



# ANNUAL REPORT 2013

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# INSTITUTE OF PUBLIC ADMINISTRATION

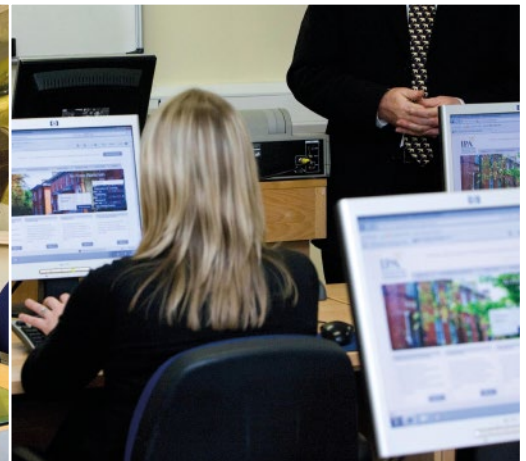


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# FOREWORD



# FOREWORD

Institute of Public Administration  
(Foreword)

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With Ireland's official exit from the EU-IMF bailout programme announced in December, for the first time since the current economic recession began some hopeful signs began to emerge in the Irish economy during 2013. However, the major downward adjustment in public expenditure continued, and the Minister for Public Expenditure and Reform signalled the need for further productivity and cost-extraction measures in the public service.

This resulted in the Haddington Road Agreement of May 2013, which proposed further wage cuts for public servants but also emphasised new ways of working, restructuring and sectoral changes. Undoubtedly public servants have contributed significantly to the recovery of the Irish economy, against a challenging background of reduced resources, additional responsibilities and the pressures of change.

The Institute of Public Administration continues to play a very important role in supporting the public service, and public servants, to make these adjustments successfully. But at a time when public servants have also had little opportunity for promotion or progression, the developmental programmes and services offered by the Institute have been particularly important. It was heartening to see numbers on a wide range of Institute programmes being maintained, or even increasing, during the past year.

With more pressure on resources, including people, the challenge of maintaining public services at a high level of quality is still great. Despite this, in his annual *Public Sector Trends* report, Dr Richard Boyle, Head of Research at the Institute, was able to report an improvement in Ireland's position under a number of quality indices during 2013, concluding that 'to register some improvements in quality of public services compared to other European countries in the current circumstances is no small feat'.

That these improvements were achieved is due in no small part to the commitment of public servants to deliver quality services for the public, but also their commitment to their own long-term development. From the most junior to the most senior members of the public service workforce, including outdoor, administrative and professional staff, the Institute has seen a growing interest in the opportunities offered for progression and specialisation through attendance at its education and other development programmes over the past year. Bearing in mind that the vast majority of those studying with the Institute attend courses at weekends and evenings while working full-time, this also reflects positively on their determination to maximise their contribution to the public service.

In line with the advice offered to its clients, the Institute itself initiated a major change programme a number of years ago that was further consolidated during the past year. This has resulted in staff reductions, and reductions in pay and non-pay costs. The Whitaker School of Government and Management continued to provide the focal point for academic teaching, research and publishing services. This was complemented by practical engagement with the reform process across the public service through consultancy and training, as well as a lively and relevant programme of seminars and conferences that were addressed by experts from Ireland and abroad.

As with the public service more generally, the past year has been one of further consolidation, including financial consolidation, for the Institute, but as the year drew to a close it was clear that the effort and energy invested over the last number of years in reorienting and redesigning services, and streamlining internal systems, were finally bearing fruit. The Institute has now established a sound platform upon which to base future growth and development. That this has been achieved in the most challenging of circumstances is a credit to management and staff, and I commend them for their efforts.



DONAL CONNELL  
Chairman



FRANCES RUANE,  
Director, Economic and Social Research  
Institute, and Chair of the IPA 2013 National  
Conference, *Maintaining the Momentum:  
Reform Priorities After the Troika Programme.*



DONAL CONNELL  
Chairman

# DIRECTOR GENERAL'S REPORT



# DIRECTOR GENERAL'S REPORT

Institute of Public Administration  
(Director General's Report)

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The theme of our annual conference this year was *Maintaining the Momentum: Reform Priorities After the Troika Programme*, and this title neatly summed up the nature of Institute activities delivered during 2013 to support our clients across the public service, and also the continued focus on internal change and development.

A key priority for the Institute over the past five years of economic recession has been to support the public service, and public servants, in making the adjustments necessary to implement reforms. Our 'State of the Public Service' series of research papers has been particularly important in setting the context and parameters for change, and providing an evidence base to inform the direction of the reform process. During the year our research team published a *Public Service Motivation* report, as well as a *Progress Report on Public Service Reform* that assessed progress to date and highlighted areas that needed particular attention in the next phase. An important research paper that provided a timely assessment of capacity and competency in the local government sector in light of the changing role of that sector was also published.

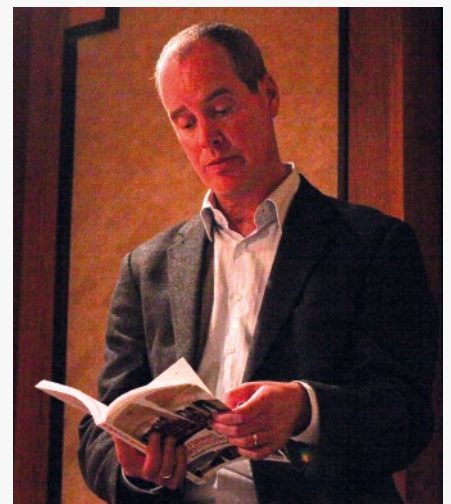
The ongoing high level of student intake on our education programmes has been a feature of the past few years, reflecting the importance that public servants place on developing their knowledge and skills to prepare for taking on new roles and responsibilities. The postgraduate programmes were particularly in demand this year, with our flagship Doctorate in Governance programme, delivered jointly with University College Dublin (UCD), attracting students from Ireland and abroad.

The current public service reform process puts a heavy emphasis on greater efficiency, including reducing overlap and duplication, and improving the delivery of public services through the use of new technologies. The IPA directly supported the change process in a number of central and local government bodies undergoing mergers or other significant change, but also indirectly supported the reform process by helping to further build the capacity to successfully manage and implement change. Therefore, leadership development, performance management, good governance and the development of more sophisticated approaches to financial management were areas of training and development in much demand during 2013, when many public service organisations increased their demand for such services for the first time in the past five years.

The IPA has always had a role in developing public administration capacity in other countries, and this also provides an opportunity to showcase best practice in the Irish public service. During the year we hosted study visits by the Swedish National Financial Management Authority, worked closely with the Regional School of Public Administration in the Western Balkans, hosted meetings of the European Schools of Public Administration as part of Ireland's six-month EU presidency, and continued to develop our education and internship programmes in China, the US and elsewhere.



**BRIGID LAFFAN,**  
Director, Robert Schuman Centre for  
Advanced Studies, speaking at the IPA  
2013 National Conference,  
*Maintaining the Momentum:  
Reform Priorities After the Troika Programme.*



**GUEST OF HONOUR, DAVID FARRELL,**  
Professor of Politics at University College  
Dublin and President of the Political  
Studies Association of Ireland, at the  
launch of *Reforming Political Institutions:  
Ireland in Comparative Perspective.*



We maintained our focus on streamlining our services and structures internally, a process that commenced a number of years ago and has resulted in substantial cost reductions. Despite the very significant reductions in spending on education and training in the public service over the past five years, the IPA managed to record a modest surplus for the fourth year in succession. At a time of such severe retrenchment this represents a significant achievement that reflects on the support of our clients, including the Department of Public Expenditure and Reform, the positive contribution of our staff, and the wise counsel and direction of our Chairman and Board.

In 2013, through its education, training, research and other services, the IPA helped to maintain the momentum for ongoing reform across the public service but also maintained the momentum for change and development within the Institute itself.



BRIAN CAWLEY  
Director General



BRIAN CAWLEY  
Director General

# EDUCATION



# EDUCATION

Institute of Public Administration  
(Education)

The IPA is the only specialist provider of education to the public service in Ireland. The education services of the IPA are particularly important at this time of significant change in the public service, and our programmes aim to provide specialist skills and knowledge, a broadly based understanding of public policy, analytical skills and the opportunity for progression from level 6 awards right up to level 10 on the National Framework of Qualifications. Our programmes are also designed to provide a flexible and personalised service so as to facilitate and support students who are also working full-time. In that context the provision of online support for students has become particularly important.

Throughout the recent economic recession the uptake on education programmes at the IPA has remained steady – indeed, with some growth at postgraduate level – and this trend continued for 2013.

## NATIONAL UNIVERSITY OF IRELAND AND UNIVERSITY COLLEGE DUBLIN ACCREDITED PROGRAMMES

Between 2001 and 2011 the IPA was a recognised college of the NUI. In 2011 the IPA became a recognised college of UCD. Students who enrolled on education programmes from September 2011 are eligible to receive UCD-accredited qualifications. Students who had enrolled in prior years will complete their qualifications under NUI accreditation.

The conferring ceremony for NUI-accredited programmes took place on 13 December 2013 when 236 graduates were conferred.

The conferring of IPA students on UCD-accredited masters programmes and two-year undergraduate diploma programmes also took place on 13 December 2013 when 510 graduates were conferred. An additional 340 students were presented with UCD certificates.

Over the academic year 2012/2013, the Institute offered a suite of undergraduate and postgraduate programmes ranging from level 6 to level 10 of the National Framework of Qualifications.

## UNDERGRADUATE PROGRAMMES

The flagship programmes – the Bachelor of Arts (Hons) and the Bachelor of Business Studies (Hons) – were offered through three delivery methods: lectures at the IPA, lectures at regional centres and distance education/blended learning.

In 2012/2013 seven specialisms were offered on the Bachelor of Arts (Hons) and four on the Bachelor of Business Studies (Hons).

The Institute also offered a wide range of certificate and diploma programmes ranging from Law to Computer Studies and from Local Government Management to European Union Studies. Just over 1,000 students were enrolled in our undergraduate programmes.

## POSTGRADUATE PROGRAMMES

The Institute's Master of Arts programmes have a common first year, which leads to an award of Postgraduate Diploma in Public Management. In year two, students progress to a choice of six specialist areas. In 2013 the total number of students enrolled on Master of Arts programmes was approximately 200.

