



AN CHOMHAIRLE MHÚINTEOIREACHTA
The Teaching Council



AUDITED FINANCIAL STATEMENTS
for the period ended 31 December 2007

APPENDIX 4

Audited Financial Statements for the period ended 31 December 2007

<p>Auditors</p>	<p>Anne Brady McQuillans DFK Chartered Accountants and Registered Auditors Iveagh Court Harcourt Road Dublin 2</p>
<p>Bankers</p>	<p>Bank of Ireland Main Street Maynooth Co. Kildare</p> <p>AIB Bank plc Main Street Maynooth Co. Kildare</p>
<p>Solicitors</p>	<p>McDowell Purcell Partnership, Solicitors The Capel Building Mary's Abbey Dublin 7</p> <p>Arthur Cox, Solicitors Earlsfort Centre Earlsfort Terrace Dublin 2</p>

Audited Financial Statements for the period ended 31 December 2007

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Audited Financial Statements for the period ended 31 December 2007**Council's Report
for the year ended 31 December 2007**

The Council presents its report and the financial statements for the year ended 31 December 2007. The Teaching Council (An Chomhairle Mhúinteoireachta) was established on a statutory basis on 28 March 2006 in accordance with the Teaching Council Act, 2001. The comparative figures are for the period from 28 March 2006 (date of establishment) to 31 December 2006.

Principal Activity

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.

Results

The surplus for the year after providing for depreciation and taxation amounted to €234,398 (2006: €32,898).

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.

On behalf of the Council



JOAN WARD

Chairperson

Date: 12 May 2008



ÁINE LAWLOR

Director

Audited Financial Statements for the period ended 31 December 2007

Statement of Council's Responsibilities for the Financial Statements

The Council is responsible for preparing the 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 including the accounting standards issued by the Accounting Standards Board and published 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 period.

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
- 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.

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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 them 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



JOAN WARD

Chairperson

Date: 12 May 2008



ÁINE LAWLOR

Director

Audited Financial Statements for the period ended 31 December 2007

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 2007 which comprise the Income and Expenditure Account, Balance Sheet, Cash Flow Statement and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies therein.

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 Accounting Standards Board and published by The Institute of Chartered Accountants in Ireland (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).

We report to you our opinion as to whether the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, and are properly prepared in accordance with Irish Law including Section 18 of the Teaching Council Act, 2001. We also report to you whether in our opinion: proper books of account have been kept by the organisation; and whether the information given in the Council's Report is consistent with the financial statements. In addition, we state whether we have obtained all the information and explanations we consider necessary for the purposes of our audit and whether the organisation's financial statements are in agreement with the books of account.

We read the other information contained in the Council report and consider whether it is consistent with the audited financial statements. This other information comprises only the Council's Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of Audit Opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant

Audited Financial Statements for the period ended 31 December 2007

estimates and judgements made by the Council in the preparation of the financial statements, and of whether the accounting policies are appropriate to the organisation's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

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 organisation's affairs as at 31st December 2007 and of its result 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.

Anne Brady McQuillans DFK
Chartered Accountants & Registered Auditors
Iveagh Court
Harcourt Road
Dublin 2
Date: 12 May 2008

Audited Financial Statements for the period ended 31 December 2007

Income and Expenditure Account
for the year ended 31 December 2007

		Year Ended 31 December 2007 €	9 Month period Ended 31 December 2006 €
Income	Notes		
Department of Education and Science		3,014,826	999,143
Registration and Assessment Fees		248,866	141,308
Application Fees		1,181	1,000
Other Income		16,957	537
Total Income	2	<u>3,281,830</u>	<u>1,141,988</u>
Expenditure			
Accommodation Costs		(199,204)	(124,618)
Staff Costs	4	(1,461,198)	(468,728)
Other Administration Costs		(248,773)	(171,622)
Courses, Conferences and Meeting Expenses		(201,002)	(88,777)
Registration and Verification Activities		(313,669)	(109,515)
Information Technology Expenses		(81,893)	(23,110)
Communications and Education Activities		(499,080)	(109,173)
Depreciation		(42,613)	(13,547)
Total Expenditure		<u>(3,047,432)</u>	<u>(1,109,090)</u>
Surplus on ordinary activities before taxation	3	234,398	32,898
Taxation	5	-	-
Surplus on ordinary activities after taxation		234,398	32,898
Retained profit brought forward		32,898	-
Retained profit carried forward		<u>267,296</u>	<u>32,898</u>

There are no recognised gains or losses 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 44 to 47 form part of these financial statements.

