

**Foundation for Fiscal Studies Limited**  
*(A company limited by guarantee and not having a share capital)*  
**Directors' Report and**  
**Financial Statements**  
*for the year ended 31 December 2013*

**Foundation for Fiscal Studies Limited**  
*(A company limited by guarantee and not having a share capital)*  
Directors' Report and Financial Statements

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**Foundation for Fiscal Studies Limited**  
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*Directors and other information*

<b>Chairperson</b>	Colm Kelly
<b>Treasurer</b>	John McGarry
<b>Directors</b>	Anne Corrigan Austin Hughes Colm Kelly Derek Moran Donald De Bultoir Fergal O'Brien Frank Daly John McGarry Mark Redmond (retired 1 March 2014) Mary Honohan (elected 29 August 2013 - retired 23 September 2014) Michael Tutty Miriam Hederman O'Brien Patrick McArdle Roderick Ryan Rosheen Callender Andrew Gallagher (retired 29 August 2013) Josephine Feehily
<b>Registered Office</b>	C/O Irish Taxation Institute First Floor offices South Block, Longboat Quay Grand Canal Harbour, Dublin 2.
<b>Secretary</b>	Anne Corrigan
<b>Auditors</b>	LHM Casey McGrath Chartered Certified Accountants Statutory Audit Firm 6 Northbrook Road, Ranelagh, Dublin 6, Ireland.
<b>Business Address</b>	C/O Irish Taxation Institute First Floor Offices South Block, Longboat Quay Grand Canal Harbour, Dublin 2.
<b>Bankers</b>	Bank of Ireland Montrose Dublin 4
<b>Solicitors</b>	Arthur Cox Earlsfort Centre Earlsfort Terrace Dublin 2
<b>Registered Number</b>	110800
<b>Charity Number</b>	CHY6797
<b>Date of Incorporation</b>	18 November 1985

**Foundation for Fiscal Studies Limited**  
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**Chairman's Statement**

The Annual General Meeting of the Foundation was held at PwC, One Spencer Dock, North Wall Quay, Dublin 1 on 29 August 2013. The following Directors retired by rotation and were re-elected to Council: Anne Corrigan; Mark Redmond; Miriam Hederman O'Brien; Pat McArdle; Austin Hughes and Fergal O'Brien. Andrew Gallagher retired from Council and Mary Honohan was elected to Council.

The inaugural Miriam Hederman O'Brien research prize was awarded in November 2013 to Gerard Brady, Economic Analyst with IBEC, for his excellent paper titled "Network social capital and labour market outcomes - Evidence for Irish fiscal and labour market policy". A summary of the winning paper was featured in the Irish Times on 11 December 2013. The winning paper and the summary article can be viewed on our website, [www.fiscal.ie](http://www.fiscal.ie). The Miriam Hederman O'Brien prize is awarded to recognise outstanding original work from new contributors in the area of Irish fiscal policy. The aim of the prize is to promote the study and discussion of matters relating to fiscal, economic and social policy, particularly among new contributors to these fields, and to reward those who demonstrate exceptional research promise. The prize forms an important part of the Foundation's overall objective of promoting more widely the study and discussion of matters relating to fiscal, economic and social policy.

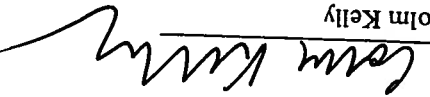
The Harvard Kennedy School and the Irish Tax Institute hosted a Global Tax Policy Conference in Dublin on 17 and 18 October 2013. FFS supported this event with a contribution towards the staging of the conference. The conference entitled "Shaping Tax Policy - The Global Landscape" explored how tax policy can deliver on economic and social change; what drivers determine tax policy around the world and the challenges currently facing senior tax policy makers and administrators. Coinciding with the 50th anniversary of President John F. Kennedy's visit to Ireland, the Conference was attended by tax policy makers, officials from Treasury and Revenue authorities, tax practitioners, academics, fiscal economists and corporate heads of tax from Africa to Australia and from Europe to the United States.

I was delighted to chair a panel discussion on 'Shaping Tax Policy to Deliver on Economic and Social Change'. Also on the panel were Professor Jay K. Rosengard, Director, Ash Center, Harvard Kennedy School; Ruud de Joof, Deputy Division Chief, Tax Policy Division, IMF and John Moran, Secretary General, Department of Finance.

