

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

**Company Limited by Guarantee**

**FINANCIAL STATEMENTS**

**31ST DECEMBER 2011**

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

**FINANCIAL STATEMENTS**

**YEAR ENDED 31ST DECEMBER 2011**

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

**OFFICERS AND PROFESSIONAL ADVISERS**

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<b>The board of directors</b>	Ciaran Costello John Desmond Fergal Finn Henry Ivan George Hammond Liam Nolan Stella Corrigan William Doyle Cormac Madden
<b>Company secretary</b>	Paul Waldron
<b>Registered office</b>	Unit 9 KCR Industrial Estate Ravensdale Park Kimmage Dublin 12
<b>Auditor</b>	Grant Thornton Chartered Accountants & Registered Auditor 24 - 26 City Quay Dublin 2
<b>Bankers</b>	Allied Irish Bank 9 Terenure Road East Rathgar Dublin 6
<b>Solicitors</b>	Daly Lynch Crowe and Morris The Corn Exchange Burgh Quay Dublin 2

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

## **THE DIRECTORS' REPORT**

**YEAR ENDED 31ST DECEMBER 2011**

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The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31st December 2011.

### **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 Commissioner 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", 26 June 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:

#### **Economic risk**

The risk of unrealistic increases in wages or infrastructure cost impacting adversely on competitiveness of the company and its principal customers.

These are managed by strict control of costs.

#### **Competitor risk**

The directors of the company manage competitor risk through close attention to customer service levels.

#### **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. The directors have not recommended a dividend.

### **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

## THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31ST DECEMBER 2011

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### DIRECTORS

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

John Desmond  
Fergal Finn  
Henry Ivan George Hammond  
Liam Nolan  
Stella Corrigan  
Cormac Madden  
Ciaran Costello (Appointed 14th March 2011)  
William Doyle (Appointed 2nd January 2011)

### 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 the Accounting Standards Board and published 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 those financial statements, the directors are required to:

select suitable accounting policies and then apply them consistently;

make judgements and estimates that are reasonable and prudent; and

prepare the financial statements on a 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 2009. 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**

**THE DIRECTORS' REPORT** *(continued)*

**YEAR ENDED 31ST DECEMBER 2011**

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**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.

Signed on behalf of the directors

William Doyle  
Director

Cormac Madden  
Director

Approved by the directors on 14<sup>th</sup> May 2012.

# **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 2011**

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We have audited the financial statements of The Register of Gas Installers of Ireland Limited for the year ended 31st December 2011 on pages 7 to 15 which have been prepared under the historical cost convention and the accounting policies set out on page 10.

### **RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR**

As described in the Statement of Directors' Responsibilities on pages 2 to 4, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law 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.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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.

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 the Companies Acts, 1963 to 2009. We also report to you whether in our opinion: proper books of account have been kept by the company; whether, at the balance sheet date, there exists a financial situation requiring the convening of an extraordinary general meeting of the company; and whether the information given in the directors' report is consistent with the financial statements. In addition, we state whether we have obtained all the information and explanations necessary for the purposes of our audit and whether the financial statements are in agreement with the books of account.

We also report to you if, in our opinion, any information specified by law regarding directors' remuneration and directors' transactions is not disclosed and, where practicable, include such information in our report.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatement within it.

### **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 directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company'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.

**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 2011 *(continued)***

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**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 company's affairs as at 31st December 2011 and of its profit and cash flows for the year then ended; and
- have been properly prepared in accordance with the requirements of the Companies Acts, 1963 to 2009.

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 company. The financial statements are in agreement with the books of account.

In our opinion the information given in the Directors' Report on pages 2 to 4 is consistent with the financial statements.

24 - 26 City Quay  
Dublin 2

16<sup>th</sup> May 2012

TURLOUGH MULLEN  
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 2011**

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	Note	2011 €	2010 €
<b>TURNOVER</b>	<b>2</b>	1,373,695	1,307,158
Cost of sales		(555,563)	(505,532)
<b>GROSS PROFIT</b>		818,132	801,626
Administrative expenses		(532,280)	(543,754)
<b>OPERATING PROFIT</b>	<b>3</b>	285,852	257,872
Interest receivable		25,436	12,289
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		311,288	270,161
Tax on profit on ordinary activities	<b>6</b>	(5,369)	(2,114)
<b>PROFIT FOR THE FINANCIAL YEAR</b>		305,919	268,047
Balance brought forward		448,137	180,090
Balance carried forward		<u>754,056</u>	<u>448,137</u>

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

The company has no recognised gains or losses other than the results for the  
year as set out above.

