

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

Company Limited by Guarantee

FINANCIAL STATEMENTS

31ST DECEMBER 2010

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

FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2010

CONTENTS	PAGE
Officers and professional advisers	1
The directors' report	2
Independent auditor's report to the members	5
Profit and loss account	7
Balance sheet	8
Cash flow statement	9
Notes to the financial statements	10

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

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

John Desmond
Fergal Finn
Henry Ivan George Hammond
Liam Nolan
Stella Corrigan
William Doyle
Cormac Madden

Company secretary

Paul Waldron

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

Bankers

Allied Irish Bank
9 Terenure Road East
Rathgar
Dublin 6

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

YEAR ENDED 31ST DECEMBER 2010

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31st December 2010.

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 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 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 2010

DIRECTORS

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

John Desmond
Fergal Finn
Henry Ivan George Hammond
Liam Nolan
Stella Corrigan
Cormac Madden (Appointed 21st June 2010)
Edward Michael McDonnell (Retired 18th October 2010)

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 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.

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

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31ST DECEMBER 2010

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

Liam Nolan
Director

Cormac Madden
Director

Approved by the directors on 16th May 2011

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 2010

We have audited the financial statements of The Register of Gas Installers of Ireland Limited for the year ended 31st December 2010 on pages 7 to 16 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 2010 *(continued)***

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 2010 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

16th May 2011

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 2010

	Note	Year to 31 Dec 10 €	Period from 1 Dec 08 to 31 Dec 09 €
TURNOVER	2	1,307,158	919,883
Cost of sales		(505,532)	(292,806)
GROSS PROFIT		<u>801,626</u>	<u>627,077</u>
Administrative expenses		(543,754)	(449,042)
OPERATING PROFIT	3	<u>257,872</u>	<u>178,035</u>
Interest receivable		12,289	2,740
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>270,161</u>	<u>180,775</u>
Tax on profit on ordinary activities	5	(2,114)	(685)
PROFIT FOR THE FINANCIAL YEAR		<u>268,047</u>	<u>180,090</u>
Balance brought forward		180,090	—
Balance carried forward		<u><u>448,137</u></u>	<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
year as set out above.

These financial statements were approved by the directors on the 16th May 2011 and are signed on their behalf
by:

Liam Nolan
Director

Cormac Madden
Director

The notes on pages 10 to 16 form part of these financial statements.

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

BALANCE SHEET

31ST DECEMBER 2010

	Note	2010 €	€	2009 €	€
FIXED ASSETS					
Tangible assets	6		121,697		151,849
CURRENT ASSETS					
Stocks	7	8,495		12,892	
Debtors	8	48,841		55,869	
Cash at bank		668,673		424,614	
		<u>726,009</u>		<u>493,375</u>	
CREDITORS: Amounts falling due within one year	9	<u>399,569</u>		<u>465,134</u>	
NET CURRENT ASSETS			<u>326,440</u>		<u>28,241</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>448,137</u>		<u>180,090</u>
RESERVES					
Profit and loss account	12		<u>448,137</u>		<u>180,090</u>
MEMBERS' FUNDS			<u>448,137</u>		<u>180,090</u>

These financial statements were approved by the directors and authorised for issue on 16th May 2011, and are signed on their behalf by:

Liam Nolan
Director

Cormac Madden
Director

The notes on pages 10 to 16 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 2010

	Note	Year to 31 Dec 10 €	€	Period from 1 Dec 08 to 31 Dec 09 €	€
NET CASH INFLOW FROM OPERATING ACTIVITIES	13	293,399		572,398	
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	13	12,289		2,740	
TAXATION	13	(2,994)		(718)	
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	13	(27,286)		(202,465)	
CASH INFLOW BEFORE FINANCING		<u>275,408</u>		<u>371,955</u>	
FINANCING	13	(31,349)		52,659	
INCREASE IN CASH	13	<u><u>244,059</u></u>		<u><u>424,614</u></u>	

The notes on pages 10 to 16 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 2010

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:

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 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

YEAR ENDED 31ST DECEMBER 2010

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:

	Year to 31 Dec 10 €	Period from 1 Dec 08 to 31 Dec 09 €
Republic of Ireland	<u>1,307,158</u>	<u>919,883</u>

3. OPERATING PROFIT

Operating profit is stated after charging:

	Year to 31 Dec 10 €	Period from 1 Dec 08 to 31 Dec 09 €
Directors' remuneration	(1,193)	10,000
Depreciation of owned fixed assets	57,438	50,616
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:

	Year to 31 Dec 10 No	Period from 1 Dec 08 to 31 Dec 09 No
Number of inspectors	5	5
Number of administrative staff	5	5
	<u>10</u>	<u>10</u>

The aggregate payroll costs of the above were:

	Year to 31 Dec 10 €	Period from 1 Dec 08 to 31 Dec 09 €
Wages and salaries	471,267	317,670
Social welfare costs	27,108	13,644
	<u>498,375</u>	<u>331,314</u>

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2010

5. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	Year to 31 Dec 10 €	Period from 1 Dec 08 to 31 Dec 09 €
Current tax:		
Irish Corporation tax based on the results for the year at 12.50% (2009 - 12.50%)	2,580	685
Over/under provision in prior year	(466)	-
Total current tax	<u>2,114</u>	<u>685</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% (2009 - 12.50%).

