council and segregation of duties between processing and approval of payments.
 - e) the procedures for monitoring the effectiveness of internal financial control include an internal audit function which operates in accordance with the Code of Practice for the Governance of State Bodies and reports to the Audit Committee.
4. The Council's monitoring and review of the system of internal financial control is informed by the work of the management team within the Teaching Council who have responsibility for the development and maintenance of the financial management system, the work of our internal auditors and Audit Committee and comments made by the external auditors in their management letter and reports.
5. A formal review of the internal financial controls was undertaken in 2016.

On behalf of Council

Gerry Quinn
Chairperson

8 May 2017

An Chomhairle Mhúinteoireachta
The Teaching Council

Independent Auditors' Report
to the Council Members of The Teaching Council

We have audited the financial statements of The Teaching Council for the year ended 31 December 2016 which comprise the Income and Expenditure Account, Balance Sheet, Cash Flow Statement and the related notes. The relevant financial reporting framework that has been applied in their preparation is Irish GAAP (including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland).

This report is made to the Council's members, as a body, in accordance with Section 18 of the Teaching Council Act, 2001. Our audit work has been undertaken so that we might state to the Council'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 organisation and the Council's members as a body, for our audit work, for this report, or for the opinion we have formed.

Respective Responsibilities of the Council and Auditors

The Council's responsibilities for preparing the Council's report and the financial statements in accordance with applicable Irish law including Section 18 of the Teaching Council Act, 2001, and the accounting standards issued by the Financial Reporting Council (Generally Accepted Accounting Practice in Ireland) are set out in the Statement of Council's Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practice Board's Ethical Standards for Auditors.

Scope of the Audit of the financial statements

An audit involves obtaining evidence about 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 Council's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Council members; and the overall presentation of the 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. In addition, we read all the financial and non – financial information in the Council Members' 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.

An Chomhairle Mhúinteoireachta
The Teaching Council

Opinion

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 Council's affairs as at 31 December 2016 and of its results for the year then ended; and
- have been properly prepared in accordance with the requirements of Irish Law including Section 18 of the Teaching Council Act, 2001.

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

In our opinion the information given in the Council's report is consistent with the financial statements.

Natalie Kelly
for and on behalf of
Anne Brady McQuillans DFK
Chartered Accountants and Registered Auditors
Iveagh Court
Harcourt Road
Dublin 2

8 May 2017

An Chomhairle Mhúinteoireachta
The Teaching Council

Income and Expenditure Account
for the year ended 31 December 2016

		2016	2015
		€	€
Income	Notes		
Registration and Assessment Fees		6,409,769	6,150,734
Accreditation Fees		200	46,690
Other Income		110,176	76,422
		<hr/>	<hr/>
Total Income	2	6,520,145	6,273,846
Expenditure			
Accommodation Costs		(119,434)	(119,284)
Staff Costs		(3,632,951)	(2,983,904)
Other Administration Costs		(1,253,337)	(1,032,363)
Courses, Conferences and Meeting Costs		(196,301)	(197,147)
Registration and Verification Costs		(79,013)	(72,650)
Information Technology Costs		(315,293)	(234,153)
Communications and Education Costs		(954,713)	(644,412)
Depreciation	7	(406,320)	(297,088)
		<hr/>	<hr/>
Total Expenditure		(6,957,362)	(5,581,001)
Interest receivable and similar income		41,780	88,615
		<hr/>	<hr/>
(Deficit) / Surplus on ordinary activities before taxation	3	(395,437)	781,460
Taxation	6	(17,130)	(36,332)
		<hr/>	<hr/>
(Deficit) / Surplus on ordinary activities after taxation		(412,567)	745,128
		<hr/>	<hr/>

**An Chomhairle Mhúinteoireachta
The Teaching Council**

**Income and Expenditure Account
for the year ended 31 December 2016**

There are no recognised surpluses or deficits other than the result for the above financial periods.
The result of the year has been generated exclusively from continuing operations.

The notes on pages 11 to 20 form part of these financial statements.