The Conference was a huge success and received incredibly positive feedback from attendees and participants. The Conference also received significant positive media coverage.

The Irish Tax Institute continues to provide administrative support for the Foundation.

On behalf of the Council

  
Colm Kelly  
Chairman & Member of Council

Date:

**Foundation for Fiscal Studies Limited**  
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**Directors' Report**

for the year ended 31 December 2013

The Directors present their report and the financial statements for the year ended 31 December 2013.

**Principal Activity**

The Foundation for Fiscal Studies Limited is a not-for-profit organisation. The principal activities of the Company are the promotion of study and discussion of matters relating to fiscal policy.

**Results for the year**

The deficit for the year after providing for depreciation and taxation amounted to € 13,411 (2012 : € 1,950 ).

**Review of Activities and Future Developments**

The Directors have no plans to significantly change the organisation's activities and/or operations in the foreseeable future.

**Principal Risks and Uncertainties**

The Directors have responsibility for, and are aware of the risks associated with the operating activities of the Company. They are confident that adequate systems of internal control provide reasonable assurance against such risk. The internal control systems aim to ensure compliance with laws and policies, ensure efficient and effective use of the Company's resources, safeguard Company assets, and maintain the integrity of financial information produced.

Financial information is subject to detailed and regular review at Director level allowing for continuous monitoring of the Company's operations and financial status. The Directors continuously monitor and plan for the financial sustainability of the organisation in an ever changing external funding environment.

In addition to the application of internal procedures the Company is subject to a statutory external audit. The Company has developed procedures and practices throughout the organisation to ensure the Company has adequate internal controls. The Company will continue to review these systems to ensure it maintains the highest standards of transparency and accountability.

**Going Concern**

The Directors have formed the judgement that there is reasonable expectation that the Company will have adequate resources to continue in operational existence for the foreseeable future. For this reason the Directors continue to adopt the going concern basis when preparing the financial statements.

**Directors**

The Directors who served during the year were:

Anne Corrigan  
Austin Hughes  
Colm Kelly  
Derek Moran  
Donald De Buitteir  
Fergal O'Brien  
Frank Daly  
John McGarry  
Josephine Feehily  
Mark Redmond  
Secretary  
Anne Corrigan

Michael Turty  
Miriam Hederman O'Brien  
Patrick Honohan  
Patrick McArdle  
Roderick Ryan  
Rosheen Callender  
Andrew Gallagher (retired 29 August 2013)  
Mary Honohan (elected 29 August 2013)

**Foundation for Fiscal Studies Limited**  
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**Directors' Report**

for the year ended 31 December 2013

The following Directors retired by rotation and were re-elected:

- Fergal O'Brien
- Josephine Feehily
- Mark Redmond
- Miriam Hederman O'Brien
- Patrick Honohan

**Limited by Guarantee**

Every member of the Company undertakes to contribute to the assets of the Company, in the event of the same being wound up while they are members or within one year after they cease to be members, for the payment of the debts and liabilities of the Company contracted before they cease to be members and of the costs, charges and expenses of winding up, and for the adjustment of the rights of contributors among themselves, such amount may be required not exceeding €1.27.

**Political Contributions**

The Company made no political donations during the year, as defined by the Electoral Act 1997.

**Directors' Responsibilities**

The Directors are responsible for preparing the Financial Statements in accordance with applicable law and Generally Accepted Accounting Practice in Ireland including the accounting standards issued by the Financial Reporting Council.

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the Company and of the surplus or deficit of the Company for that year. In preparing these financial statements the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Acts 1963 to 2013 and all regulations to be construed as one with those acts. They 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 measures taken by the Directors to ensure compliance with the requirements of Section 202, Companies Act 1990, regarding proper books of account are the implementation of necessary policies and procedures for recording transactions, the employment of competent accounting personnel with appropriate expertise and the provision of adequate resources to the financial function. The books of account of the Company are maintained at First Floor Offices, South Block, Longboat Quay, Grand Canal Harbour, Dublin 2.