The Master of Economic Science in Policy Analysis is a two-year programme with the award of Postgraduate Diploma in Policy Analysis at the end of the first year. Students study a range of policy-related subjects in the first year and they work on applied dissertations in the second year. In 2013 thirteen students enrolled on the programme and nine students graduated, having successfully completed the programme.



Pictured (l-r) at the IPA conferring of NUI awards in Dublin Castle were Maeve Byrne, John Fenlon, Sinead Brennan and Aoife O'Driscoll.



Pictured (l-r) at the IPA conferring of NUI awards in Dublin Castle were Aidan Horan, Director, Human Resources, IT and Finance Services, and Business Development Services, IPA; Tom Considine, President, IPA; Derek Tierney, prize winner, Professional Certificate in Governance; and Brian Cawley, Director General, IPA.



Pictured (l-r) at the IPA conferring of NUI awards in Dublin Castle were Evelyn Roberts, Albert Roberts and Georgina Baker.

The Master of Science in Business and Management programme commenced in September 2011. This MSc is a two-year, part-time programme. The first graduates of the programme graduated in December 2013. A new intake of sixty-five were enrolled on the programme in September 2013.

The Professional Certificate in Governance is a one-year programme. Twenty students were enrolled in the first intake and twenty-two in the second intake.

The Doctorate in Governance programme commenced in 2003, and the first graduates were conferred in 2006. Between 2003 and 2011 the Doctorate in Governance programme was jointly offered with Queen's University Belfast. In 2011 the Institute embarked on a new arrangement to jointly offer the programme with UCD. In 2013 thirty-five students were enrolled in the doctorate programme.

DR MICHAEL MULREANY  
Assistant Director General



DR MICHAEL MULREANY  
Assistant Director General

# RESEARCH



# RESEARCH

Institute of Public Administration  
(Research)

The IPA has a small, full-time, dedicated team of staff undertaking applied research for government departments and other public sector bodies. The year 2013 saw the continuation of the IPA 'State of the Public Service' research series, which started in 2010. This initiative tracks public service transformation and provides an evidence-informed perspective on public service change, facilitating key media contributions and other activities by the IPA. This is in line with the strategic objectives of developing an IPA 'voice' on key aspects of the transformation agenda, developing an IPA position on certain key aspects of change and building the IPA's reputation as a source of public sector reform expertise. Under this series, three reports were published in 2013:

- **PUBLIC SECTOR TRENDS 2013**

This report examines trends in public sector development and is the fourth in our annual series. The intention is to help inform the debate on Ireland's public sector and public administration, and its role in Irish society. Using data gathered from a number of sources, information on the size and cost of the public sector, the quality of public administration, efficiency and performance, and levels of trust and confidence is presented in a simple but rigorous manner. This report is available for download at

[http://www.ipa.ie/pdf/Public\\_Sector\\_Trends\\_2013.pdf](http://www.ipa.ie/pdf/Public_Sector_Trends_2013.pdf)

- **PUBLIC SERVICE MOTIVATION**

This report examines how the current public service reform process, and the wider context of reform, may be impacting on the motivation of public servants. It also identifies ways in which public service managers can maintain employee motivation in a difficult environment, with consequent benefits for morale and performance. This report is available for download at

<http://www.ipa.ie/pdf/PublicServiceMotivation.pdf>

- **FIT FOR PURPOSE? PROGRESS REPORT ON PUBLIC SERVICE REFORM**

When the Institute published the research paper *Fit for Purpose?* in 2011, we sought to contribute to the next phase of public service reform by identifying some of the key challenges for Irish public administration and some of the priority areas where change is necessary. In this paper we revisit the challenges set out in *Fit for Purpose?* and assess progress two years down the road. At a time of unrelenting media attention, there is a need now more than ever for sound evidence to show what is actually changing in the public service. This paper seeks to identify where progress is being made, and to highlight where further progress or new initiatives are needed. This report is available for download at

[http://www.ipa.ie/pdf/Fit\\_For\\_Purpose\\_Pp9\\_June2013.pdf](http://www.ipa.ie/pdf/Fit_For_Purpose_Pp9_June2013.pdf)

Under the 'Local Government' research series a further three reports were published in 2013:

- **TRANSFORMING LOCAL GOVERNMENT**

This report focuses on innovation in local government. Good-practice examples of innovative practices, both from Ireland and abroad, are examined and lessons learned as to how to encourage an innovation culture within local government. This report is available for download at

[http://www.ipa.ie/pdf/IPA\\_TRANSFORMING\\_LOCALGOV\\_NOV13.pdf](http://www.ipa.ie/pdf/IPA_TRANSFORMING_LOCALGOV_NOV13.pdf)



- **CAPACITY AND COMPETENCY REQUIREMENTS IN LOCAL GOVERNMENT**

This report examines the current situation and expected future requirements of local government with regard to the skills and capacity needed in the sector. The changing role and functions of local government, combined with the changing people profile of the local government sector, provide the context within which capacity and competency requirements are framed. This report is available for download at

[http://www.ipa.ie/pdf/CAPACITY&COMPETENCY\\_SEPT2013.pdf](http://www.ipa.ie/pdf/CAPACITY&COMPETENCY_SEPT2013.pdf)

- **THE CHANGING STRUCTURE OF IRISH SUB-NATIONAL GOVERNANCE**

The future shape and role of local government have been the focus of recent media consideration, but less emphasis has been given to the current and proposed developments affecting non-elected local and regional public bodies. In this paper, building on a survey of local and regional bodies in Ireland published by the IPA in 2007, the current landscape of Irish sub-national governance is considered, and a number of issues pertinent to the reform agenda are raised. This report is available for download at

[http://www.ipa.ie/pdf/LocalGov\\_RS\\_No4.pdf](http://www.ipa.ie/pdf/LocalGov_RS_No4.pdf)



Other areas of work undertaken by the research team in 2013 included:

- Work for the Department of Public Expenditure and Reform on international trends in public service reform;
- Delivery of the Certificate and Diploma in Civil Service and State Agency Studies;
- Editorship of the Institute's journal *Administration*;
- Collaboration with the Irish Regions Office in the production of ten issues of *EU News Bulletin*, and publication of two editions of *Local Authority Times* as part of an information service to local authorities throughout the year;
- Contribution to IPA Education & Training programmes, and acting as thesis supervisors and markers on postgraduate programmes;
- Academic publications in international journals and contributions to international books on public management.



DR RICHARD BOYLE  
Head of Research

DR RICHARD BOYLE  
Head of Research

# TRAINING & DEVELOPMENT





# TRAINING & DEVELOPMENT

Institute of Public Administration  
(Training & Development)

There continued to be a sustained demand for training and development services within the specialist areas of leadership and management, governance, public sector accounting and finance, auditing, information technology and human resource management, despite constraints in public sector training and development budgets.

Institute specialists continued to be involved in providing training, advice, support and consultancy services to a wide range of organisations undergoing restructuring and reorganisation as part of the general reform process, including organisations in central and local government, and semi-state bodies. The broad portfolio included working with chief executives and senior teams to prepare and update strategic plans for their organisations, and conducting consultation and engagement processes with key stakeholders, as well as compliance, capacity and capability reviews. In addition, support was provided through the facilitation of a number of events linked to aspects of the reform programme.

The Institute worked with a number of government departments and agencies to deliver a series of bespoke training programmes, including Administrative Law, Grade Development, Leadership and Management Development, Financial Management and Risk Management.

Aimed at senior public servants and designed to develop leadership capacity to support transformation and change in public administration, the Leadership Challenge Programme saw significant demand, with two programmes taking place in 2013. Senior managers from all sectors of the public service, including central and local government, and semi-state, health and education sectors, attended the programme. This programme is delivered in conjunction with Cambridge Leadership Associates, MA, incorporating senior faculty from the John F. Kennedy School of Government at Harvard University and faculty from the Warwick Business School, University of Warwick.

The Leadership in Local Government Programme, in a revised format, attracted a diverse group of high-potential candidates from eight different local authorities across Ireland. Cognisant of the current economic climate, the programme focused on delivering public value through adaptive leadership combined with a highly engaging and action-learning approach to participants' organisational challenges.

Performance management training was a significant area of demand for the IPA in 2013, with customised training events delivered to over 1,600 managers/reviewers and staff/reviewees in a total of 11 local authorities. The Local Government Legislative Training Programme continued to be in strong demand across the local authority sector throughout the year, as did MS Office Training and the course on Prevention and Management of Aggression and Violence at Work.

The Governance Forum had a busy year in 2013 and continued to evolve and expand in response to the many governance-related issues and challenges faced by members. The calendar of events covered many contemporary issues in governance, including *Economic Governance – The Troika and After?*; *Service Level Agreements*; *Media, Communications and Managing Reputation*; *Governance and Building Trust*; *Roles and Responsibilities of Board Members*; *Audit Committees*; *Risk Management*; and *Outsourcing and Shared Services*. A number of special events were also provided to members, including the topical issue of pensions and the related legal, regulatory and governance obligations, and an event on contemporary financial management and financial reporting for board members.

The programme of events included the annual Good Governance Conference, which was held in May and addressed the theme of *Rationalising State Agencies*. Contributors included Robert Watt, Secretary General, Department of Public Expenditure and Reform; Michael Whitehouse, Chief Operating Officer, UK National Audit Office; Dr Eddie Molloy; Patricia Byron, Chief Executive of InjuriesBoard.ie; Dr Olive Braiden, Chair, National Gallery of Ireland; and David O'Connor, Fingal County Manager. The conference was chaired by John Horgan, Chairperson, Bord na Móna, and Brian Cawley, Director General, IPA.



The Governance Forum team also assisted many organisations with independent reviews of compliance with legal, regulatory and governance obligations, board effectiveness reviews, implementation of risk-management systems, board and board committee evaluation, competency assessments and related services, as well as advice on varied governance issues.

The Institute continued to offer programmes for formal membership of professional bodies, including the Mediators' Institute of Ireland (MII), the Chartered Institute of Personnel and Development (CIPD) and the Chartered Institute of Public Finance and Accountancy (CIPFA). Our established programme on workplace mediation, accredited by the MII, continued to attract strong numbers. The CIPD Foundation Level Certificate in HR Practice began its fourth run at the end of 2013 with the CIPD Foundation Level Diploma continuing to offer a follow-on pathway for those completing the certificate programme. In addition, the CIPD Foundation Level Diploma in Learning and Development Practice was launched at the end of 2013 as a follow-on pathway for those completing the CIPD Foundation Level Certificate programme that began in 2012.