	Year to 31 Dec 10 €	Period from 1 Dec 08 to 31 Dec 09 €
Profit on ordinary activities before taxation	<u>270,161</u>	<u>180,775</u>
Profit on ordinary activities by rate of tax	33,770	22,597
Profit not subject to tax	(27,749)	(22,254)
Credit for DIRT paid	(466)	-
Additional tax arising on profits chargeable at 25%	(3,441)	342
Total current tax (note 5(a))	<u>2,114</u>	<u>685</u>

6. TANGIBLE FIXED ASSETS

	Brought forward 1 Jan 10 €	Additions €	Carried forward 31 Dec 10 €
COST			
Equipment	<u>202,465</u>	<u>27,286</u>	<u>229,751</u>
	Brought forward 1 Jan 10 €	Charges €	Carried forward 31 Dec 10 €
DEPRECIATION			
Equipment	<u>50,616</u>	<u>57,438</u>	<u>108,054</u>

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2010

6. TANGIBLE FIXED ASSETS *(continued)*

	Brought forward 1 Jan 10 €	Carried forward 31 Dec 10 €
NET BOOK VALUE		
Equipment	151,849	121,697

7. STOCKS

	2010 €	2009 €
Finished goods	8,495	12,892

8. DEBTORS

	2010 €	2009 €
Trade debtors	1,043	3,189
Corporation tax repayable	913	33
Prepayments and accrued income	46,885	52,647
	<u>48,841</u>	<u>55,869</u>

9. CREDITORS: Amounts falling due within one year

	2010		2009	
	€	€	€	€
Trade creditors		62,273		159,984
Amounts owed to group undertakings		52,782		-
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	8,669		6,034	
VAT	19,519		4,450	
		<u>28,188</u>		<u>10,484</u>
Accruals and deferred income		256,326		242,007
		<u>399,569</u>		<u>465,134</u>

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2010

10. 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 €300,619. The company owed RECI €52,782 at 31 December 2010.

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

11. COMPANY LIMITED BY GUARANTEE

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

12. NOTES TO THE CASH FLOW STATEMENT

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	Year to 31 Dec 10 €	Period from 1 Dec 08 to 31 Dec 09 €
Operating profit	257,872	178,035
Depreciation	57,438	50,616
Decrease/(increase) in stocks	4,397	(12,892)
Decrease/(increase) in debtors	7,908	(55,836)
(Decrease)/increase in creditors	(34,216)	412,475
Net cash inflow from operating activities	<u>293,399</u>	<u>572,398</u>

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2010

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

RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	Year to 31 Dec 10 €	Period from 1 Dec 08 to 31 Dec 09 €
Interest received	12,289	2,740
Net cash inflow from returns on investments and servicing of finance	<u>12,289</u>	<u>2,740</u>

TAXATION

	Year to 31 Dec 10 €	Period from 1 Dec 08 to 31 Dec 09 €
Taxation	<u>(2,994)</u>	<u>(718)</u>

CAPITAL EXPENDITURE

	Year to 31 Dec 10 €	Period from 1 Dec 08 to 31 Dec 09 €
Payments to acquire tangible fixed assets	(27,286)	(202,465)
Net cash outflow from capital expenditure	<u>(27,286)</u>	<u>(202,465)</u>

FINANCING

	Year to 31 Dec 10 €	Period from 1 Dec 08 to 31 Dec 09 €
Repayment of amounts owed to group undertakings	21,310	-
Repayment of amounts due to participating interests	(52,659)	52,659
Net cash (outflow)/inflow from financing	<u>(31,349)</u>	<u>52,659</u>

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

NOTES TO THE DETAILED PROFIT AND LOSS ACCOUNT

YEAR ENDED 31ST DECEMBER 2010

	Year to		Period from	
	31 Dec 10	€	1 Dec 08 to	€
	€	€	31 Dec 09	€

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2010		2009	
	€	€	€	€
Increase in cash in the period	244,059		424,614	
Net cash (inflow) from amounts owed to group undertakings	(21,310)		–	
Net cash outflow from/(inflow) from amounts due to participating interests	<u>52,659</u>		<u>(52,659)</u>	
		<u>275,408</u>		<u>371,955</u>
Change in net funds		275,408		371,955
Net funds at 1 January 2010		<u>371,955</u>		–
Net funds at 31 December 2010		<u><u>647,363</u></u>		<u><u>371,955</u></u>

ANALYSIS OF CHANGES IN NET FUNDS

	At	Cash flows	At
	1 Jan 2010	€	31 Dec 2010
	€	€	€
Net cash:			
Cash in hand and at bank	<u>424,614</u>	<u>244,059</u>	<u>668,673</u>
Debt:			
Debt due within 1 year	<u>(52,659)</u>	<u>31,349</u>	<u>(21,310)</u>
Net funds	<u><u>371,955</u></u>	<u><u>275,408</u></u>	<u><u>647,363</u></u>