The financial statements were approved by the Council on **8 May 2017** and signed on its behalf
by

Gerry Quinn
Chairperson

Tomás Ó Ruairc
Director

An Chomhairle Mhúinteoireachta
The Teaching Council

Balance Sheet
as at 31 December 2016

		2016		2015	
	Notes	€	€	€	€
Fixed Assets					
Tangible assets	7		5,057,507		5,341,855
Investments	8		-		10,014
			<u>5,057,507</u>		<u>5,351,869</u>
Current Assets					
Debtors	9		10,797		59,652
Cash at bank and in hand			12,846,959		12,939,364
			<u>12,857,756</u>		<u>12,999,016</u>
Creditors: Amounts falling due within one year	10		(117,185)		(140,240)
Net Current Assets			<u>12,740,571</u>		<u>12,858,776</u>
Total Assets Less Current Liabilities			<u>17,798,078</u>		<u>18,210,645</u>
Reserves					
Designated Reserve	11		4,000,000		4,000,000
General Reserves	11		13,798,078		14,210,645
Total Funds			<u>17,798,078</u>		<u>18,210,645</u>

The notes on pages 11 to 20 form part of these financial statements.

The financial statements were approved by the Council on **8 May 2017** and signed on its behalf by

Gerry Quinn
Chairperson

Tomás Ó Ruairc
Director

An Chomhairle Mhúinteoireachta
The Teaching Council

Cash Flow Statement
for the year ended 31 December 2016

	Notes	2016 €	2015 €
Reconciliation of operating surplus to net cash inflow from operating activities			
Operating (deficit) / surplus (before interest received)		(437,217)	692,845
Depreciation	3	406,320	297,088
Decrease in debtors	9	48,855	18,184
(Decrease) in creditors	10	(23,055)	(43,339)
Net cash flow from operating activities		<u>(5,097)</u>	<u>964,778</u>

Cash Flow Statement

Net cash flow from operating activities		(5,097)	964,778
Returns on investments and servicing of finance	13	41,780	88,615
Taxation	13	(17,130)	(36,332)
Redemption of investment	8	10,014	580
Capital expenditure and financial investment	13	(121,972)	(1,446,737)
(Decrease) in cash in the year		<u>(92,405)</u>	<u>(429,096)</u>

Reconciliation of net cash flow to movement in net funds (Note 14)

(Decrease) in cash in the year		(92,405)	(429,096)
Net funds at 1 January 2016		12,939,364	13,368,460
Net funds at 31 December 2016	14	<u>12,846,959</u>	<u>12,939,364</u>

The financial statements were approved by the Council on **8 May 2017** and signed on its behalf by

Gerry Quinn
Chairperson

Tomás Ó Ruairc
Director

An Chomhairle Mhúinteoireachta
The Teaching Council

Notes to the Financial Statements
for the year ended 31 December 2016

1. Accounting Policies

1.1. Accounting Convention

The financial statements have been prepared in accordance with accounting standards generally accepted in Ireland and Irish statute (including FRS102). Accounting Standards generally accepted in Ireland in preparing financial statements giving a true and fair view are those published by the Financial Reporting Council.

1.2. Income

Income comprises registration and assessment fees received during the year. All fees receivable are accounted for on a receipts basis, except for income from the review and accreditation of programmes of initial teacher education which is on an invoice basis. Teachers register throughout the year and this registration lasts for 12 months. Income is not deferred to reflect this. In 2014 the Council purchased Block A, Maynooth Business Campus and is in receipt of rental income from tenants of the building. This is included under “Other Income” in the Income and Expenditure Account.

1.3. Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at historic cost less accumulated depreciation.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset systematically over its expected useful life, as follows

Premises	- 2.5% straight line
Fixtures and Fittings	- 10% straight line
Computer Software	- 20% straight line
Computer Equipment	- 33.33% straight line

The carrying values of tangible fixed assets are reviewed annually for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

During the 2015 The Teaching Council carried out a “Fit-Out” of part of the building. This was not finished by the end of December 2015 and consequently depreciation was not charged during the period. Depreciation commenced in 2016 at a rate of 10% straight line per annum.

An Chomhairle Mhúinteoireachta
The Teaching Council

Notes to the Financial Statements
for the year ended 31 December 2016

..... continued

1.4. Investments

Fixed asset investments are stated at cost less provision for impairments in value. Income from financial fixed asset investments, together with any related withholding tax, is recognised in the income and expenditure account in the year in which it is received.