The CPD seminar series for public sector accountants and finance professionals, offered in conjunction with the professional accountancy bodies ACCA and CIPFA, had its most successful year to date in 2013. This year, members of the professional accountancy body CIMA were invited to join the series and all members attending received CPD/CPE points for their involvement and attendance. The events held in 2013 addressed the topics of *Audit, Insolvency and Risk*, and *Financial Reporting and Accountability: What the Future Holds for the Public Sector*.

A new seminar series was also launched in 2013 in association with the Chartered Institute of Internal Auditors (Ireland branch). The series is aimed at personnel working at all levels in the Irish public sector internal auditing profession and intends to provide a forum for discussion on the developments in the profession for the public service. The first seminar, in December 2013, was also used to discuss professional and technical expertise in compliance with current standards.

The MSc in Computer Science by Negotiated Learning (MScNL) – Cloud Computing Stream and the MSc in Computer Science programme, offered in conjunction with UCD, continued to attract national and international students. IT training and support services in areas such as virtualisation and cloud computing were also provided in addition to more traditional end-user training.

In summary, the Institute's training, development and consultancy services continued to evolve during 2013 to support individuals and organisations in the public service in addressing current challenges, and we will continue to provide high-quality, customised services through our dedicated team of specialists.

# INTERNATIONAL SERVICES



# INTERNATIONAL SERVICES

Institute of Public Administration  
(International Services)

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During 2013 International Services continued to play a strategic role in international projects and hosted a number of study programmes, providing senior managers from other countries with an opportunity to update their knowledge of public sector reform and other key areas of public administration in Ireland. The Institute continued to explore the potential of new markets in emerging economies and to strengthen existing relationships with a number of European institutes and schools of public administration. The Institute has been the national contact point for the EU's 'Twinning' activities since 1999. Twinning has remained an important pre-accession instrument, which is now available for all candidate and pre-candidate countries. In addition, the Institute acts as the national contact point for the Europe for Citizens programme, co-funded by the EU and the Department of Arts, Heritage and the Gaeltacht. As part of its duties as national contact point, the Institute hosted a one-day seminar in June 2013 for the European network of national contact points, during which there was a discussion of the key issues that would be raised with the Education, Audiovisual and Culture Executive Agency at a later meeting in June. The group also had the opportunity to meet with Holocaust Education Trust Ireland, which is in receipt of funding through Europe for Citizens and has successfully partnered a number of countries, including Malta, Croatia, Poland, Bulgaria and the Czech Republic, on its Crocus Project.

International tendering activity for new projects took place throughout the year, with several contract opportunities pursued, involving work for EU institutions, capacity-building programmes in Turkey, Moldova, Romania, Macedonia and Montenegro, as well as support to sister institutions in Bulgaria and the Western Balkans.

The Institute continued to work closely with the Swedish National Financial Management Authority on foot of their successful visit to Ireland in 2012, and in April 2013 a second visit to Dublin was held. Participants with a financial management function and working in a range of ministries and agencies in Sweden, including the police force, the Prison and Probation Service and the National Board of Health and Welfare, engaged with senior public servants from across the Irish public sector in an interesting and stimulating three-day event, gaining insights on how the public sector in Ireland manages various change initiatives, governance issues, business planning and performance measurement.

In addition, the Institute maintained its long-established collaboration with the Regional School of Public Administration (ReSPA) in the region of the Western Balkans, providing guidance, advice, training and expertise in human resource management, including recruitment and selection training. ReSPA is an international institution set up as a joint initiative of the EU and the Western Balkan countries to work towards fostering and strengthening the regional cooperation in public administration, human resource management and civil service reform among its member states. It provides innovative and qualitative training programmes, networking events, mobility schemes, conferences and comparative studies to public administrations from the countries of the Western Balkans, and seeks to ensure that the shared values of respect, tolerance, collaboration and integration are reaffirmed and implemented throughout the public administrations in the region.



TERESA CASSERLY  
Director,  
International Services

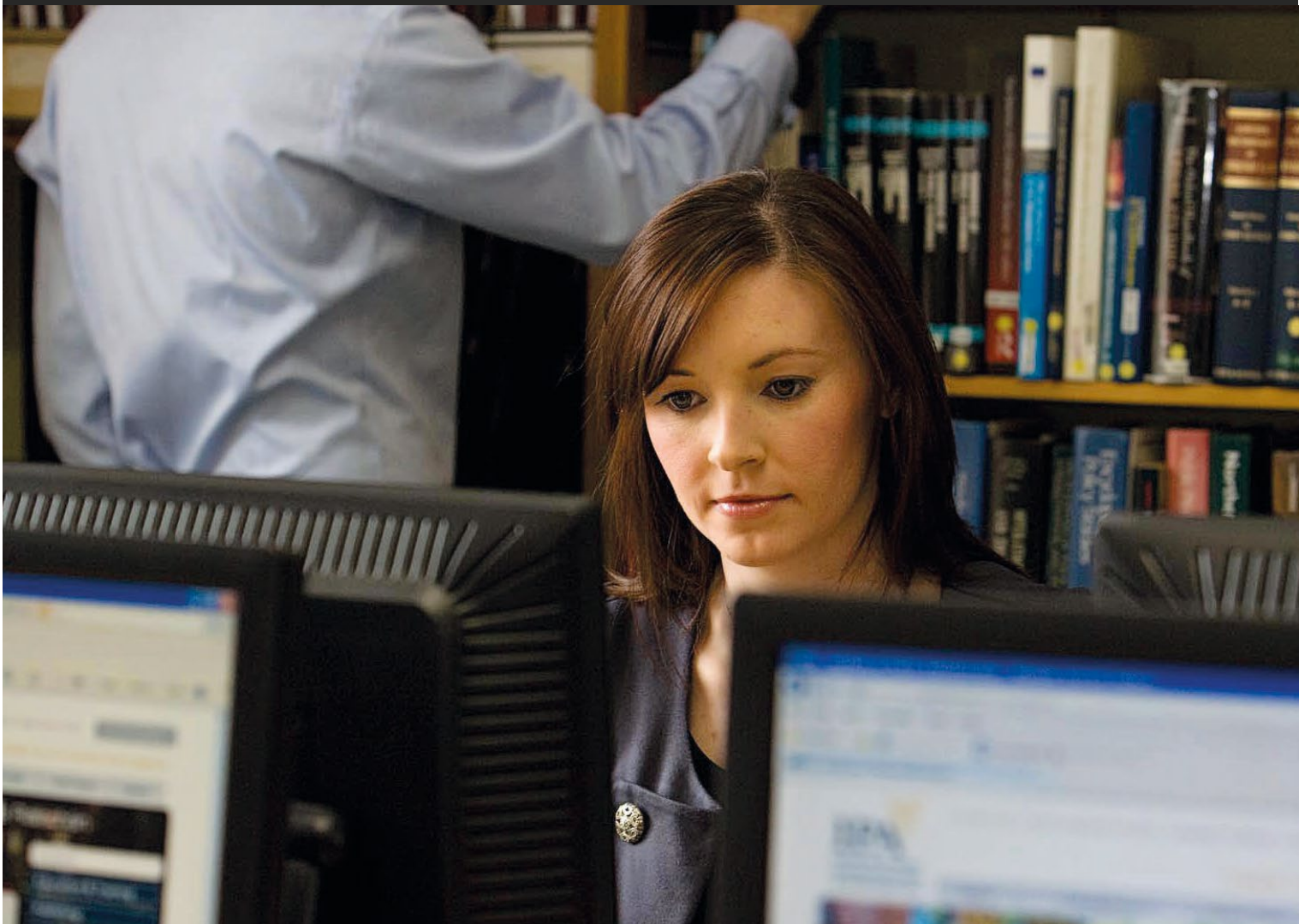
As part of the Irish presidency of the Council of the European Union, the Institute hosted a two-day conference in May 2013 for Directors of Institutes and Schools of Public Administration (DISPA). Over thirty-five delegates attended, with representatives of schools and institutes from inside and outside the EU. The overall theme was *Crisis in Europe and the Implications for Institutes and Schools of Public Administration*. This made for a very interesting discussion, evoking a variety of inputs and insights on how the various schools and institutes were coping with, and responding to, the crisis. The IPA presented its own case study on the process of internal change embarked upon over the past few years. Similarly to the IPA, a number of institutes and schools have retained their identity and independence, while others have been fully subsumed within academic and government bodies.

Finally, in November 2013 the Institute hosted a delegation of fifteen representatives of municipalities of Bosnia–Herzegovina as well as representatives of the two entities' Association of Cities. Delegates were provided with an opportunity to learn from successful forms of cooperation between civil society organisations (CSOs) and the local authority sector in Ireland, including how the Irish local government system operates and how Irish CSOs provide inputs to local policies and contribute to an annual, strategic programme of work. Capitalising on our wide network of public sector organisations and personnel, the IPA introduced the delegates to new initiatives for supporting communities and local agencies towards achieving social inclusion, reconciliation and equality.

Committed to providing training, advice and action learning which aligns to the political, cultural and operational context of our international clients, we look forward to capitalising on our wide network of international contacts during the coming year to fulfil our commitment to the promotion and development of effective public administration internationally, and to showcase best practice from the Irish public service.

TERESA CASSERLY  
Director, International Services

# LIBRARY & INFORMATION SERVICES



# LIBRARY & INFORMATION SERVICES

Institute of Public Administration  
(Library & Information Services)

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The Institute is unique in hosting the only specialist library in the country dedicated to public administration. The Library focuses on providing advice and access to information through books, journals and online resources.

The Library, located in Lansdowne Road, provides a lending, reference and information service to students, staff and members of the Institute. Queries from others are also welcomed by phone or email. Access is provided to books, journals, electronic databases, reports, statistics and official publications in the general area of public management. This service covers a wide range of subjects, including management, economics, sociology, law, criminology, health, finance and local government.

The aim of the Library is to provide the right information and resources in the most appropriate format and in a timely manner to a diverse and geographically dispersed range of clients. Reading rooms are available for study, for consulting and borrowing books, and for accessing electronic resources. Distance education students can avail of the Library service by phone, by email or by accessing electronic databases and thousands of full-text journal articles via the IPA website. Materials not held in the Library may be requested through the inter-library loans service and items can be delivered in hard copy or electronically.