The financial statements were approved by the Council on 12 May 2008 and signed on its behalf by

Joan Ward

JOAN WARD

Chairperson

Date: 12 May 2008

Aine Lawlor

ÁINE LAWLOR

Director

Audited Financial Statements for the period ended 31 December 2007

Balance Sheet
as at 31 December 2007

	Notes	2007		2006	
		€	€	€	€
Fixed Assets					
Tangible assets	6		314,952		169,302
Investments	7		34,395		34,395
			<u>349,347</u>		<u>203,697</u>
Current Assets					
Cash at bank and in hand		<u>459,221</u>		<u>12,046</u>	
Creditors: Amounts falling due within one year	8	<u>(541,272)</u>		<u>(182,845)</u>	
Net Current Liabilities			<u>(82,051)</u>		<u>(170,799)</u>
Total Assets Less Current Liabilities			<u>267,296</u>		<u>32,898</u>
Reserves					
Closing Reserves	9		267,296		32,898
Total Funds			<u>267,296</u>		<u>32,898</u>

The notes on pages 44 to 47 form part of these financial statements.

The financial statements were approved by the Council on 12 May 2008 and signed on its behalf by



JOAN WARD

Chairperson

Date: 12 May 2008



ÁINE LAWLOR

Director

Audited Financial Statements for the period ended 31 December 2007

Cash Flow Statement for the year ended 31 December 2007

	Notes	2007 €	2006 €
Reconciliation of operating surplus to net cash inflow from operating activities			
Operating surplus		234,398	32,898
Depreciation		42,613	13,547
Increase in creditors		319,344	182,845
Net cash inflow from operating activities		<u>596,355</u>	<u>229,290</u>
Cash Flow Statement			
Net cash inflow from operating activities		596,355	229,290
Capital expenditure and financial investment	11	(149,180)	(217,244)
Increase in cash in the year		<u>447,175</u>	<u>12,046</u>
Reconciliation of net cash flow to movement in net funds (Note 12)			
Increase in cash in the year		447,175	12,046
Net funds at 1 January 2007		12,046	-
Net funds at 31 December 2007		<u>459,221</u>	<u>12,046</u>

Audited Financial Statements for the period ended 31 December 2007

Notes to the Financial Statements for the year ended 31 December 2007

1. Accounting Policies

1.1. Accounting Convention

The financial statements are prepared in accordance with generally accepted accounting principles under the historical cost convention and comply with the Financial Reporting Standards of the Accounting Standards Board, as promulgated by the Institute of Chartered Accountants in Ireland.

1.2. Income

Income represents funding received from the Department of Education and Science and registration fee income received during the year. All income/fees receivable are accounted for as they are received.

1.3. Tangible Fixed Assets and Depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Fixtures, Fittings and Equipment	- 10% straight line
Computer Equipment	- 25% straight line
Computer Software	- 10% straight line

1.4. Investments

Fixed asset investments are stated at cost.

2. Income

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

3. Operating Surplus

	2007	2006
	€	€
Operating surplus is stated after charging:		
Depreciation	42,613	13,547
Auditors' remuneration	6,754	6,655
	<u>49,367</u>	<u>20,202</u>

In the period prior to the establishment of the Teaching Council and during the year ended 31 December 2006 the Department of Education and Science incurred expenditure on behalf of the the Teaching Council amounting to €1,761,119. This expenditure related to capital expenditure

Audited Financial Statements for the period ended 31 December 2007

Notes to the Financial Statements for the year ended 31 December 2007

and on-going costs of the The Teaching Council. This expenditure has not been included in these financial statements.