1.5. Pensions

The Council operates a defined benefit pension scheme for the majority of its employees. The scheme is based on the Public Service Model and is approved by the Minister for Education and Skills and the Minister for Finance. Pension benefits payable under the scheme are funded by the Exchequer.

In addition, the Council's arrangements have a number of specific characteristics:

- the Council makes an agreed contribution to the Department of Education and Skills
- the contribution comprises an employee element along with an employer element. In accordance with government policy on public sector pensions the employer's contribution amounts to 25% of gross pay for employees paying PRSI at the A rate and 30% of gross pay for employees paying PRSI at the D rate.
- there is an explicit commitment from the Department of Education and Skills with the agreement of the Department of Finance that the Exchequer will meet the cost of benefits as they fall due.

The Public Service Pensions (Single Scheme and Other Provisions) Act 2012 introduced the new Single Public Service Pension Scheme ("Single Scheme") which commenced with effect from 1 January 2013. All new employees of the Teaching Council, who are new entrants to the public sector on or after 1 January 2013 are members of the Single Scheme.

The Council considers that its pension arrangements as described above have the same financial effect from the Council's point of view as a defined contribution scheme. It is of the view that the provisions of FRS 17, Accounting for Retirement Benefits, which arise under defined benefit schemes are not appropriate to its circumstances. Accordingly it accounts for its contribution as if the scheme was a defined contribution scheme.

An Chomhairle Mhúinteoireachta
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Notes to the Financial Statements
for the year ended 31 December 2016

..... continued

1.6. Taxation

The yearly charge for taxation is based on deposit interest for the year and is calculated with reference to the tax rate applying on the date the interest is received.

1.7. Designated Reserves

The Council has determined that it may at its discretion set aside unrestricted funds for designated future purposes. Where such funds are no longer required for the intended purpose, they will be released to the General Reserve.

An Chomhairle Mhúinteoireachta
The Teaching Council

Notes to the Financial Statements
for the year ended 31 December 2016

..... continued

2. Income

The income of the organisation for the year has been derived from its principal activity wholly undertaken in Ireland.

3. Operating Surplus	2016	2015
	€	€
Operating surplus is stated after charging:		
Depreciation	406,320	297,088
Auditor Remuneration	7,664	6,347
	<u> </u>	<u> </u>

4. Employees	2016	2015
	Number	Number
Number of employees		
The average monthly numbers of employees during the year were:		
Employees	44	36
	<u> </u>	<u> </u>
	44	36
	<u> </u>	<u> </u>

Employment costs	2016	2015
	€	€
Wages and salaries	1,963,533	1,646,399
Social welfare costs	162,016	134,855
Pension costs	437,508	389,620
Managed Services cost	980,938	731,284
Training & Welfare costs	80,620	67,514
Sundry staff costs	8,336	14,232
	<u> </u>	<u> </u>
	3,632,951	2,983,904
	<u> </u>	<u> </u>

An Chomhairle Mhúinteoireachta
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Notes to the Financial Statements
for the year ended 31 December 2016

..... continued

5. Pension Costs

The pension cost represents contributions payable by the Council to the pension fund.

6. Taxation	2016	2015
	€	€
Current year taxation		
DIRT	17,130	36,332

The Finance (No.2) Act 2013, Section 37, amends Schedule 4 to the Taxes Consolidation Act 1997 to include the Teaching Council in the list of specified non-commercial State-sponsored bodies that qualify for exemption from certain tax provisions under Section 227 of the Taxes Consolidation Act 1997. This section exempts from income tax and corporation tax certain income arising which would otherwise be chargeable to tax under Case III, IV and V of Schedule D. Deposit interest remains subject to DIRT.

