

# **Financial Statements**

## **for the year ended 31 December 2013**

**An Chomhairle Mhúinteoireachta**  
**The Teaching Council**

**Council Information**

**Chairperson:** Micheál Ó Gríofa

**Deputy-Chairperson:** Bernadine O' Sullivan

**Council Members:**

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  
Michael Gillespie (Resigned 4/10/2013)  
Prof Michael Hayes  
Marie Humphries  
Declan Kelleher  
Mary Kelly (Appointed 26/11/2013)  
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  
Eleanor Petrie  
Don Ryan (Appointed 28/11/2013)  
Dr Seán Rowland (Resigned 10/10/2013)  
Bernie Ruane  
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**

**Council's Report**  
**for the year ended 31 December 2013**

The Council presents its report and the financial statements for the year ended 31 December 2013. 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 2013.

**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:

*Staff Resources*

The Council has limited staffing resources as it takes on additional functions. Sanction has been received for five additional posts. In addition, the Council has transferred some of its routine administrative work to an in-sourced managed services arrangement.

*Non-commencement of elements of the Teaching Council Act 2001*

Certain sections of the Teaching Council Act 2001 had not been commenced in 2013, restricting the scope of the Council. In particular, Section 30 (Mandatory Registration), Part 5 (Fitness to Teach) and Section 39 (CPD) had not been commenced. Section 30 commenced in January 2014 and the Minister for Education and Skills has indicated that he will commence Part 5 in 2014.

**Results**

The surplus for the year after providing for depreciation and taxation amounted to €1,477,743 (2012: €3,308,655). There was a reduction in the annual registration renewal fee from 1 January 2013 which resulted in a decrease in income. When the additional functions of The Teaching Council (referred to in the previous paragraph) are commenced the annual expenditure of the Council will increase significantly.

**An Chomhairle Mhúinteoireachta  
The Teaching Council**

**Council's Report  
for the year ended 31 December 2013**

**Future Developments**

The Council plans to continue its present activities. Section 30 of the Teaching Council Act 2001 (mandatory registration) commenced in January 2014 and the Minister for Education and Skills has indicated that he intends to commence Part 5 of the Act (Fitness to Teach function) in 2014.

**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

**Micheál Ó Gríofa  
Chairperson**

**Tomás Ó Ruairc  
Director**

**12<sup>th</sup> May 2014**

**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).

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.

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

**Micheál Ó Gríofa**  
**Chairperson**

**Tomás Ó Ruairc**  
**Director**

**12<sup>th</sup> May 2014**

**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 2013.

On behalf of Council

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**Micheál Ó Gríofa**  
**Chairperson**

**12<sup>th</sup> May 2014**



**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 2013 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 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.

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 review whether the Statement on Internal Financial Control reflects the Council's compliance with the Code of Practice for the Governance of State Bodies and report any material instance where it does not do so, or if the statement is misleading or inconsistent with the other information of which we are aware from the audit of the financial statements. We are not required to consider whether the Statement on Internal Control covers all financial risks and controls, or to form an opinion on the effectiveness of the risk and control procedures.

We read the Council's report and consider the implications for our report if we become aware of any apparent misstatements within it.

**An Chomhairle Mhúinteoireachta**  
**The Teaching Council**

**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 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 Council's affairs as at 31 December 2013 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.

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

**12<sup>th</sup> May 2014**

**An Chomhairle Mhúinteoireachta**  
**The Teaching Council**

**Income and Expenditure Account**  
**for the year ended 31 December 2013**

		<b>2013</b>	<b>2012</b>
		<b>€</b>	<b>€</b>
<b>Income</b>	<b>Notes</b>		
Registration and Assessment Fees		5,930,856	7,517,566
Accreditation Fees		24,000	17,500
Other Income		477	478
		<hr/>	<hr/>
<b>Total Income</b>	<b>2</b>	5,955,333	7,535,544
<b>Expenditure</b>			
Accommodation Costs		(282,262)	(288,967)
Staff Costs		(2,510,785)	(2,162,318)
Other Administration Costs		(872,940)	(1,088,331)
Courses, Conferences and Meeting Costs		(180,765)	(205,213)
Registration and Verification Costs		(137,175)	(195,079)
Information Technology Costs		(126,074)	(119,821)
Communications and Education Costs		(446,426)	(372,203)
Profit on disposal of tangibles		-	175
Depreciation	<b>7</b>	(157,898)	(141,932)
		<hr/>	<hr/>
<b>Total Expenditure</b>		(4,714,325)	(4,573,689)
Interest receivable and similar income		390,217	495,563
		<hr/>	<hr/>
<b>Surplus on ordinary activities before taxation</b>	<b>3</b>	1,631,225	3,457,418
Taxation	<b>6</b>	(153,482)	(148,763)
		<hr/>	<hr/>
<b>Surplus on ordinary activities after taxation</b>		1,477,743	3,308,655
		<hr/>	<hr/>

**An Chomhairle Mhúinteoireachta**  
**The Teaching Council**

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 19 form part of these financial statements.