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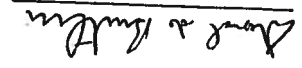
Directors' Report

for the year ended 31 December 2013

Auditors

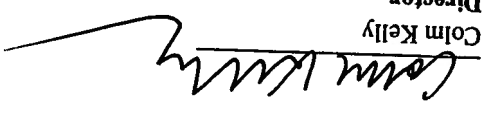
The auditors, LHM Casey McGrath, have indicated their willingness to continue in office in accordance with the provisions of Section 160(2) of the Companies Act, 1963.

On behalf of the Council



Director

Date:



Colm Kelly  
Director

## **Foundation for Fiscal Studies Limited**

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### **Independent Auditors' Report to the Members of Foundation for Fiscal Studies Limited**

We have audited the financial statements of Foundation for Fiscal Studies Limited for the year ended 31 December 2013 which comprise the Income and Expenditure account, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is Irish Law and accounting standards issued by the Financial Reporting Council (Generally Accepted Accounting Practice in Ireland).

This report is made solely to the company's members as a body in accordance with the requirements of 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 that we are required to state to them in the audit 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 or the company's members as a body for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of Directors and auditors**

As explained more fully in the Directors' Responsibilities Statement the directors are responsible for the preparation of financial statements giving a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish Law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council - Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors Report and Financial Statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion On Financial Statements**

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 31 December 2013 and of its loss and cash flows for the year then ended; and
- have been properly prepared in accordance with the Companies Acts 1963 to 2013 and all regulations to be construed as one with those acts.

### **Matters on which we are required to report by the Companies Acts 1963 to 2013**

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 is consistent with the financial statements.



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Independent Auditors' Report to the Members of Foundation for Fiscal Studies Limited

..... continued

Matters on which we are required to report by exception  
We have nothing to report in respect of the provisions in the Companies Acts 1963 to 2013 which require us to report to you if,  
in our opinion the disclosures of the directors' remuneration and transactions specified by law are not made.

**Damien Kealy**  
Statutory auditor

for and on behalf of

**LHM Casey McGrath**

Chartered Certified Accountants  
Statutory Audit Firm  
6 Northbrook Road,  
Dublin 6,  
Date:

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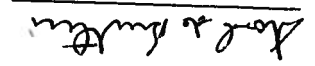
Income and Expenditure Account  
 for the year ended 31 December 2013

	2013	2012
Income	160	30
Administrative expenses	(13,576)	(1,980)
Operating deficit on ordinary activities	(13,416)	(1,950)
Interest receivable and similar income	5	-
Deficit for the year	(13,411)	(1,950)

There are no recognised gains or losses other than those disclosed above and there have been no discontinued activities or acquisitions in the current or preceding periods.

On behalf of the Council

Director



Director  
 Colm Kelly



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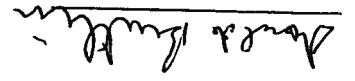
Balance Sheet  
 as at 31 December 2013

	2013	2012
Current Assets		
Debtors	528	6,416
Cash at bank and in hand	63,368	69,953
	<u>63,896</u>	<u>76,369</u>
Creditors: amounts falling due within one year	(2,508)	(1,570)
Net Current Assets	61,388	74,799
Total Assets Less Current Liabilities	61,388	74,799
Accruals and deferred income	(12,900)	(12,900)
Net Assets	<u>48,488</u>	<u>61,899</u>
Represented by:		
Income and expenditure account	48,488	61,899
	<u>48,488</u>	<u>61,899</u>

Notes

On behalf of the Council

Director



Colm Kelly  
 Director



**Foundation for Fiscal Studies Limited**  
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Cash Flow Statement  
 for the year ended 31 December 2013

	2013	2012
	€	€
Reconciliation of net deficit to net cash movement from operating activities		
Deficit	(13,416)	(1,950)
Movement in debtors	5,888	3
Movement in creditors	938	(26)
Net cash movement from operating activities	<u>(6,590)</u>	<u>(1,973)</u>
Cash Flow Statement		
Net cash movement from operating activities	(6,590)	(1,973)
Net cash movement from operating activities	(6,590)	(1,973)
Returns on investments and servicing of finance	5	-
Net cash movement from operating activities	(6,590)	(1,973)
Reconciliation of net cash flow to movement in net funds		
Movement in cash in the year	(6,585)	(1,973)
Movement in cash in the year	(6,585)	(1,973)
Net funds at 1 January 2013	69,953	71,926
Net funds at 31 December 2013	<u>63,368</u>	<u>69,953</u>

Notes

**Foundation for Fiscal Studies Limited**  
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Statement of Accounting Policies  
for the year ended 31 December 2013

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

**Accounting convention**

The financial statements are prepared in accordance with generally accepted accounting principals under the historical cost convention and comply with financial reporting standards of the Financial Reporting Council.