These financial statements were approved by the directors on the 14<sup>th</sup> May 2012 and are signed on their behalf  
by:

William Doyle  
Director

Cormac Madden  
Director

**The notes on pages 10 to 15 form part of these financial statements.**

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

**BALANCE SHEET**

**31ST DECEMBER 2011**

	Note	2011 €	€	2010 €	€
<b>FIXED ASSETS</b>					
Tangible assets	7		73,525		121,697
<b>CURRENT ASSETS</b>					
Stocks	8	22,709		8,495	
Debtors	9	43,265		48,841	
Cash at bank		1,015,597		668,673	
		<u>1,081,571</u>		<u>726,009</u>	
<b>CREDITORS: Amounts falling due within one year</b>	<b>10</b>	<u>401,040</u>		<u>399,569</u>	
<b>NET CURRENT ASSETS</b>			<u>680,531</u>		<u>326,440</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>754,056</u>		<u>448,137</u>
<b>RESERVES</b>	<b>12</b>				
Profit and loss account			<u>754,056</u>		<u>448,137</u>
<b>MEMBERS' FUNDS</b>			<u>754,056</u>		<u>448,137</u>

These financial statements were approved by the directors and authorised for issue on 14<sup>th</sup> May 2012, and are signed on their behalf by:

William Doyle  
Director

Cormac Madden  
Director

The notes on pages 10 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 2011**

	Note	2011 €	€	2010 €	€
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	<b>13</b>		332,521		293,399
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>	<b>13</b>		25,436		12,289
<b>TAXATION</b>	<b>13</b>		(4,935)		(2,994)
<b>CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT</b>	<b>13</b>		(12,355)		(27,286)
<b>CASH INFLOW BEFORE FINANCING</b>			<u>340,667</u>		<u>275,408</u>
<b>FINANCING</b>	<b>13</b>		6,257		(31,349)
<b>INCREASE IN CASH</b>	<b>13</b>		<u>346,924</u>		<u>244,059</u>

The notes on pages 10 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 2011

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### 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 2009.

#### Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

#### 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.

#### 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:

	2011 €	2010 €
Republic of Ireland	<u>1,373,695</u>	<u>1,307,158</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31ST DECEMBER 2011**

**3. OPERATING PROFIT**

Operating profit is stated after charging:

	<b>2011</b>	2010
	€	€
Depreciation of owned fixed assets	60,527	57,438
Auditor's remuneration - as auditor	<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:

	<b>2011</b>	2010
	No	No
Number of inspectors	5	5
Number of administrative staff	<u>5</u>	<u>5</u>
	<u>10</u>	<u>10</u>

The aggregate payroll costs of the above were:

	<b>2011</b>	2010
	€	€
Wages and salaries	454,660	471,267
Social welfare costs	<u>27,800</u>	<u>27,108</u>
	<u>482,460</u>	<u>498,375</u>

**5. DIRECTORS' REMUNERATION**

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

	<b>2011</b>	2010
	€	€
Remuneration receivable	<u>4,572</u>	<u>(1,193)</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31ST DECEMBER 2011**

**6. TAXATION ON ORDINARY ACTIVITIES**

**(a) Analysis of charge in the year**

	<b>2011</b>	<b>2010</b>
	<b>€</b>	<b>€</b>
Current tax:		
Irish Corporation tax based on the results for the year at 12.50% (2010 - 12.50%)	5,369	2,580
Over/under provision in prior year	-	(466)
<b>Total current tax</b>	<u>5,369</u>	<u>2,114</u>

**(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% (2010 - 12.50%).

	<b>2011</b>	<b>2010</b>
	<b>€</b>	<b>€</b>
Profit on ordinary activities before taxation	<u>311,288</u>	<u>270,161</u>
Profit on ordinary activities by rate of tax	38,911	33,770
Profit not subject to tax	(25,010)	(27,749)
Credit for DIRT paid	(5,848)	(466)
Additional tax arising on profits chargeable at 25%	(2,684)	(3,441)
<b>Total current tax (note 6(a))</b>	<u>5,369</u>	<u>2,114</u>

**7. TANGIBLE FIXED ASSETS**

	<b>Brought forward</b>		<b>Carried forward</b>
	<b>1 Jan 11</b>	<b>Additions</b>	<b>31 Dec 11</b>
	<b>€</b>	<b>€</b>	<b>€</b>
<b>COST</b>			
Equipment	<u>229,751</u>	<u>12,355</u>	<u>242,106</u>
	<b>Brought forward</b>	<b>Charges</b>	<b>Carried forward</b>
	<b>1 Jan 11</b>	<b>€</b>	<b>31 Dec 11</b>
	<b>€</b>	<b>€</b>	<b>€</b>
<b>DEPRECIATION</b>			
Equipment	<u>108,054</u>	<u>60,527</u>	<u>168,581</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31ST DECEMBER 2011**