The financial statements were approved by the Council on 12<sup>th</sup> May 2014 and signed on its behalf by

**Micheál Ó Gríofa**  
**Chairperson**

**Tomás Ó Ruairc**  
**Director**

**An Chomhairle Mhúinteoireachta**  
**The Teaching Council**

**Balance Sheet**  
**as at 31 December 2013**

		<b>2013</b>		<b>2012</b>	
	<b>Notes</b>	<b>€</b>	<b>€</b>	<b>€</b>	<b>€</b>
<b>Fixed Assets</b>					
Tangible assets	7		403,146		426,557
Investments	8		10,594		10,594
			<u>413,740</u>		<u>437,151</u>
<b>Current Assets</b>					
Debtors	9	29,217		69,198	
Cash at bank and in hand		15,934,926		14,451,964	
		<u>15,964,143</u>		<u>14,521,162</u>	
<b>Creditors: Amounts falling due within one year</b>	10	(131,277)		(189,450)	
<b>Net Current Assets</b>			<u>15,832,866</u>		<u>14,331,712</u>
<b>Total Assets Less Current Liabilities</b>			<u>16,246,606</u>		<u>14,768,863</u>
<b>Reserves</b>					
Designated Reserve	11		4,000,000		4,000,000
General Reserves	11		12,246,606		10,768,863
<b>Total Funds</b>			<u>16,246,606</u>		<u>14,768,863</u>

The notes on pages 11 to 19 form part of these financial statements.

The financial statements were approved by the Council on 12<sup>th</sup> May 2014 and signed on its behalf by

**Micheál Ó Gríofa**  
**Chairperson**

**Tomás Ó Ruairc**  
**Director**

**An Chomhairle Mhúinteoireachta**  
**The Teaching Council**

**Cash Flow Statement**  
**for the year ended 31 December 2013**

	Notes	2013 €	2012 €
<b>Reconciliation of operating surplus to net cash inflow from operating activities</b>			
Operating surplus (before interest received)		1,241,007	2,961,855
Depreciation		157,898	141,932
Profit on disposal of tangible assets		-	(175)
Decrease in debtors		39,981	138,271
(Decrease)/Increase in creditors		(58,173)	101,658
<b>Net cash flow from operating activities</b>		<u>1,380,713</u>	<u>3,343,541</u>

**Cash Flow Statement**

Net cash flow from operating activities		1,380,713	3,343,541
Returns on investments and servicing of finance	13	390,217	495,563
Taxation	13	(153,482)	(148,763)
Capital expenditure and financial investment	13	(134,486)	(187,346)
<b>Increase in cash in the year</b>		<u>1,482,962</u>	<u>3,502,996</u>

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

Increase in cash in the year	1,482,962	3,502,996
Net funds at 1 January 2013	14,451,964	10,948,968
<b>Net funds at 31 December 2013</b>	<u>15,934,926</u>	<u>14,451,964</u>

The financial statements were approved by the Council on 12<sup>th</sup> May 2014 and signed on its behalf by

**Micheál Ó Gríofa**  
**Chairperson**

**Tomás Ó Ruairc**  
**Director**

**An Chomhairle Mhúinteoireachta**  
**The Teaching Council**

**Notes to the Financial Statements**  
**for the year ended 31 December 2013**

**1. Accounting Policies**

**1.1. Accounting Convention**

The financial statements have been prepared on the going concern basis and in accordance with accounting standards generally accepted in Ireland and Irish statute. 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 income/fees receivable are accounted for on a receipts basis.

**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:

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.

**An Chomhairle Mhúinteoireachta**  
**The Teaching Council**

**Notes to the Financial Statements**  
**for the year ended 31 December 2013**

**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 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 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.

**1.6. Taxation**

The yearly charge for taxation is based on passive income for the year and is calculated with reference to the tax rate applying on the balance sheet date.

**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 2013**

..... continued

**2. Income**

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

<b>3. Operating Surplus</b>	<b>2013</b>	<b>2012</b>
	<b>€</b>	<b>€</b>
Operating surplus is stated after charging:		
Depreciation	157,898	141,932
Profit on disposal of tangible fixed assets	-	(175)
	<u>          </u>	<u>          </u>

<b>4. Employees</b>	<b>2013</b>	<b>2012</b>
	<b>Number</b>	<b>Number</b>
<b>Number of employees</b>		
The average monthly numbers of employees during the year were:		
Employees	30	30
Agency staff	12	11
	<u>          </u>	<u>          </u>
	42	41
	<u>          </u>	<u>          </u>

<b>Employment costs</b>	<b>2013</b>	<b>2012</b>
	<b>€</b>	<b>€</b>
Wages and salaries	1,519,236	1,347,130
Social welfare costs	93,051	89,674
Agency costs	451,284	403,266
Managed Services costs	122,846	-
Sundry staff costs	2,025	18,242
Pension costs	282,934	270,375
Staff training costs	39,409	33,631
	<u>          </u>	<u>          </u>
	2,510,785	2,162,318
	<u>          </u>	<u>          </u>