During term the Library is open from 9.15 a.m. until 8.00 p.m., Monday to Thursday, and until 5.15 p.m. on Friday. It also opens on a restricted basis on the majority of Saturdays during term. Full and up-to-date information on opening hours is available on the IPA website.

PATRICIA TROTTER  
Librarian



PATRICIA TROTTER  
Librarian

# PUBLISHING





# PUBLISHING

Institute of Public Administration  
(Publishing)

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The work of the Publications Division, as a part of the Whitaker School of Government and Management, links with the wider education and research activities of the Institute, and provides an important knowledge and information base to inform the practice of public administration. The year 2013 saw the launch of a book on Ireland's political institutions, together with the forty-eighth edition of the *Administration Yearbook & Diary*, which was launched by the Minister for Social Protection, Joan Burton, TD. Four issues of the journal *Administration* were also published, and the Publications Division continued to carry out consultancy projects for public sector organisations. In addition, a review of publishing activity began.

## BOOKS

*An Introduction to Irish Planning Law* (second edition), by Berna Grist, was launched on Wednesday 20 March by guest of honour the Hon. Mr Justice Colm Mac Eochaidh. The book provides an overview of Irish planning law, an extremely complex area of law, in non-legal language but fully referenced to the various sections of the Acts and Regulations.

*Reforming Political Institutions: Ireland in Comparative Perspective*, by John Coakley, was launched on Tuesday 10 September by guest of honour David Farrell, Professor of Politics at UCD and President of the Political Studies Association of Ireland. The book considers the case for reform of Irish political institutions such as the Seanad, the Presidency and the Dáil electoral system. Recommendations are made for the modernising and streamlining of systems of government.

A number of reports were also published on behalf of the Institute's Research Division, including:

- PUBLIC SECTOR TRENDS 2013
- PUBLIC SERVICE MOTIVATION
- FIT FOR PURPOSE? PROGRESS REPORT ON PUBLIC SERVICE REFORM
- TRANSFORMING LOCAL GOVERNMENT
- CAPACITY AND COMPETENCY REQUIREMENTS IN LOCAL GOVERNMENT
- THE CHANGING STRUCTURE OF IRISH SUB-NATIONAL GOVERNANCE

A full list of IPA publications is available on the IPA website ([www.ipa.ie](http://www.ipa.ie)). Books may be purchased through the click-pay facility on the website.

## PERIODICALS

*Administration Yearbook & Diary 2014* was published in December. The *Yearbook & Diary* continues to be the most widely used database on Irish business life, public and private.

Four issues of the Institute's journal, *Administration*, were published throughout the year. These included a review of the public sector in 2012 and a special issue on regional governance ([www.ipa.ie/administration](http://www.ipa.ie/administration)).

## PUBLISHING CONSULTANCY

The Publications Division continued to offer its expertise in the production and management of publishing projects on behalf of other public sector organisations. *The Irish Probation Journal* was produced on behalf of The Probation Service and Probation Board, North/South Ireland.

RICHARD BOYLE  
Head of Publishing



GUEST OF HONOUR THE HON.  
MR JUSTICE COLM MAC EOCHADH  
speaking at the launch of the second edition  
of *An Introduction to Irish Planning Law*.



BRIAN CAWLEY, DIRECTOR GENERAL, IPA,  
AND GUEST OF HONOUR JOAN BURTON, TD,  
Minister for Social Protection, at the launch  
of *Administration Yearbook & Diary 2014*.

# AWARDS & PRIZE WINNERS



# AWARDS & PRIZE WINNERS

Institute of Public Administration  
(Awards & Prize Winners)

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A total of 750 students were the recipients of diplomas, bachelor degrees and postgraduate degrees during 2013. The conferring ceremonies took place in Dublin Castle on Friday 13 December 2013. The prizes awarded were as follows:

Bachelor of Arts (Hons) (Healthcare Management)  
**First Place: Mairéad Egan**

Bachelor of Arts (Hons) (Human Resource Management)  
**Joint First Place: Pamela Doyle, Carol Ann Toolan**

Bachelor of Arts (Hons) (IT Management)  
**First Place: John Martin Murphy**

Bachelor of Arts (Hons) (Law & the Administration of Justice)  
**First Place: Kathleen Callanan**

Bachelor of Arts (Hons) (Local Government)  
**First Place: Orla Hastings**

Bachelor of Arts (Hons) (Management)  
**First Place: Caitlin McComish**

Bachelor of Arts (Hons) (Public Management)  
**First Place: Jennifer Reid**

Bachelor of Business Studies (Hons) (Human Resource Management)  
**First Place: Orla Donnelly**

Bachelor of Business Studies (Hons) (Information Systems Management)  
**First Place: Colette English**

Bachelor of Business Studies (Hons) (Marketing)  
**First Place: Charlene Carroll**

CIMA Prize for Best Bachelor of Business Studies (Hons) (Accounting) Student  
**Colette Coghlan**

Whitaker School of Government & Management Undergraduate Student of the Year 2013  
**Joint Winners: Colette Coghlan, Orla Hastings**

Professional Certificate in Governance  
**First Place: Derek Tierney**

Professional Diploma in Official Statistics for Policy Evaluation  
**Joint First Place: Avril Butler, Daniel Joseph Forde**

Postgraduate Diploma in Public Management  
**First Place: Jane Dollard**

Master of Arts Programmes  
**First Place: Aileen O'Reilly**

Master of Arts (Criminal Justice)  
**First Place: Ronan MacDonald**



Pictured (l-r) at the IPA conferring of NUI awards in Dublin Castle were Dr Attracta Halpin, Registrar, NUI; Dr Maurice Manning, Chancellor, NUI; Caitlin McComish, prize winner, BA (Hons) (Management); Brian Cawley, Director General, IPA; and Michael Malone, County Manager, Kildare County Council.



Pictured (l-r) at the IPA conferring of NUI awards in Dublin Castle were Dr Frank Murray, Chairman, IPA Education Committee; Robert Watt, Secretary General, Department of Public Expenditure and Reform; Karen Kennedy, prize winner, MSc (Business and Management); Brian Cawley, Director General, IPA; and Dr Michael Mulreany, Assistant Director General, IPA.

Institute of Public Administration  
(Awards & Prize Winners)

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Master of Arts (Healthcare Management)  
First Place: John Tiernan

Master of Arts (Human Resource Management)  
First Place: Aisling Tallon

Master of Arts (Local Government Management)  
First Place: Christine Brosnan

Master of Arts (Public Management)  
First Place: Gerard Murray

Master of Economic Science in Policy Analysis  
First Place: Barry Comerford

Master of Science in Business & Management (Financial Management)  
First Place: David Farrell

Master of Science in Business & Management (Human Resource Management)  
First Place: Karen Kennedy

Whitaker School of Government & Management Postgraduate Student of the Year 2013  
Barry Comerford

Diploma in Civil Service & State Agency Studies  
First Place: Mary Gilsenan

Diploma in European Union Studies  
First Place: Timothy O'Brien

Diploma in Health Economics  
First Place: Claire Gorry

Diploma in Healthcare Management  
Joint First Place: Dr Bernadette Lynch, Dr Martin Mulroy

Diploma in Health Services Policy  
First Place: Aoife Crowley

Diploma in Human Resource Management  
First Place: Edel Farrelly

Diploma in Law  
First Place: Mildred Dunne

Diploma in Local Government Studies  
First Place: Jeremy Wales

Diploma in Management  
First Place: Noelle Cotter



Pictured (l-r) at the IPA conferring of NUI awards in Dublin Castle were Dr Attracta Halpin, Registrar, NUI; Dr Maurice Manning, Chancellor, NUI; Kathleen Callanan, prize winner, BA (Hons) (Law & the Administration of Justice); and Tom Considine, President, IPA.



Pictured (l-r) at the IPA conferring of NUI awards in Dublin Castle were Dr Denis O'Brien, Registrar, IPA; Avril Butler, prize winner, Professional Diploma in Official Statistics for Policy Evaluation; Dr Steve MacFeely, Assistant Director General, Central Statistics Office; Daniel Forde, prize winner, Professional Diploma in Official Statistics for Policy Evaluation; and Dr Chris Sibley, Statistician, Central Statistics Office.



Pictured (l-r) at the IPA conferring of NUI awards in Dublin Castle were Dr Attracta Halpin, Registrar, NUI; Dr Maurice Manning, Chancellor, NUI; Mairéad Egan, prize winner BA (Hons) (Healthcare Management); Dr Michael Mulreaney, Assistant Director General, IPA; and Dr Frank Murray, Chairman, Education Committee, IPA.

# OUTREACH



# OUTREACH

As noted in previous annual reports, the Institute is the body dedicated to developing the profession of public service. Consequently, the expertise of its staff is constantly called upon in ways other than through the direct provision of services. From time to time, they also act in positions of leadership in the professional bodies to which they are attached. The Director General is a member of the European network of heads of schools and institutes of public administration in the EU, and chaired the network during the Irish EU presidency in 2013.

Dr Michael Mulreany, Assistant Director General, is a standing member of the Value for Money and Policy Review Group convened by the Department of Public Expenditure and Reform. Dr Richard Boyle is Chairman of the Irish Evaluation Network and a member of the international evaluation research group on policy and programme evaluation.

Five staff members are non-executive members of the audit committees of a number of government departments, local authorities and state-sponsored bodies; in three cases, acting as chair and vice-chair of the committees. Several staff members play prominent officer roles in the Chartered Institute of Public Finance and Accountancy and the Chartered Institute of Management Accountants. Several staff members also act as secretaries to external committees, such as the committee for the heads of administration in state agencies, or serve on the board of bodies such as the Retirement Planning Council of Ireland.

The Institute facilitates a number of informal networks in order to disseminate best practice and sharing of information, experience and expertise. For example, the Institute supports a network of chief executives of state bodies, a network of heads of administration in state agencies and a forum for chairpersons of various public sector groupings.

During 2013 the Institute hosted a number of morning seminars to promote dialogue and debate amongst senior civil and public servants on key topics. Three issues of the Institute's electronic newsletter, *ezine*, were also produced during the year.

The IPA annual conference, entitled *Maintaining the Momentum: Reform Priorities After the Troika Programme*, took place in the IPA on 1 November. The conference heard presentations from a number of speakers: Robert Watt, Secretary General of the Department of Public Expenditure and Reform; Sir John William Elvidge, former Permanent Secretary to the Scottish Government; Professor Colin Talbot, University of Manchester; Professor Brigid Laffan, Director of the Robert Schuman Centre for Advanced Studies at the European University Institute; and Johnny Ryan, Chief Innovation Officer of *The Irish Times*.