The Registration Council was dissolved on 28 March 2006 and as per Section 49 of the Teaching Council Act, 2001 all moneys, assets and liabilities of the Registration Council were transferred to the Teaching Council.

4. Employees

	2007 Number	2006 Number
4.1 Number of employees		
The average monthly numbers of employees during the year was:		
Office and management	<u>25</u>	<u>10</u>
4.2 Employment costs	2007	2006
	€	€
Wages and salaries	1,058,113	352,237
Social welfare costs	76,311	29,674
Recruitment costs	67,877	61,833
Other pension costs	239,372	10,285
Other payroll costs	19,525	14,699
	<u>1,461,198</u>	<u>468,728</u>

5. Taxation

The Teaching Council is exempt from Corporation Taxation in respect of its activities. Passive income, if any, (such as deposit interest) remains taxable.

Audited Financial Statements for the period ended 31 December 2007

Notes to the Financial Statements
for the year ended 31 December 2007

6. Fixed Assets

	Fixtures & Fittings €	Computer Software €	Computer Equipment €	Total €
Cost				
At 1 January 2007	42,925	66,878	73,046	182,849
Additions	39,880	59,477	88,906	188,263
At 31 December 2007	<u>82,805</u>	<u>126,355</u>	<u>161,952</u>	<u>371,112</u>
Depreciation				
At 1 January 2007	1,963	2,416	9,168	13,547
Charge for the year	4,989	6,307	31,317	42,613
At 31 December 2007	<u>6,952</u>	<u>8,723</u>	<u>40,485</u>	<u>56,160</u>
Net book values				
At 31 December 2007	<u>75,853</u>	<u>117,632</u>	<u>121,467</u>	<u>314,952</u>
At 31 December 2006	<u>40,962</u>	<u>64,462</u>	<u>63,878</u>	<u>169,302</u>

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7. Investments

	Government Bonds €	Total €
Cost		
At 1 January 2007	34,395	34,395
Additions	-	-
At 31 December 2007	<u>34,395</u>	<u>34,395</u>
Provisions for diminution in value:		
At 1 January 2007	-	-
Movement	-	-
At 31 December 2007	<u>-</u>	<u>-</u>
Net book values		
At 31 December 2007	<u>34,395</u>	<u>34,395</u>

The investments consist of various Government stock and bonds, the market value of which are in excess of the value shown above.

Audited Financial Statements for the period ended 31 December 2007

Notes to the Financial Statements
for the year ended 31 December 2007

8. Creditors: amounts falling due within one year	2007	2006
	€	€
Trade creditors	22,847	117,380
Other taxes and social security costs	1,879	-
Other creditors	37,519	10,285
Accruals	479,027	55,180
	<u>541,272</u>	<u>182,845</u>

9. Reserves	General	Reserve
	2007	2006
	€	€
Opening Reserves	32,898	-
Surplus for the year	234,398	32,898
Closing Reserves	<u>267,296</u>	<u>32,898</u>

10. Controlling Parties

The Teaching Council is controlled by the Council Members. The Minister for Education and Science is the ultimate controlling party.

11. Gross Cash Flows	2007	2006
	€	€
Capital expenditure and financial investment		
Payments to acquire tangible assets	(149,180)	(182,849)
Investments acquired	-	(34,395)
	<u>(149,180)</u>	<u>(217,244)</u>

12. Analysis of Changes in Net Funds

	Opening balance	Cash flows	Closing balance
	€	€	€
Cash at bank and in hand	12,046	447,175	459,221
Net funds	<u>12,046</u>	<u>447,175</u>	<u>459,221</u>

13. Approval of Financial Statements

The financial statements were approved by the Council on 12 May 2008 and signed on its behalf by

Joan Ward

JOAN WARD, Chairperson
Date: 12 May 2008

Aine Lawlor

ÁINE LAWLOR, Director



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