**Income**

Income represents the receipts from conference tickets and subscriptions acknowledged as having being received by a member of the Company during the year.

**Taxation**

The Company does not carry out any activities with a view to profit and therefore no liability to taxation arises.

**Foreign currencies**

Transactions in foreign currencies are recorded at the rate ruling at the date of the transactions or at a contracted rate. The resulting monetary assets and liabilities are translated at the balance sheet rate or the contracted rate and the exchange differences are dealt with in the profit and loss account.

**Government and other research grants**

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

**Foundation for Fiscal Studies Limited**  
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1. The Company
- The Company, which was incorporated on the 18th November 1985 under the Companies Act 1963, is limited by guarantee and does not have a share capital.
- Every member is liable for the debts and liabilities of the Company in the event of a winding up to such amount as may be required but not to exceed €1.27.

	2013	2012
Operating deficit	1,230	1,230
Operating deficit is stated after charging: Auditors' remuneration	5	-
Interest receivable and similar income	5	-
Bank interest	5	-
Employees	5	-

There were no employees during the year (2011: Nil)

4. Taxation
- Under the Taxes Consolidation Act, 1997, the Company is exempt from Corporation Tax due to its status as a registered charity, number CHY6797.

	2013	2012
Debtors	528	6,416
Amounts falling due within one year:	528	5,898
Other debtors	-	518
Prepayments and accrued income	-	-

**Foundation for Fiscal Studies Limited**  
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7.	Creditors: amounts falling due within one year	Trade creditors Accruals and deferred income	2013 2,500	2012 1,270
			8	300
			<u>2,508</u>	<u>1,570</u>
8.	Accruals and deferred income	Government and other research grants	2013 12,900	2012 12,900
			At 1 January 2013	12,900
			At 31 December 2013	12,900
9.	Reconciliation of movements in members' funds	Members' funds as at 1 January 2012 Deficit for the year	2013 61,899	2012 63,849
			(13,411)	(1,950)
			<u>48,488</u>	<u>61,899</u>
10.	Gross Cash Flows	Returns on investments and servicing of finance Interest received	2013 5	2012 -
			5	-
			<u>5</u>	<u>-</u>
			<u>-</u>	<u>-</u>

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**11. Related party transactions:**

No director has received payment in respect of services to the company during the year, other than by way of reimbursement of payment of expenses incurred in the provision of these services. No expenses were incurred in the current year.

**12. Analysis of changes in net funds**

	Opening balance	Cash flows	Closing balance
Cash at bank and in hand	€ 69,953	€ (6,585)	€ 63,368
Net funds	€ 69,953	€ (6,585)	€ 63,368

**13. Approval of financial statements**

The financial statements were approved by the Board on .



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**Appendix I**

The following Operating Statement and Schedule of Expenses do not form part of the audited financial statements.

**Foundation for Fiscal Studies Limited**  
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**Detailed Income and Expenditure Account**  
*for the year ended 31 December 2013*

	<b>2013</b>	<b>2012</b>
	<b>€</b>	<b>€</b>
Income	160	30
Administrative expenses	13,576	1,980
Operating deficit	<u>(13,416)</u>	<u>(1,950)</u>
Other income and expenses	5	-
Bank deposit interest	<u>(13,411)</u>	<u>(1,950)</u>
<b>Net deficit for the year</b>		

**Foundation for Fiscal Studies Limited**

Administrative expenses  
for the year ended 31 December 2013

	2013	2012
Financial Costs	21	25
Bank charges	21	25
Establishment	21	25
Printing, postage and stationery	33	131
Computer costs	337	344
General Administration	370	475
Advertising	11,846	189
Legal and professional	50	15
Audit fees	1,230	1,276
General expenses	59	-
	<u>13,185</u>	<u>1,480</u>
	<u>13,576</u>	<u>1,980</u>