# INSTITUTE GOVERNANCE & ADMINISTRATION



# INSTITUTE GOVERNANCE & ADMINISTRATION

Institute of Public Administration  
(Institute Governance & Administration)

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The IPA, which is a company limited by guarantee, was incorporated in 1963. It operates as an agency under the aegis of the Department of Public Expenditure and Reform, is a not-for-profit organisation with registered charity status and is subject to statutory audit by the Comptroller and Auditor General.

It is governed by a Board – under the current chairmanship of Donal Connell, Chief Executive of An Post – comprising elected/nominated representatives of the various sectors in the public service, Institute management and staff, the university sector and trade unions, together with a student representative. The Board operates through its scheduled regular meetings and the meetings of three standing Board subcommittees: the Finance and Strategy Committee, which deals with strategic financial management issues, including capital works; the Administration Committee, which monitors day-to-day operating performance, human resource issues, etc., and meets on an 'as needed' basis; and the Audit Committee, which deals with financial governance, risk assessment and oversight of the control environment. In addition, there is an Education Committee, which advises on and monitors educational qualifications and courses, and a Book Publishing Committee, which advises on publishing strategy.

The Institute's President presides at the annual general meeting (AGM) and has the support of a number of vice-presidents. The 50th AGM of the Institute took place on 26 June 2013. The names of the honorary officers, Board members and Board subcommittee members are contained on the inside front cover of this annual report.

## REPORT OF THE CHAIRMAN OF THE AUDIT COMMITTEE

### Raymond Dolan reports:

The committee met four times during 2013. It carried out its role of supporting the Board in meeting its financial management, oversight and corporate governance responsibilities. Activities during the year included reviewing the annual Financial Statements, internal financial controls and the corporate risk register; monitoring compliance with the Code of Governance for State Agencies and approving an updated corporate governance manual; overseeing the internal auditor's work programme; and ensuring compliance with all other relevant obligations. It also met with the representative of the Institute's external auditors – the Comptroller and Auditor General.

## REPORT OF THE CHAIRMAN OF THE FINANCE AND STRATEGY COMMITTEE

### Donal Connell reports:

The committee met on six occasions during the year. With the Institute's financial position beginning to stabilise for the first time since the start of the challenging trading environment in 2008, the committee turned its attention to the strategic development of the business. The committee reviewed regular progress reports on implementation of the IPA's 2013 annual business plans and progress generally on the implementation of the 2011–2015 corporate strategic plan. The committee also approved the 2013 budget and, on behalf of the Board, reviewed the quarterly management accounts and financial forecasts.

The committee also advised the Board on a number of key strategic issues that arose during the year, including the progress of the IPA/UCD strategic alliance.



CYRIL SULLIVAN

Director of Finance and Support Services,  
and Company Secretary



CHRISTINE MCNALLY

Human Resource Manager



## REPORT OF THE CHAIRMAN OF THE ADMINISTRATION COMMITTEE

There were no meetings of the committee in 2013.

### MEMBERSHIP

The Institute is a professional body for public servants that is also a membership organisation. It caters for members in the civil service, local authorities, health service, state-sponsored bodies, education sector, Garda Síochána and the defence forces, and for its students, who are also members. Members are kept abreast of current public management issues through access to special briefings, an e-newsletter and the journal *Administration*, and enjoy discounts on publications and other services. Members are consulted on current public management issues and future IPA service provision, and thereby contribute to the professional development of the Institute. There are currently 69 corporate members of the Institute and 1,200 individual members, incorporating both students and interested members of the general public.

### BOARD ATTENDANCE 2013 – 5 MEETINGS HELD

NAME	NUMBER OF MEETINGS ATTENDED	APPOINTED/RETIRED
Patricia Byron	2	Retired 4 September 2013
Brian Cawley	5	
Donal Connell	4	
Raymond Dolan	4	
Des Dowling	1	Retired 15 April 2013
Breeda Doyle	4	
David Feeney	4	
Jim Fleming	3	Appointed 23 March 2013
Connie Kelleher	4	
Michael Malone	3	Appointed 2 May 2013
John McCarthy	2	Appointed 6 September 2013
Brian Nolan	4	
Peter Nolan	0	
Barry O'Brien	0	Retired 4 February 2013
Niamh O'Donoghue	3	
Martin O'Halloran	1	Appointed 29 November 2013
Frances Spillane	1	
John Tierney	2	Retired 15 April 2013

**AUDIT COMMITTEE ATTENDANCE 2013 – 4 MEETINGS HELD**

NAME	NUMBER OF MEETINGS ATTENDED	APPOINTED/RETIRED
Brian Cawley	4	
Raymond Dolan	3	
Jim Fleming	3	Appointed 23 March 2013
Connie Kelleher	2	
Brian Nolan	2	
Peter Nolan	0	
Frances Spillane	1	

**FINANCE AND STRATEGY COMMITTEE ATTENDANCE 2013 – 6 MEETINGS HELD**

NAME	NUMBER OF MEETINGS ATTENDED	APPOINTED/RETIRED
Brian Cawley	6	
Donal Connell	6	
Des Dowling	1	Retired 15 April 2013
Breeda Doyle	4	
David Feeney	6	
Michael Malone	4	Appointed 2 May 2013
John McCarthy	2	Appointed 6 September 2013
Barry O'Brien	0	Retired 4 February 2013
John Tierney	0	Retired 15 April 2013

The Administration Committee did not meet in 2013.

## HUMAN RESOURCES MANAGEMENT

Following on from the redeployment of a number of staff to other public service bodies in 2012, and a major internal reorganisation, 2013 focused on consolidation and the 'bedding down' of new roles and processes. There were a small number of staff who took career breaks and two staff returned to the Institute following secondments for the period of Ireland's EU presidency.

A staff newsletter was introduced, and two issues were produced in 2013. The series of monthly staff meetings continued to provide a forum for updates on both internal and external issues.

It was timely to consider the staffing implications of the recent consolidation but also to look to the future of the Institute and the staff resources that it will need to continue to support clients with specialist advice, education, research, training and consultancy. Therefore, a workforce planning exercise was commenced and almost completed by year-end.

The Haddington Road Agreement was introduced in July 2013 and the terms of the agreement were implemented. A revised performance management system was also introduced at the beginning of 2013.

Work commenced on updating the *Staff Handbook* and a number of policies were updated to reflect the changes occurring in the public sector.

Training and education were provided for staff, including training on new IT systems which were introduced in 2013. Staff were also supported in attending relevant conferences, seminars and third-level courses to maintain their expertise and knowledge.

# FINANCIAL PERFORMANCE



# FINANCIAL PERFORMANCE

Institute of Public Administration  
(Financial Performance)

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The Financial Statements that follow set out in detail the financial operation of the Institute for the year. During 2013 there was an easing of the trading difficulties experienced by the Institute in previous years, resulting in a stabilising of its finances. Compared with 2012, operating income was down slightly at €10.6m from €10.9m, a decrease of just over 2%. Its operating surplus was better than expected at €299,217, up from €139,091 in 2012. The main reason for this level of surplus related to cost reductions, including ongoing reductions in pay costs.

The Institute's earnings were made up of training and international services (28%), education-fee income (37%), research income (3%), publications and membership income (6%), release of capital grants (2%) and a grant-in-aid (24%) paid by the Department of Public Expenditure and Reform. In 2013 the income from training activity began to stabilise for the first time since 2008.

The Institute has very successfully reduced its non-pay costs since 2008, and has implemented a successful pay cost reduction programme since 2012, incorporating the reductions arising from the Haddington Road Agreement in 2013 and including a major internal reorganisation. The IPA fully complied with government policy on public service pay and its obligations to the staff pension scheme. With the transfer of its pension fund to the National Pension Reserve Fund (NPRF) in 2010, the annual pension contribution is treated as a 'contribution to the Exchequer' in the Financial Statements. This decreased slightly in 2013 to €1.70m from €1.78m in the previous year. The level of required employer pension contribution continues as before (at 34.6% of salaries) following the fund transfer to the NPRF.

The financing costs for the long-term loan facility used in the purchase of No. 55, Lansdowne Road (acquired in mid 2006), are based on European Central Bank inter-bank interest rates, which decreased during 2013. This resulted in a full-year interest charge of €31,763, down from €77,205 in 2012. No major capital works were completed in 2013.

In overall financial management terms, given the ongoing difficult economic conditions, the Institute successfully stabilised its finances during 2013 with an operating surplus achieved. In addition, the IPA's Balance Sheet reserves remain good at over €13m (reflecting pre-2005 values).

## INTERNAL SYSTEMS ENHANCEMENTS

In line with the Institute's information systems strategy, there were further developments in the internal IT hardware and software infrastructure. The IPA's Financial Management System (FMS) continues as a key support in providing timely and accurate forecasts to management and the Board. There were updates to key elements of the IPA's system infrastructures during 2013, including an upgrade of the Institute's network storage and back-up systems and a new network-based telephone system (based on a 'voice-over internet protocol' (VoIP) telephony platform). Internal management systems were further developed during the year, with enhanced management information system reporting facilities from the IPA's FMS being made available across the IPA. In addition, the Director of Finance and Support Services held a number of financial awareness sessions for all staff. The continued focus on providing high-quality management information reporting, including the further development of non-financial measures of performance, remains a key objective for 2014.

## FINANCIAL PROSPECTS FOR 2014

As stated above, building on the work of previous years, there was a further stabilisation of the IPA's finances during 2013, and this is expected to continue into 2014. It is unlikely that the IPA will experience any significant growth in its revenues until at least 2016, when the Irish economy is expected to show signs of recovery. The IPA has budgeted for 2014 turnover to remain stable at €10.4m with an operating surplus of the order of €145,000. The IPA continues to look for new opportunities to sustain and grow its income base nationally and internationally.

## COMPLIANCE

The Institute complied with its financial, taxation and regulatory obligations during 2013, and continued to review and update its corporate governance structures.

# FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2013



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Institute of Public Administration  
(Financial Statements)

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# DIRECTORS & OTHER INFORMATION

Institute of Public Administration  
(Financial Statements)

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## DIRECTORS

D. Connell (Chair)  
N. O'Donoghue (Vice-Chair)  
B. Cawley (Director General)  
P. Byron (Retired September 2013)  
R. Dolan  
D. Dowling (Retired April 2013)  
B. Doyle  
D. Feeney  
J. Fleming (Appointed March 2013)  
C. Kelleher  
M. Malone (Appointed May 2013)  
J. McCarthy (Appointed September 2013)  
B. Nolan  
P. Nolan  
B. O'Brien (Retired February 2013)  
M. O'Halloran (Appointed November 2013)  
F. Spillane  
J. Tierney (Retired April 2013)

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## AUDITORS

The Comptroller and Auditor General  
Dublin Castle  
Dublin 2

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## SOLICITORS

O'Donnell Sweeney Everards Solicitors  
Earlsfort Terrace  
Dublin 2

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## SECRETARY AND REGISTERED OFFICE

Cyril Sullivan  
59 Lansdowne Road  
Dublin 4

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## PRINCIPAL BANKERS

Allied Irish Bank  
Bank Centre  
Ballsbridge  
Dublin 4

# REPORT OF THE DIRECTORS IN RESPECT OF THE YEAR ENDED 31 DECEMBER 2013

Institute of Public Administration  
(Financial Statements)

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## STATEMENT OF DIRECTORS' RESPONSIBILITIES

1. 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 surplus 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;
  - 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 are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the Financial Statements comply with the Companies Acts, 1963 to 2013. 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.

## PRINCIPAL ACTIVITIES

2. The Institute is engaged in activities aimed at promoting the study of and improving the standard of public administration, developing a sense of vocation in public servants and fostering mutual understanding between the public and public servants.

## REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

3. Both the level of business and the year-end financial position were satisfactory and the directors expect that the present level of activity will be at least sustained for the foreseeable future.

## RESULTS

4. The income and expenditure account for the year and the appropriation thereof are set out on page 47.

## HEALTH AND SAFETY

5. The Board has developed the necessary safety statement required by the Safety, Health and Welfare at Work Act, 2005.

## CORPORATE GOVERNANCE

6. In accordance with good corporate governance, the Board has established an effective committee structure to assist in the discharge of its responsibilities. Each committee has formal terms of reference approved by the Board, and each committee periodically reports to the Board on its activities. The committees in operation at 31 December 2013 were the Administration Committee, the Audit Committee, and the Finance and Strategy Committee. On behalf of the Board, management carry out an annual review of business operational risks.

## RESEARCH AND DEVELOPMENT

7. The company is not involved in any research and development on its own behalf.

## PROPER BOOKS OF ACCOUNT

8. In order to ensure that proper books of account are kept in accordance with Section 202 of the Companies Act, 1990, appropriately qualified personnel are employed and appropriate resources are made available to the company's finance function. The books of account are located at the company's registered office at 59 Lansdowne Road, Dublin 4.

## AUDITORS

9. In accordance with Section 5 of the Comptroller and Auditor General (Amendment) Act, 1993, the Comptroller and Auditor General is responsible for the audit of the company's accounts.

On behalf of the Board,

DAVID FEENEY

BREEDA DOYLE

DIRECTORS

1 May 2014, Dublin

# COMPTROLLER & AUDITOR GENERAL REPORT FOR PRESENTATION TO THE HOUSES OF THE OIREACHTAS

Institute of Public Administration  
(Financial Statements)

## INSTITUTE OF PUBLIC ADMINISTRATION

I have audited the Financial Statements of the Institute of Public Administration for the year ended 31 December 2013 under the Comptroller and Auditor General (Amendment) Act, 1993. The Financial Statements, which have been prepared under the accounting policies set out therein, comprise the Statement of Accounting Policies, the Statement of Income and Expenditure, the Statement of Total Recognised Gains and Losses, the Balance Sheet, the Cash Flow Statement and the related notes. The Financial Statements have been prepared in the form prescribed under the Companies Acts, 1963 to 2013, and in accordance with Generally Accepted Accounting Practice in Ireland.

## RESPONSIBILITIES OF THE DIRECTORS

The directors are responsible for the preparation of the Financial Statements, for ensuring that they give a true and fair view of the state of the company's affairs and of its surplus or deficit, and for ensuring the regularity of transactions.

## RESPONSIBILITIES OF THE COMPTROLLER AND AUDITOR GENERAL

My responsibility is to audit the Financial Statements and report on them in accordance with applicable law.

My audit is conducted by reference to the special considerations which attach to state bodies in relation to their management and operation.

My audit is carried out in accordance with the International Standards on Auditing (UK and Ireland) and in compliance with the Auditing Practices Board's Ethical Standards for Auditors.

## SCOPE OF 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 in the preparation of the Financial Statements; and
- The overall presentation of the Financial Statements.

I also seek to obtain evidence about the regularity of financial transactions in the course of audit.

In addition, I read the Annual Report to identify material inconsistencies with the audited Financial Statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies, I consider the implications for my report.

## OPINION ON THE FINANCIAL STATEMENTS

In my 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 at 31 December 2013 and of its surplus for 2013; and
- Have been properly prepared in accordance with the Companies Acts, 1963 to 2013.

## MATTERS ON WHICH I AM REQUIRED TO REPORT BY THE COMPANIES ACTS, 1963 TO 2013

I have obtained all the information and explanations that I consider necessary for the purpose of my audit. In my opinion, proper books of account have been kept by the company. The Financial Statements are in agreement with the books of account.

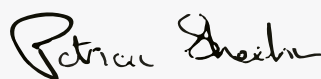
In my opinion, the information given in the Directors' Report is consistent with the Financial Statements.

## MATTERS ON WHICH I REPORT BY EXCEPTION

I report by exception if:

- My audit noted any material instance where moneys have not been applied for the purposes intended or where the transactions did not conform to the authorities governing them; or
- The information given in the Annual Report is not consistent with the related Financial Statements; or
- The Statement on Internal Financial Control does not reflect the company's compliance with the Code of Practice for the Governance of State Bodies; or
- The statutory disclosures of directors' remuneration and of transactions with directors are not made; or
- I find there are other material matters relating to the manner in which public business has been conducted.

I have nothing to report in regard to those matters upon which reporting is by exception.



PATRICIA SHEEHAN

FOR AND ON BEHALF OF THE  
COMPTROLLER AND AUDITOR GENERAL

12 May 2014

# STATEMENT ON INTERNAL FINANCIAL CONTROL

Institute of Public Administration  
(Financial Statements)

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The Board acknowledges its responsibility for the Institute of Public Administration's system of financial control. It also recognises that any system of financial control can only give a reasonable and not absolute assurance against any material errors. The internal financial controls in operation within the Institute during 2013 are outlined in the following.

The key procedures, which have been put in place by the Board, designed to provide effective financial control are:

## A) CONTROL ENVIRONMENT

The Board has taken steps to ensure an appropriate control environment is in place by:

- Establishing formal procedures through various committee functions to monitor the activities and safeguard the assets of the organisation;
- Clearly defining and documenting management responsibilities and powers;
- Developing a strong culture of accountability across all levels of the organisation.

All staff members have been supplied with financial control procedures, including procurement, and debtor and creditor procedures.

Expenditure limits are applied rigorously to all levels of management. These limits were reviewed during 2013. This control is monitored by the Institute's Finance Office by way of both manual and electronic automated checks.

There is consistent separation of function for coding and authorisation operated across the Institute's business units and monitored centrally by the Finance Office.

The procurement function for overhead expenditure operates on the basis of standards agreed with the Director of Finance and Support Services and approved by the Director General and the Board.

## B) IDENTIFICATION OF BUSINESS RISKS AND FINANCIAL IMPLICATIONS

In line with the IPA's annual processes, a business risk review was carried out during the year, involving the senior management group, highlighting the significant risks to the IPA's business with related necessary mitigating actions. The business risks identified in the review are being addressed, in the first instance, through the implementation of the Institute's corporate plan (corporate-level risk register), and then through the business planning process. For 2013, the Board reviewed the IPA's business plans on a half-yearly basis and its risk management activities at each of its meetings. For 2014, each business division will again be embedding their risk-mitigation activities in their annual business plans.

## C) INFORMATION SYSTEMS

The Institute's information systems include an integrated financial and management accounting package, 'Integra'. There are integrated electronic financial control modules for income, expenditure, debtors, creditors, purchase ordering, payroll, staff travel and subsistence, and fixed assets on the system. Most of the information processing controls are automated within the electronic systems; the controls include proper authorisation, segregation of duties, and scanning of original documentation and records. There is a full suite of control procedures governing the Institute's information processing.

In addition, there are a number of business support systems integrated into the Financial Management System (FMS). The IPA's Publication Division operates a Sales Order Processing (SOP) module, catering for the sales ordering, invoicing and stock control. The Training Division uses an integrated Training Administration and Management System (TAMS) to manage the client booking and invoicing process. For our Education programmes, an integrated Student Information and Administration System (SIAS) manages student registration and fee collection.

## D) PROCEDURES FOR MONITORING EFFECTIVENESS OF FINANCIAL CONTROL SYSTEM

Monthly management accounts are prepared comparing budgeted income and expenditure with that actually incurred. The senior management group reviews these accounts, involving a detailed examination of the underlying transactions and activities to ensure completeness and accuracy. These accounts are put before the Board and its Finance and Strategy Committee on a quarterly basis.

The annual budgetary process is extensive whereby each unit produces a detailed income and direct expenditure budget, which is reviewed and approved by the Board. Detailed capital expenditure budgets are also prepared. In addition, the Institute operates a three-year rolling system of multi-annual budgeting.

The Institute has an internal audit function that is currently outsourced. A detailed audit programme is prepared annually and approved by the Board through its Audit Committee. The internal audit plan is reviewed on an ongoing basis. The Board Audit Committee reviews the audit reports prepared, including the implementation of recommendations.

The Institute's Finance Office monitors income and expenditure transactions to ensure compliance by each of the business units for accuracy, validity and appropriateness.

## E) ANNUAL REVIEW

An annual review of the Institute's internal financial controls in operation during 2013 was carried out. The Institute's Board reviewed the effectiveness of the internal financial control systems at its meeting on 13 February 2014.

On behalf of the Board,



DONAL CONNELL  
Chairman



BRIAN CAWLEY  
Director General

1 May 2014, Dublin

# STATEMENT OF ACCOUNTING POLICIES

The Financial Statements are prepared in accordance with the historical cost convention as modified by the revaluation of land and buildings.

## A) INCOME

Income is included on a receivable basis with the exception of subscriptions, which are taken into income when received. Course fees, which are accounted for under fee income, are taken into income during the period of the course.