**An Chomhairle Mhúinteoireachta**  
**The Teaching Council**

**Notes to the Financial Statements**  
**for the year ended 31 December 2013**

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**5. Pension Costs**

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

<b>6. Taxation</b>	<b>2013</b>	<b>2012</b>
	<b>€</b>	<b>€</b>
<b>Current year taxation</b>		
Income Tax	153,482	148,763
	<u>          </u>	<u>          </u>

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 111, 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 2013**

..... continued

**7. Fixed Assets**

	<b>Fixtures &amp; Fittings</b>	<b>Computer Software</b>	<b>Computer Equipment</b>	<b>Total</b>
	€	€	€	€
<b>Cost</b>				
At 1 January 2013	234,877	421,358	371,235	1,027,472
Additions	9,618	57,790	67,078	134,486
Disposals	-	-	-	-
At 31 December 2013	<u>244,495</u>	<u>479,148</u>	<u>438,315</u>	<u>1,161,958</u>
<b>Depreciation</b>				
At 1 January 2013	97,287	266,487	237,140	600,912
On disposals	-	-	-	-
Charge for the year	24,130	66,478	67,290	157,898
At 31 December 2013	<u>121,417</u>	<u>332,965</u>	<u>304,430</u>	<u>758,810</u>
<b>Net book values</b>				
At 31 December 2013	<u>123,078</u>	<u>146,183</u>	<u>133,885</u>	<u>403,146</u>
At 31 December 2012	<u>137,590</u>	<u>154,871</u>	<u>134,095</u>	<u>426,557</u>

**An Chomhairle Mhúinteoireachta**  
**The Teaching Council**

**Notes to the Financial Statements**  
**for the year ended 31 December 2013**

..... continued

**8. Investments**

	<b>Listed Investments</b>	<b>Total</b>
	<b>€</b>	<b>€</b>
<b>Cost</b>		
At 1 January 2013	10,594	10,594
Redemption during the year	-	-
At 31 December 2013	<u>10,594</u>	<u>10,594</u>
<b>Net book values</b>		
At 31 December 2013	10,594	10,594
At 31 December 2012	<u>10,594</u>	<u>10,594</u>

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

**9. Debtors**

	<b>2013</b>	<b>2012</b>
	<b>€</b>	<b>€</b>
Other debtors	<u>29,217</u>	<u>69,198</u>

**An Chomhairle Mhúinteoireachta**  
**The Teaching Council**

**Notes to the Financial Statements**  
**for the year ended 31 December 2013**

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<b>10. Creditors: Amounts falling due within one year</b>	<b>2013</b>	<b>2012</b>
	<b>€</b>	<b>€</b>
Other taxes and social security costs	50,076	35,083
Accruals	81,201	154,367
	<u>131,277</u>	<u>189,450</u>
	<b>2013</b>	<b>2012</b>
	<b>€</b>	<b>€</b>
Included in other taxes and social security costs:		
Income Tax	-	96
PAYE / PRSI	33,825	24,976
PSWT	16,251	10,011
	<u>50,076</u>	<u>35,083</u>
<b>11. Reserves</b>	<b>General reserve</b>	<b>Designated reserve</b>
	<b>€</b>	<b>€</b>
<b>Opening Reserves</b>	10,768,863	4,000,000
Surplus for the year	1,477,743	-
<b>Closing Reserves</b>	<u>12,246,606</u>	<u>4,000,000</u>
		<u>16,246,606</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 2013**

..... 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.

**An Chomhairle Mhúinteoireachta**  
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**Notes to the Financial Statements**  
**for the year ended 31 December 2013**

..... continued

**13. Gross Cash Flows**

	<b>2013</b>	<b>2012</b>
	<b>€</b>	<b>€</b>
<b>Returns on Investments and Servicing of Finance</b>		
Interest received	390,217	495,563
	<u>                    </u>	<u>                    </u>
<b>Taxation</b>		
Income tax paid	(153,482)	(148,763)
	<u>                    </u>	<u>                    </u>
<b>Capital Expenditure and financial investment</b>		
Payments to acquire tangible assets	(134,486)	(187,896)
Receipts from sales of tangible assets	-	550
	<u>                    </u>	<u>                    </u>
	<u>(134,486)</u>	<u>(187,346)</u>

**14. Analysis of Changes in Net Funds**

	<b>Opening balance €</b>	<b>Cash flows €</b>	<b>Closing balance €</b>
Cash at bank and in hand	14,451,964	1,482,962	15,934,926
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Net funds	<u>14,451,964</u>	<u>1,482,962</u>	<u>15,934,926</u>

**15. Approval of Financial Statements**

The financial statements were approved by the Council on 12<sup>th</sup> May 2014 and signed on its behalf by

**Micheál Ó Gríofa**  
**Chairperson**

**Tomás Ó Ruairc**  
**Director**

**An Chomhairle Mhúinteoireachta**  
**The Teaching Council**