

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

**Company Limited by Guarantee**

**FINANCIAL STATEMENTS**

**31ST DECEMBER 2009**

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

**FINANCIAL STATEMENTS**

**PERIOD FROM 1ST DECEMBER 2008 TO 31ST DECEMBER 2009**

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

**OFFICERS AND PROFESSIONAL ADVISERS**

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**The board of directors**

J Desmond  
F Finn  
I Hammond  
E McDonnell  
L Nolan  
S Corrigan

**Company secretary**

D McGloughlin

**Registered office**

Unit 9  
KCR Industrial Estate  
Ravensdale Park  
Kimmage  
Dublin 12

**Auditor**

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

**Solicitors**

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

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

## **THE DIRECTORS' REPORT**

**PERIOD FROM 1ST DECEMBER 2008 TO 31ST DECEMBER 2009**

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The directors have pleasure in presenting their report and the financial statements of the company for the period from 1st December 2008 to 31st December 2009.

### **PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

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

### **PRINCIPAL RISKS AND UNCERTAINTIES**

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

#### **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**

There is no direct competitor at present because RGII is the sole Gas Safety Supervisory Body. However competition will come into play when the renewal of the contract takes place. The directors of the company will manage competition 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. There are many quality members of staff and the relatively low turnover of personnel in our parent company 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. We will expect to mirror this in RGII going forward.

### **RESULTS**

The results for the period are set out in the company profit and loss account on page 6.

### **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)*

PERIOD FROM 1ST DECEMBER 2008 TO 31ST DECEMBER 2009

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### **DIRECTORS**

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

J Desmond  
F Finn  
I Hammond  
E McDonnell  
L Nolan  
S Corrigan

### **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 period. 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 the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper books of account that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements are prepared in accordance with accounting standards generally accepted in Ireland and comply with the Companies Acts, 1963 to 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.

### **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

E. Mc Donnell  
Director

L. Nolan  
Director

Approved by the directors on 19<sup>th</sup> April 2010

# **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 PERIOD FROM 1ST DECEMBER 2008 TO 31ST DECEMBER 2009**

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We have audited the financial statements of The Register of Gas Installers of Ireland Limited for the period from 1st December 2008 to 31st December 2009 on pages 6 to 14 which have been prepared under the historical cost convention and the accounting policies set out on page 9.

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

As described in the Statement of Directors' Responsibilities on pages 2 to 3, 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  
PERIOD FROM 1ST DECEMBER 2008 TO 31ST DECEMBER 2009 *(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 2009 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 3 is consistent with the financial statements.

24 - 26 City Quay  
Dublin 2

19<sup>th</sup> April 2010

GRANT THORNTON  
Chartered Accountants  
& Registered Auditor

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

**PROFIT AND LOSS ACCOUNT**

**PERIOD FROM 1ST DECEMBER 2008 TO 31ST DECEMBER 2009**

	Note	Period from 1 Dec 08 to 31 Dec 09 €
<b>GROSS PROFIT</b>		627,077
Administrative expenses		(449,042)
<b>OPERATING PROFIT</b>	<b>2</b>	<u>178,035</u>
Interest receivable		2,740
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<u>180,775</u>
Tax on profit on ordinary activities	<b>4</b>	(685)
<b>PROFIT FOR THE FINANCIAL PERIOD</b>		<u><u>180,090</u></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 period as set out above.

These financial statements were approved by the directors on the 19<sup>th</sup> April 2010 and are signed on their behalf by:

E. Mc Donnell  
Director

L. Nolan  
Director

**The notes on pages 9 to 14 form part of these financial statements.**

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

**BALANCE SHEET**

**31ST DECEMBER 2009**

	Note	€	31 Dec 09 €
<b>FIXED ASSETS</b>			
Tangible assets	5		151,849
<b>CURRENT ASSETS</b>			
Stocks	6	12,892	
Debtors	7	55,869	
Cash at bank		424,614	
		<u>493,375</u>	
<b>CREDITORS: Amounts falling due within one year</b>	<b>8</b>	<u>465,134</u>	
<b>NET CURRENT ASSETS</b>			<u>28,241</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>180,090</u>
<b>RESERVES</b>	<b>10</b>		
Profit and loss account			<u>180,090</u>
<b>REGULATED FUNDS</b>			<u>180,090</u>

These financial statements were approved by the directors and authorised for issue on 19<sup>th</sup> April 2010, and are signed on their behalf by:

E. Mc Donnell  
Director

L. Nolan  
Director

The notes on pages 9 to 14 form part of these financial statements.

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

**CASH FLOW STATEMENT**

**PERIOD FROM 1ST DECEMBER 2008 TO 31ST DECEMBER 2009**

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	Note	Period from 1 Dec 08 to 31 Dec 09 €	€
NET CASH INFLOW FROM OPERATING ACTIVITIES	11		625,057
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	11		2,740
TAXATION	11		(718)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	11		(202,465)
INCREASE IN CASH	11		<u>424,614</u>

The notes on pages 9 to 14 form part of these financial statements.

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

## NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 1ST DECEMBER 2008 TO 31ST DECEMBER 2009

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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 period, 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:

Computer & office 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 by 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.