An Chomhairle Mhúinteoireachta
The Teaching Council

Notes to the Financial Statements
for the year ended 31 December 2016

..... continued

7. Fixed Assets

	Premises	Fixtures & Fittings	Computer Software	Computer Equipment	Total
	€	€	€	€	€
Cost					
At 1 January 2016	3,691,937	1,537,115	774,135	575,322	6,578,509
Additions	-	56,994	10,528	54,450	121,972
Disposals	-	-	-	-	-
At 31 December 2016	<u>3,691,937</u>	<u>1,594,109</u>	<u>784,663</u>	<u>629,772</u>	<u>6,700,481</u>
Depreciation					
At 1 January 2016	92,298	174,369	489,811	480,176	1,236,654
On disposals	-	-	-	-	-
Charge for the year	92,298	154,137	86,433	73,452	406,320
At 31 December 2016	<u>184,596</u>	<u>328,506</u>	<u>576,244</u>	<u>553,628</u>	<u>1,642,974</u>
Net book values					
At 31 December 2016	<u>3,507,341</u>	<u>1,265,603</u>	<u>208,419</u>	<u>76,144</u>	<u>5,057,507</u>
At 31 December 2015	<u>3,599,639</u>	<u>1,362,746</u>	<u>284,324</u>	<u>95,146</u>	<u>5,341,855</u>

An Chomhairle Mhúinteoireachta
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Notes to the Financial Statements
for the year ended 31 December 2016

..... continued

8. Investments

	Listed Investments	Total
	€	€
Cost		
At 1 January 2016	10,014	10,014
Redemption during the year	(10,014)	(10,014)
	<hr/>	<hr/>
At 31 December 2016	-	-
	<hr/>	<hr/>
Net book values		
At 31 December 2016	-	-
	<hr/>	<hr/>
At 31 December 2015	10,014	10,014
	<hr/>	<hr/>

The investment earned income of €461 during 2016 and was then redeemed on the 19th of April 2016.

9. Debtors

	2016	2015
	€	€
Prepayments	5,445	-
Other debtors	1,834	43,327
Accrued Income	3,518	16,235
	<hr/>	<hr/>
	10,797	59,562
	<hr/>	<hr/>

The other debtors figure consists of Bike to Work Schemes and fees receivable following the review and accreditation of programmes of initial teacher education.

An Chomhairle Mhúinteoireachta
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Notes to the Financial Statements
for the year ended 31 December 2016

..... continued

10. Creditors: Amounts falling due within one year	2016	2015
	€	€
Other taxes and social security costs	16,421	19,617
Accruals	100,764	120,623
	<u>117,185</u>	<u>140,240</u>
	2016	2015
	€	€
Included in other taxes and social security costs:		
PAYE / PRSI	-	54
VAT	562	-
PSWT	15,859	19,563
	<u>16,421</u>	<u>19,617</u>
11. Reserves	General Reserve	Designated Reserve
	€	€
	Total	€
Opening Reserves	14,210,645	4,000,000
Deficit for the year	(412,567)	-
Closing Reserves	<u>13,798,078</u>	<u>4,000,000</u>
	<u>17,798,078</u>	<u>17,798,078</u>

In accordance with the Council's financial strategy the designated reserves have been established as a contingency reserve to cover any significant costs arriving from legal challenge to any part of the Teaching Council Act, 2001 and from any of the Council's rulings. In accordance with the Council's accounting policy where such funds are no longer required they will be released back to the General Reserve.

An Chomhairle Mhúinteoireachta
The Teaching Council

Notes to the Financial Statements
for the year ended 31 December 2016

..... continued

12. Related Party Transactions

In accordance with the Teaching Council Act, 2001 Council members are entitled to reimbursement of expenses necessarily incurred whilst engaging in the business of the Council and Committees of the Council. Council members who are teachers are also required to renew their registration annually. All transactions are conducted on an arms length basis and have been incorporated into these financial statements.

13. Gross Cash Flows

	2016	2015
	€	€
Returns on Investments and Servicing of Finance		
Interest received	41,780	88,615
	<u> </u>	<u> </u>
Taxation		
DIRT	(17,130)	(36,332)
	<u> </u>	<u> </u>
Capital Expenditure and financial investment		
Payments to acquire tangible assets	(121,972)	(1,446,737)
	<u> </u>	<u> </u>

14. Analysis of Changes in Net Funds

	Opening balance	Cash flows	Closing balance
	€	€	€
Cash at bank and in hand	12,939,364	(92,405)	12,846,959
	<u> </u>	<u> </u>	<u> </u>
Net funds	12,939,364	(92,405)	12,846,959
	<u> </u>	<u> </u>	<u> </u>

An Chomhairle Mhúinteoireachta
The Teaching Council

15. Approval of Financial Statements

The financial statements were approved by the Council on **8 May 2017** and signed on its behalf by

Gerry Quinn
Chairperson

Tomás Ó Ruairc
Director