

**Financial Services Division,  
Department of Finance,  
Government Buildings,  
Upper Merrion Street,  
Dublin 2**

**25<sup>th</sup> September 2015**

Dear Sir/Madam,

**Re: Funding the Cost of Financial Regulation – Public Consultation**

We refer to the above consultation and have set out below our responses with regard to same.

We would not support a move to a 100% funding of the cost of financial regulation and it's potential introduction in 2016.

CPA Ireland has delegated authority to regulate its firms for investment business purposes. Presently we regulate 143 firms for investment business purposes. CPA Ireland bears the cost of the direct regulation of these members which is conducted in accordance with the CPA Investment Business Regulations.

The firms regulated by CPA Ireland offer a low impact service.

All such firms provide the service to their client on an incidental basis, their primary service generally being accounting and taxation services.

Approximately 50% of these firms act within Category 1A which only allows them to arrange transactions in investments where the transaction is confined to introducing a client to another appropriately authorized third party.

Of the remaining 50% of firms, 80% operate within Category 1 which effectively allows them to hold appointments and offer advice on broad types of investments. None of the firms regulated by CPA Ireland hold client monies for investment business purposes.

Where an increase in funding is deemed necessary we would recommend that it be introduced on a phased basis and not all in 2016.

It is also worthwhile considering the basis for the application of the levy on the approved professional bodies which in our opinion should be based on the number of the firms regulated by the body to ensure proportionality is applied.

If you have any queries on this matter please contact me.



Yours sincerely,

*Eve Kelly*

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