

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

Contents

	<i>Page</i>
Directors and other information	1
Chairman's Statement	2
Directors' Report	3
Independent Auditors' Report	6
Income and Expenditure Account	8
Balance Sheet	9
Cash Flow Statement	10
Statement of Accounting Policies	11
Notes to the Financial Statements	12
Operating Statement	15

Foundation for Fiscal Studies Limited

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Directors and other information

Chairperson Colm Kelly

Treasurer John McGarry

Directors

Anne Corrigan	Michael Tutty
Austin Hughes	Miriam Hederman O'Brien
Colm Kelly	Patrick Honohan
Derek Moran	Patrick McArdle
Donal De Buitléir	Roderick Ryan
Fergal O'Brien	Rosheen Callender
Frank Daly	Andrew Gallagher (retired 29 August 2013)
John McGarry	Josephine Feehily
Mark Redmond (retired 1 March 2014)	
Mary Honohan (elected 29 August 2013 - retired 23 September 2014)	

Registered Office C/O Irish Taxation Institute
First Floor offices
South Block, Longboat Quay
Grand Canal Harbour, Dublin 2.

Secretary Anne Corrigan

Auditors LHM Casey McGrath
Chartered Certified Accountants
Statutory Audit Firm
6 Northbrook Road,
Ranelagh, Dublin 6, Ireland.

Business Address C/O Irish Taxation Institute
First Floor Offices
South Block, Longboat Quay
Grand Canal Harbour, Dublin 2.

Bankers Bank of Ireland
Montrose
Dublin 4

Solicitors Arthur Cox
Earlsfort Centre
Earlsfort Terrace
Dublin 2

Registered Number 110800

Charity Number CHY6797

Date of Incorporation 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. 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 Jooij, 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

Donal De Buitléir

Fergal O'Brien

Frank Daly

John McGarry

Josephine Feehily

Mark Redmond

Michael Tutty

Miriam Hederman O'Brien

Patrick Honohan

Patrick McArdle

Roderick Ryan

Rosheen Callender

Andrew Gallagher (retired 29 August 2013)

Mary Honohan (elected 29 August 2013)

Secretary

Anne Corrigan

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.

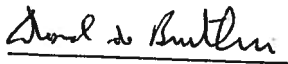
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Directors' Report
for the year ended 31 December 2013

Auditors

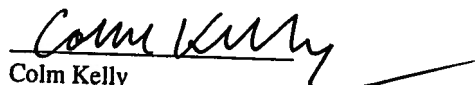
The auditors, LHM Casey McGrath, have indicated their willingness to continue in office in accordance with the provisions of Section 160(2) of the Companies Act, 1963.

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.

Foundation for Fiscal Studies Limited

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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:

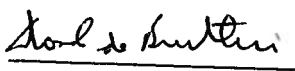
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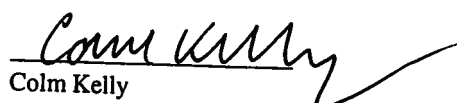
Income and Expenditure Account
for the year ended 31 December 2013

	<i>Notes</i>	2013 €	2012 €
Income			
Administrative expenses		160 <u>(13,576)</u>	30 <u>(1,980)</u>
Operating deficit on ordinary activities	2	(13,416)	(1,950)
Interest receivable and similar income	3	5	-
Deficit for the year		<u><u>(13,411)</u></u>	<u><u>(1,950)</u></u>

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

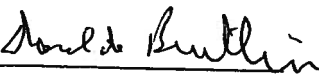

 Colm Kelly
 Director

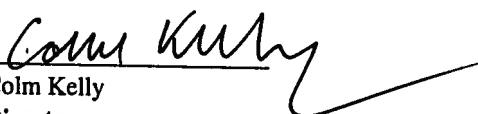
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Balance Sheet
as at 31 December 2013

	<i>Notes</i>	2013 €	2012 €
Current Assets			
Debtors	6	528	6,416
Cash at bank and in hand		<u>63,368</u>	<u>69,953</u>
		63,896	76,369
Creditors: amounts falling due within one year	7	<u>(2,508)</u>	<u>(1,570)</u>
Net Current Assets		<u>61,388</u>	<u>74,799</u>
Total Assets Less Current Liabilities			
Accruals and deferred income	8	61,388 <u>(12,900)</u>	74,799 <u>(12,900)</u>
Net Assets		<u><u>48,488</u></u>	<u><u>61,899</u></u>
Represented by:			
Income and expenditure account	9	<u>48,488</u>	<u>61,899</u>
		<u><u>48,488</u></u>	<u><u>61,899</u></u>

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

	Notes	2013 €	2012 €
Reconciliation of net deficit to net cash movement from operating activities			
Deficit		(13,416)	(1,950)
Movement in debtors	6	5,888	3
Movement in creditors	7	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)
Returns on investments and servicing of finance	3	5	-
Movement in cash in the year		<u>(6,585)</u>	<u>(1,973)</u>
Reconciliation of net cash flow to movement in net funds			
Movement in cash in the year	12	(6,585)	(1,973)
Net funds at 1 January 2013	12	69,953	71,926
Net funds at 31 December 2013	12	<u>63,368</u>	<u>69,953</u>

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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.

2. Operating deficit

	2013	2012
	€	€
<i>Operating deficit is stated after charging:</i>		
Auditors' remuneration	1,230	1,230
	<u>1,230</u>	<u>1,230</u>

3. Interest receivable and similar income

	2013	2012
	€	€
Bank interest	5	-
	<u>5</u>	<u>-</u>

4. Employees

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

5. Taxation

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

6. Debtors

	2013	2012
	€	€
<i>Amounts falling due within one year:</i>		
Other debtors	-	5,898
Prepayments and accrued income	528	518
	<u>528</u>	<u>6,416</u>

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7. Creditors: amounts falling due within one year	2013	2012
	€	€
Trade creditors	8	300
Accruals and deferred income	2,500	1,270
	<u>2,508</u>	<u>1,570</u>
	<u><u>2,508</u></u>	<u><u>1,570</u></u>
8. Accruals and deferred income	2013	2012
	€	€
Government and other research grants		
At 1 January 2013	12,900	12,900
At 31 December 2013	12,900	12,900
	<u>12,900</u>	<u>12,900</u>
	<u><u>12,900</u></u>	<u><u>12,900</u></u>
9. Reconciliation of movements in members' funds	2013	2012
	€	€
Members' funds as at 1 January 2012	61,899	63,849
Deficit for the year	(13,411)	(1,950)
	<u>48,488</u>	<u>61,899</u>
Members' funds as at 31 December 2012	<u><u>48,488</u></u>	<u><u>61,899</u></u>
10. Gross Cash Flows	2013	2012
	€	€
Returns on investments and servicing of finance		
Interest received	5	-
	<u>5</u>	<u>-</u>
	<u><u>5</u></u>	<u><u>-</u></u>
	<u><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	<u>69,953</u>	<u>(6,585)</u>	<u>63,368</u>

13. Approval of financial statements

The financial statements were approved by the Board on .

Foundation for Fiscal Studies Limited
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Appendix 1

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

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

Foundation for Fiscal Studies Limited

Administrative expenses
for the year ended 31 December 2013

	2013 €	2012 €
Financial Costs		
Bank charges	21	25
	<u>21</u>	<u>25</u>
Establishment		
Printing, postage and stationery	33	131
Computer costs	337	344
	<u>370</u>	<u>475</u>
General Administration		
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><u>13,576</u></u>	<u><u>1,980</u></u>