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

**NOTES TO THE FINANCIAL STATEMENTS**

**PERIOD FROM 1ST DECEMBER 2008 TO 31ST DECEMBER 2009**

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**2. OPERATING PROFIT**

Operating profit is stated after charging:

	<b>Period from 1 Dec 08 to 31 Dec 09 €</b>
Directors' remuneration	10,000
Depreciation of owned fixed assets	50,616
Auditor's fees	<u>8,500</u>

**3. PARTICULARS OF EMPLOYEES**

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

	<b>Period from 1 Dec 08 to 31 Dec 09 No</b>
Number of inspectors	<u>6</u>

The aggregate payroll costs of the above were:

	<b>Period from 1 Dec 08 to 31 Dec 09 €</b>
Wages and salaries	401,171
Social welfare costs	<u>13,644</u>
	<u>414,815</u>

**4. TAXATION ON ORDINARY ACTIVITIES**

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

	<b>Period from 1 Dec 08 to 31 Dec 09 €</b>
Current tax:	
Irish Corporation tax based on the results for the period at 12.50%	685
Total current tax	<u>685</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**

**PERIOD FROM 1ST DECEMBER 2008 TO 31ST DECEMBER 2009**

**4. TAXATION ON ORDINARY ACTIVITIES** *(continued)*

**(b) Factors affecting current tax charge**

The tax assessed on the profit on ordinary activities for the period is lower than the standard rate of corporation tax in Ireland of 12.50%.

	<b>Period from 1 Dec 08 to 31 Dec 09 €</b>
Profit on ordinary activities before taxation	<u>180,775</u>
Profit on ordinary activities by rate of tax	22,597
Profit not subject to tax	(22,254)
Additional tax arising on profits chargeable at 25%	<u>342</u>
Total current tax (note 4(a))	<u>685</u>

**5. TANGIBLE FIXED ASSETS**

	<b>Additions €</b>	<b>Carried forward 31 Dec 09 €</b>
<b>COST</b>		
Computer & office equipment	<u>202,465</u>	<u>202,465</u>
	<b>Charges €</b>	<b>Carried forward 31 Dec 09 €</b>
<b>DEPRECIATION</b>		
Computer & office equipment	<u>50,616</u>	<u>50,616</u>
		<b>Carried forward 31 Dec 09 €</b>
<b>NET BOOK VALUE</b>		
Computer & office equipment		<u>151,849</u>

**6. STOCKS**

	<b>31 Dec 09 €</b>
Completion certificates	<u>12,892</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**

**PERIOD FROM 1ST DECEMBER 2008 TO 31ST DECEMBER 2009**

**7. DEBTORS**

	<b>31 Dec 09</b>
	€
Trade debtors	3,189
Corporation tax repayable	33
Prepayments	5,233
Deferred costs	47,424
	55,869
	55,869

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

		<b>31 Dec 09</b>
	€	€
Trade creditors		159,984
Amounts owed to undertakings in which the company has a participating interest		52,659
Other creditors including taxation and social welfare:		
PAYE and social welfare	6,034	
VAT	4,450	
Accruals	19,500	
Deferred income	222,507	
		252,491
		465,134

**9. 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.

During the period RECI paid for expenses on behalf of the company in the amount of €328,375. The company owed RECI €52,659 at 31 December 2009.

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

**10. COMPANY LIMITED BY GUARANTEE**

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

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

**NOTES TO THE FINANCIAL STATEMENTS**

**PERIOD FROM 1ST DECEMBER 2008 TO 31ST DECEMBER 2009**

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

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

	<b>Period from 1 Dec 08 to 31 Dec 09 €</b>
Operating profit	178,035
Depreciation	50,616
Increase in stocks	(12,892)
Increase in debtors	(55,836)
Increase in creditors	465,134
Net cash inflow from operating activities	<u>625,057</u>

**RETURNS ON INVESTMENTS AND SERVICING OF FINANCE**

	<b>Period from 1 Dec 08 to 31 Dec 09 €</b>
Interest received	2,740
Net cash inflow from returns on investments and servicing of finance	<u>2,740</u>

**TAXATION**

	<b>Period from 1 Dec 08 to 31 Dec 09 €</b>
Taxation	<u>(718)</u>

**CAPITAL EXPENDITURE**

	<b>Period from 1 Dec 08 to 31 Dec 09 €</b>
Payments to acquire tangible fixed assets	<u>(202,465)</u>
Net cash outflow from capital expenditure	<u>(202,465)</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**

**PERIOD FROM 1ST DECEMBER 2008 TO 31ST DECEMBER 2009**

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

**FINANCING**

	<b>Period from 1 Dec 08 to 31 Dec 09 €</b>
Repayment of amounts due to participating interests	52,659
Net cash inflow from financing	<u>52,659</u>

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

	<b>31 Dec 09 €</b>	<b>€</b>
Increase in cash in the period	424,614	
Net cash (inflow) from amounts due to participating interests	<u>(52,659)</u>	
		<u>371,955</u>
Change in net funds		371,955
Net funds at 1 December 2008		—
Net funds at 31 December 2009		<u>371,955</u>

**ANALYSIS OF CHANGES IN NET FUNDS**

	<b>At 1 Dec 2008 €</b>	<b>Cash flows €</b>	<b>At 31 Dec 2009 €</b>
Net cash:			
Cash in hand and at bank	<u>—</u>	<u>424,614</u>	<u>424,614</u>