## B) FIXED ASSETS AND DEPRECIATION

Fixed assets, including buildings, are stated at their historical cost or valuation less accumulated depreciation. Depreciation is provided on the basis and rates stated below, which are estimated to reduce the assets to realisable values by the end of their expected working lives:

Freehold Buildings	2%	Straight Line
Leasehold Premises	2%	Straight Line
Furniture and Fittings	5%	Straight Line
Equipment	10%	Straight Line
Library Books	20%	Reducing Balance
Office Machines	25%	Straight Line
Leased Assets	33.3%	Straight Line
Prefabricated Buildings	33.3%	Straight Line

Depreciation commences in the year in which the asset is brought into use. Land is not depreciated. The Institute has not adopted a policy of revaluation; however, certain assets were revalued before the adoption of Financial Reporting Standard 15 'Tangible Fixed Assets'. In accordance with the provisions of the standard, the Institute has retained these valuations as set out in Note 9.

## C) STOCKS

Stocks have been valued consistently with prior years, at the lower of cost and net realisable value. Provision is made, where necessary, for obsolete and slow-moving stock.

## D) DEBTORS

Known bad debts are written off and specific provision is made for any amounts the collection of which is considered doubtful.

## E) CAPITAL GRANTS

Capital grants relating to fixed assets are treated as deferred credits and are amortised in the Statement of Income and Expenditure over the expected useful life of the assets.

## F) LEASED ASSETS

Assets held under finance leases are capitalised and included with similar owned assets in the Balance Sheet. Obligations under finance leases are included with liabilities, analysed between current liabilities and long-term liabilities. Payments made under operating leases are charged to the Statement of Income and Expenditure.

## G) PENSION COSTS

A defined-benefit pension scheme is in place for all employees of the Institute of Public Administration, as appropriate. Under the provisions of the Financial Measures (Miscellaneous Provisions) Act, 2009, the Institute's pension fund assets, which were measured at fair value, transferred to the National Pension Reserve Fund (NPRF) on 30 June 2010. The pension scheme continues in force for existing members with no impact on benefits or associated provision for members.

Pension scheme liabilities are measured on an actuarial basis using the projected unit method, and represent the present value of future pension payments earned by staff to date. In line with the pension funding arrangements, an asset equal in amount to this liability is recognised and represents the amounts to be reimbursed in future periods by way of Oireachtas grant.

The pension charge in the Income and Expenditure Account comprises the Institute's contribution payable to the Department of Public Expenditure and Reform from the date of transfer in line with the funding arrangements.

## FINANCIAL STATEMENTS

### STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 31 DECEMBER 2013

INCOME	Note	2013 €	2012 €
Fee Income	1	7,205,970	7,369,416
Sale of Publications	2	349,216	420,353
Subscriptions		281,793	295,079
Vote 42 - Office of the Minister of Public Expenditure and Reform, Grant-in-Aid	3	2,654,000	2,654,000
Amortisation of Capital Grant	13	149,823	149,823
		<b>10,640,802</b>	<b>10,888,671</b>

### LESS: OPERATING EXPENDITURE

Direct Costs	5	2,726,997	2,405,840
Salary Costs	6	4,519,932	5,159,831
Administration Expenses	7	1,360,344	1,325,807
Interest Payable and Similar Charges		31,763	77,205
		<b>8,639,036</b>	<b>8,968,683</b>
Operating Surplus for the Year		<b>2,001,766</b>	<b>1,919,988</b>
Less Contribution to Exchequer in Respect of Pensions	15c	<b>(1,702,549)</b>	<b>(1,780,897)</b>
Surplus after Exchequer Contribution		<b>299,217</b>	<b>139,091</b>

### STATEMENT OF MOVEMENTS IN ACCUMULATED SURPLUS

Accumulated Surplus at 1 January 2013		221,338	82,247
Surplus for the Year		299,217	139,091
<b>ACCUMULATED SURPLUS AT 31 DECEMBER 2013</b>		<b>520,555</b>	<b>221,338</b>

The surplus for the year ended 31 December 2013 relates to continuing activities.

## STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	2013 €	2012 €
Surplus for the Year	299,217	139,091
Total Recognised Gains/Losses in the Year	299,217	139,091

The accounting policies on page 46 and notes on pages 52 to 60 form part of these Financial Statements.

*David Feeney*      *Breeda Doyle*

DAVID FEENEY  
Member of the Board

BREEDA DOYLE  
Member of the Board



# FINANCIAL STATEMENTS

## BALANCE SHEET AS AT 31 DECEMBER 2013

FIXED ASSETS	Note	€	2013 €	€	2012 €
Tangible Assets	9		16,235,336		16,635,490
<b>CURRENT ASSETS</b>					
Stocks	8	122,263		153,500	
Debtors	10	1,516,232		1,378,112	
Cash at Bank and in Hand		1,467,714		1,285,554	
			<b>3,106,209</b>	<b>2,817,166</b>	
<b>CREDITORS</b>					
Amounts Falling Due within One Year	11	2,701,508		2,706,279	
Net Current Assets/(Liabilities)			404,701		110,887
Total Assets Less Current Liabilities			16,640,037		16,746,377
20-Year Mortgage Facility	11		(3,394,974)		(3,650,708)
Total Assets Less Liabilities			13,245,063		13,095,669
Long-Term Pension Liability	15(a)		(52,883,000)		(50,200,000)
Deferred Pension Asset	15(a)		52,883,000		50,200,000
Net Assets			<b>13,245,063</b>		<b>13,095,669</b>
<b>CAPITAL AND RESERVES</b>					
Reserves	14		11,761,548		11,761,548
Accumulated Surplus on Income & Expenditure Account	14		520,555		221,338
Capital Grants	13		962,960		1,112,783
			<b>13,245,063</b>		<b>13,095,669</b>

The accounting policies on page 46 and notes on pages 52 to 60 form part of these Financial Statements.

*David Feeney*      *Breeda Doyle*

DAVID FEENEY  
Member of the Board

BREEDA DOYLE  
Member of the Board

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2013

#### RECONCILIATION OF OPERATING SURPLUS TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	€	2013 €	€	2012 €
Operating Surplus After Exchequer Contribution		299,217		139,091
Net Interest	31,763		77,205	
Depreciation	549,009		530,925	
Amortisation of Grants	(149,823)		(149,823)	
Decrease/(Increase) in Stock	31,237		34,014	
Decrease/(Increase) in Debtors	(138,120)		356,001	
Decrease in Creditors	(4,771)		(243,456)	
	319,295		604,866	
<b>Net Cash Inflow/(Outflow) from Operating Activities</b>		<b>618,512</b>		<b>743,957</b>

### CASH FLOW STATEMENT

Net Cash Inflow from Operating Activities		618,512		743,957
<b>RETURN ON INVESTMENTS AND SERVICING OF FINANCE</b>				
Interest Paid		(31,763)		(77,205)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments to Acquire Tangible Fixed Assets		(148,855)		(84,565)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Decrease in 20-Year Mortgage Facility		(255,734)		(299,863)
<b>Increase/(Decrease) in Cash in Year</b>		<b>182,160</b>		<b>282,324</b>

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)**

RECONCILIATION OF NET CASH TO MOVEMENT IN NET DEBT		2013 €	2012 €
Increase/(Decrease) in Cash		182,160	282,324
(Increase)/Decrease 20-Year Mortgage Facility		255,734	299,863
Movement in Net Debt in Year		437,894	582,187
Net Debt at 1 January		(2,365,154)	(2,947,341)
Net Debt at 31 December		(1,927,260)	(2,365,154)

**ANALYSIS IN CHANGES IN NET FUNDS/(DEBT)**

	At 31 December 2012	Cash Flows	At 31 December 2013
Cash in Hand/at Bank	1,285,554	182,160	1,467,714
20-Year Mortgage Facility	(3,650,708)	255,734	(3,394,974)
Total	(2,365,154)	437,894	(1,927,260)

The accounting policies on page 46 and notes on pages 52 to 60 form part of these Financial Statements.

*David Feeney*      *Breeda Doyle*

DAVID FEENEY  
Member of the Board

BREEDA DOYLE  
Member of the Board

# FINANCIAL STATEMENTS

## NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2013

1. FEE INCOME	2013 €	2012 €
Training	2,974,570	3,411,360
Education	3,959,600	3,620,863
Research	271,800	337,193
	<b>7,205,970</b>	<b>7,369,416</b>

## 2. SALE OF PUBLICATIONS

Income from IPA Publications	349,216	420,353
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## 3. GRANT-IN-AID

An amount of €2,750,000 was received from the Department of Public Expenditure and Reform, of which €96,000 was accounted for in subscriptions and €2,654,000 is in grant-in-aid. The grant is provided by the Department of Public Expenditure and Reform towards liabilities under general non-pay expenses and is drawn down by the Institute on an annual basis.

## 4. OPERATING SURPLUS

The operating surplus is stated after charging or crediting.

(A) DIRECTORS' EMOLUMENTS:		
The members of the IPA Board do not receive fees. While Board members do not travel on official business as members of the Institute, they are entitled to claim travel and subsistence for their attendance at Board and subcommittee meetings. For 2013, only one member (R. Dolan) claimed travel and subsistence in the amount of €912.48.		
(B) Remuneration of the Director General (including salary, employer's PRSI and contribution towards pension). The Director General's pension entitlements do not extend beyond the standard entitlements in the public sector superannuation scheme.	262,962	272,729
The Director General's 2013 travel and subsistence expenses were €3,615.66.		
(C) Auditor's Remuneration	18,000	18,000
(D) Depreciation (Net of Disposals)	549,009	530,925
(E) Interest Payable on Sums Repayable over a Period Greater than Five Years	31,763	77,205
(F) Capital Grant Amortised	(149,823)	(149,823)

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2013 (CONTINUED)

5. ANALYSIS OF DIRECT COSTS	2013 €	2012 €
Training	852,748	811,130
Education	1,624,572	1,308,843
Publications	180,190	218,845
Research	32,777	44,530
General	36,710	22,492
	<b>2,726,997</b>	<b>2,405,840</b>

6. EMPLOYEE INFORMATION

(A) The average number of permanent employees of the company, including full-time directors, during the year is analysed below.