**7. TANGIBLE FIXED ASSETS** *(continued)*

	<b>Brought forward 1 Jan 11 €</b>	<b>Carried forward 31 Dec 11 €</b>
<b>NET BOOK VALUE</b>		
Equipment	<u>121,697</u>	<u>73,525</u>

**8. STOCKS**

	<b>2011 €</b>	<b>2010 €</b>
Finished goods	<u>22,709</u>	<u>8,495</u>

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

**9. DEBTORS**

	<b>2011 €</b>	<b>2010 €</b>
Trade debtors	734	1,043
Corporation tax repayable	479	913
Prepayments and accrued income	42,052	46,885
	<u>43,265</u>	<u>48,841</u>

**10. CREDITORS: Amounts falling due within one year**

	<b>2011 €</b>	<b>€</b>	<b>2010 €</b>	<b>€</b>
Trade creditors		51,723		62,273
Amounts owed to group undertakings		55,047		52,782
Other creditors including taxation and social welfare:				
PAYE and social welfare	8,470		8,669	
VAT	<u>—</u>		<u>19,519</u>	
		8,470		28,188
Accruals and deferred income		285,800		256,326
		<u>401,040</u>		<u>399,569</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31ST DECEMBER 2011**

**11. RELATED PARTY TRANSACTIONS**

The company was under the control of the directors during the period.

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

The company owed RECI €55,047 at 31 December 2011( €52,782 (2010)).

During the period RECI charged the company €14,500 for facility usage.

**12. COMPANY LIMITED BY GUARANTEE**

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

**13. NOTES TO THE CASH FLOW STATEMENT**

**RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	<b>2011</b>	2010
	€	€
Operating profit	285,852	257,872
Depreciation	60,527	57,438
(Increase)/decrease in stocks	(14,214)	4,397
Decrease in debtors	5,142	7,908
Decrease in creditors	<u>(4,786)</u>	<u>(34,216)</u>
Net cash inflow from operating activities	<u>332,521</u>	<u>293,399</u>

**RETURNS ON INVESTMENTS AND SERVICING OF FINANCE**

	<b>2011</b>	2010
	€	€
Interest received	<u>25,436</u>	<u>12,289</u>
Net cash inflow from returns on investments and servicing of finance	<u>25,436</u>	<u>12,289</u>

**TAXATION**

	<b>2011</b>	2010
	€	€
Taxation	<u>(4,935)</u>	<u>(2,994)</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31ST DECEMBER 2011**

**13. NOTES TO THE CASH FLOW STATEMENT** *(continued)*

**CAPITAL EXPENDITURE**

	<b>2011</b>	2010
	€	€
Payments to acquire tangible fixed assets	(12,355)	(27,286)
Net cash outflow from capital expenditure	<u>(12,355)</u>	<u>(27,286)</u>

**FINANCING**

	<b>2011</b>	2010
	€	€
Repayment of amounts owed to group undertakings	6,257	21,310
Repayment of amounts due to participating interests	–	(52,659)
Net cash inflow/(outflow) from financing	<u>6,257</u>	<u>(31,349)</u>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS**

	<b>2011</b>		2010	
	€	€	€	€
Increase in cash in the period	346,924		244,059	
Net cash (inflow) from amounts owed to group undertakings	(6,257)		(21,310)	
Net cash outflow from amounts due to participating interests	–		<u>52,659</u>	
		<u>340,667</u>		<u>275,408</u>
Change in net funds		340,667		275,408
Net funds at 1 January 2011		<u>647,363</u>		<u>371,955</u>
Net funds at 31 December 2011		<u>988,030</u>		<u>647,363</u>

**ANALYSIS OF CHANGES IN NET FUNDS**

	<b>At</b>	<b>Cash flows</b>	<b>At</b>
	<b>1 Jan 2011</b>	<b>€</b>	<b>31 Dec 2011</b>
	€		€
Net cash:			
Cash in hand and at bank	<u>668,673</u>	<u>346,924</u>	<u>1,015,597</u>
Debt:			
Debt due within 1 year	(21,310)	(6,257)	(27,567)
Net funds	<u>647,363</u>	<u>340,667</u>	<u>988,030</u>