Training	23	23
Education	26	26
Publications	4	4
Research	4	4
General	21	21
	<b>78</b>	<b>78</b>

(B) The company's salary costs for all employees comprise:

Wages and Salaries	3,936,573	4,576,304
Social Insurance Costs	507,370	478,436
Income Continuance Plan	75,989	105,091
	<b>4,519,932</b>	<b>5,159,831</b>

€354,970 (2012: €371,518) of pension levy has been deducted and paid over to the Department of Public Expenditure and Reform. Government policy on the pay of Institute employees was fully complied with during 2013.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2013 (CONTINUED)

7. ANALYSIS OF ADMINISTRATION EXPENSES	2013 €	2012 €
Repairs, Cleaning, Maintenance	286,940	292,488
Depreciation	549,009	530,925
Stationery and Photocopying	107,676	103,364
Light, Heat, Phone	117,477	119,130
Postage	54,070	68,771
Insurance	23,554	17,634
Corporate Affairs and Marketing	91,778	88,970
Staff Development	29,793	28,642
General	100,047	75,883
	<b>1,360,344</b>	<b>1,325,807</b>

8. STOCKS

Stationery and Books	122,263	153,500
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NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2013 (CONTINUED)

9. FIXED ASSETS, TANGIBLE ASSETS	Land and Buildings <sup>(a)</sup>	Office Machines	Furniture, Fittings, Equipment & Library Books	Total
COST OR VALUATION (AT 1 JANUARY 2013)	€	€	€	€
Cost	13,046,220	1,719,447	2,525,495	17,291,162
Revaluation 1975	177,763			177,763
Revaluation 1999	7,382,114			7,382,114
	20,606,097	1,719,447	2,525,495	24,851,039
Additions	1,149	31,535	116,171	148,855
At 31 December 2013	20,607,246	1,750,982	2,641,666	24,999,894
<b>DEPRECIATION</b>				
At 1 January 2013	4,527,113	1,590,879	2,097,557	8,215,549
Charges for Year	410,365	79,674	58,970	549,009
At 31 December 2013	4,937,478	1,670,553	2,156,527	8,764,558
<b>NET BOOK VALUE</b>				
At 31 December 2013	15,669,768	80,429	485,139	16,235,336
<b>NET BOOK VALUE</b>				
At 31 December 2012	16,078,984	128,568	427,938	16,635,490

Note (a) Schedule of Properties and Type of Holding

57-61 Lansdowne Road	Freehold
49-51 Lansdowne Road	Freehold
55 Lansdowne Road	Freehold
Vergemount Hall, Clonskeagh	Virtual Freehold by Way of Peppercorn Rent

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2013 (CONTINUED)

10. DEBTORS AND PREPAYMENTS	2013 €	2012 €
Trade Debtors	1,506,232	1,318,849
Prepayments and Accrued Income	10,000	59,263

(Trade Debtors is net of Bad Debts Provision of €40,000 (2012: €21,437).)	1,516,232	1,378,112
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11. CREDITORS AND ACCRUALS

(A) Amounts Falling Due within One Year

Trade Creditors	153,435	188,948
Deferred Fee Income	2,043,990	1,991,667
Sundry Creditors and Accruals	324,862	323,167
PAYE/PRSI	179,221	202,497

	2,701,508	2,706,279
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(B) Long-Term Loan Facility

€5m 20-Year Variable Rate Facility	3,394,974	3,650,708
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12. SHORT-TERM INVESTMENTS

There were no short-term investment moneys in 2013.

13. CAPITAL GRANTS

At 1 January	1,112,783	1,262,606
Amount Amortised to Income in Year	(149,823)	(149,823)

At 31 December	962,960	1,112,783
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NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2013 (CONTINUED)

14. RESERVES	Capital Reserve	Revenue Reserve	Accumulated Surplus on Income and Expenditure	Total
	€	€	€	€
At 1 January 2013	8,110,840	3,650,708	221,338	11,982,886
Transfer to Capital Reserves	255,734	(255,734)		
Surplus on Income and Expenditure Account			299,217	299,217
<b>At 31 December 2013</b>	<b>8,366,574</b>	<b>3,394,974</b>	<b>520,555</b>	<b>12,282,103</b>

The Institute's Balance Sheet reserves comprise a capital reserve, a revenue reserve and an accumulative surplus reserve on income and expenditure. The capital reserve is held to fund the development of the IPA's building infrastructure, the revenue reserve caters for the principal on the long-term mortgage debt facility, while the accumulative surplus reserve is used to fund ongoing operating activities.

15. PENSIONS

(A) Pension Liability and Asset

As outlined in Accounting Policy (g) above, the Institute's pension fund was transferred to the National Pension Reserve Fund (NPRF) on 30 June 2010 in accordance with the Financial Measures (Miscellaneous Provisions) Act, 2009. Following the transfer of scheme assets, the Institute is required to pay the Department of Public Expenditure and Reform an annual contribution after taking account of pensions due for payment. The department will provide funding where the pensions paid exceed the contribution. The Board has adapted the treatment and disclosures required by the accounting standard Financial Reporting Standard 17 (Retirement Benefits) to reflect the arrangements in operation. While the funding arrangement operates on a net pay over basis with the department, the Institute believes the nature of the arrangement is akin to a full reimbursement of the pension liability when those liabilities fall due for payment, and therefore recognises its right to the reimbursement as a separate asset in an amount equal to the liability at the year-end.

The FRS 17 pension liability at 31 December 2013 is €52,883,000 (2012: €50,200,000) based on an actuarial valuation of the pension liabilities in respect of Institute staff as at 31 December 2013, carried out by a qualified independent actuary for the purposes of FRS 17. A deferred funding asset of €52,883,000 equal to the liability at 31 December 2013 is recognised as a separate asset on the Balance Sheet.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2013 (CONTINUED)

MOVEMENT IN PENSION LIABILITY	Year to 31/12/13 € million	Year to 31/12/12 € million
PRESENT VALUE OF SCHEME OBLIGATIONS AT BEGINNING OF YEAR	50.2	40.4
Current Service Cost	0.9	0.8
Interest Cost	2.0	2.1
Actuarial Gain/Loss	1.2	8.7
Benefits Paid	(1.3)	(1.7)
Expenses Paid	(0.1)	(0.1)
PRESENT VALUE OF SCHEME OBLIGATIONS AT END OF YEAR	52.9	50.2
PENSION ASSET	52.9	50.2

The net effect on Income and Expenditure of the above is nil.

(B) PENSION COST RECOGNISED IN THE STATEMENT OF INCOME AND EXPENDITURE

With the transfer of the fund assets to the NPRF in 2010, there is no pension cost recognised in the Statement of Income and Expenditure for 2013. This was also the case in 2012.

(C) CONTRIBUTION TO THE EXCHEQUER IN RESPECT OF PENSIONS

In accordance with the arrangements set out in note 15a, the Institute is required to make an annual contribution to the Exchequer in respect of pensions. The contribution is set at 34.6% of the Institute's payroll charge and comprises the Institute's contribution of €1.7m (2012: €1.78m) and employee contributions of €114,428 (2012: €124,793).

The Institute makes pension and related payments on behalf of the Exchequer and the amount payable to the Exchequer is calculated after taking account of such payments.

Amounts payable to the Exchequer are set out below:

	2013 €	2012 €
Balance at 1 January	30,884	149,353
Institute Contributions	1,702,549	1,780,897
Employee Contributions	114,428	124,793
Pension and Related Payments	(1,450,834)	(1,823,540)
Payments to Exchequer	(250,000)	(200,619)
<b>Balance at 31 December</b>	<b>147,027</b>	<b>30,884</b>

## NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2013 (CONTINUED)

### (D) DESCRIPTION OF SCHEME AND ACTUARIAL ASSUMPTIONS

The pension scheme is a defined-benefit final salary pension arrangement with benefits defined by reference to current public sector scheme regulations. The scheme provides a pension (in one-eightieths per year of service), a gratuity or lump sum (at three-eightieths per year of service) and spouse's and children's pension. Normal retirement age is a member's 65th birthday. Pensions in payment (and deferment) normally increase in line with general public sector salary inflation. The current practice of increasing pensions in line with public sector salary inflation is taken into account in measuring the defined-benefit obligation.

The financial assumptions used for FRS 17 purposes were:

	At Year-end 31/12/2013	At Year-end 31/12/2012
Rate of Increase in Salaries	3.00%	3.00%
Rate of Increase in Pensions in Payments	3.00%	3.00%
Rate of Increase in Pensions in Deferment	3.00%	2.50%
Discount Rate	3.80%	4.00%
Inflation	1.90%	3.00%

The key mortality assumptions used in estimating the actuarial value of the scheme liabilities are:

Weighted average life expectancy for mortality tables used to determine benefit obligations at 31 December 2013:

	At Year-end 31/12/2013	At Year-end 31/12/2012
Male Member Age 65 (Current Life Expectancy)	23.3	23.2
Female Member Age 65 (Current Life Expectancy)	24.7	24.6
Male Member Age 45 (Life Expectancy at Age 65)	25.9	25.8
Female Member Age 45 (Life Expectancy at Age 65)	26.9	26.8
Male Member Age 40 (Life Expectancy at Age 65)	26.4	26.3
Female Member Age 40 (Life Expectancy at Age 65)	27.4	27.3

The above mortality assumption is in line with the standard table allowing for projected improvements. The actuary has adopted the published mortality tables '85% PMA 2015' for existing pensioners and '85% PMA 2030' for future pensioners. The above assumptions are the same as those used in last year's disclosures.

### (E) FUNDING OF PENSION

The IPA expects to contribute €1.7m to the Exchequer in 2014.

## NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2013 (CONTINUED)

### 16. FREEHOLD AND LEASEHOLD PROPERTIES OWNED BY IPA

57-61 Lansdowne Road	Freehold
49-51 Lansdowne Road	Freehold
55 Lansdowne Road	Freehold
Vergemount Hall, Clonskeagh	Virtual Freehold by Way of Peppercorn Rent

### 17. BOARD MEMBERS' INTERESTS

The Board adopted procedures in accordance with the revised Code of Practice (2009) for the Governance of State Bodies in relation to the disclosure of interests by Board members, and those procedures have been adhered to in the year. There were no transactions in the year in relation to the Board's activities in which members had any beneficial interest.

### 18. APPROVAL OF FINANCIAL STATEMENTS

The Financial Statements were approved by the Board of the Institute on 1 May 2014.

# INSTITUTE SENIOR MANAGEMENT

Institute of Public Administration  
(Institute Senior Management)

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