



# Promoting Resilience

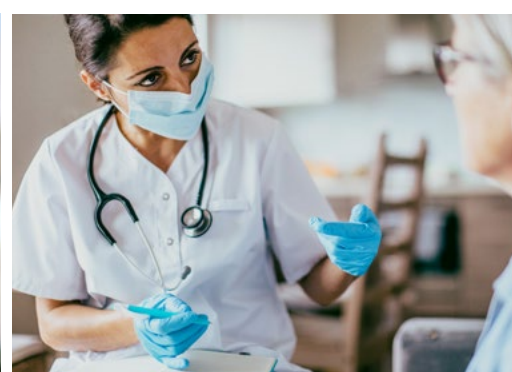
Annual Report 2020



# Enabling Enterprise, Protecting the Public.



In a world of dramatic changes in climate, health, business, technology and community - being agile, supportive and innovative has never been more important. Over the past year, NSAI has been busy building a support framework to enable businesses to respond to the challenges and impact of two major forces of change; COVID-19 and BREXIT, ensuring continuity of business excellence and public trust.



A changing world requires new and different responses. In 2020, we adapted our own organisation, becoming more agile with new technologies and ways of working to ensure the continued provision of excellence in audits, certifications and standards – all helping to embrace change, support industry performance and build public confidence.

## 2020 AT A GLANCE

---

**1,349**NEW STANDARDS PUBLISHED

---

**8**NEW IRISH STANDARDS CREATED

---

**224,762**STANDARDS VIEWED  
OR DOWNLOADED

---

**354**COMMITTEE MEETINGS HELD

---

**4,026**ENGAGEMENT THROUGH 'YOUR  
STANDARDS, YOUR SAY'

---

**1,768**COMMITTEE MEMBERS

---

**1,169**MANAGEMENT SYSTEMS ADOPTED

---

---

**4,665**MEASUREMENT INSTRUMENT  
CALIBRATIONS

---

**13,608**MEASURING INSTRUMENTS  
INSPECTED IN TRADE

---

**188**MEDICAL DEVICE PRODUCT APPROVALS

---

**8,156**MOTOR VEHICLE PRODUCT APPROVALS

---

**2,508**PREMISES VISITED BY LEGAL METROLOGY

---

**402**WEBINAR ATTENDEES

---

**2,497**NEW SOCIAL MEDIA FOLLOWERS

---

# CONTENTS

Introducing NSAI	4
Mission and Vision	5
Chairperson and CEO Overview	6
COVID-19 Response	11
Brexit	12
Activities	
Standards	13
Metrology	17
Certification	22
NSAI Inc	27
Governance Statements and Board Members' Report	30
Consolidated Financial Statements	45

# NSAI INTRODUCTION

**NSAI is Ireland’s official standards body with responsibility for providing services for standardization, conformity assessment and measurement. Our primary aim is to improve the efficiency and performance of Irish businesses and enhance consumers’ confidence through standardization.**

We are responsible for four out of the five components of a trade infrastructure through developing standards, inspecting measuring instruments used in trade, conducting audits, and issuing certificates on the application of standards to goods, services, and measurements.

We provide a diverse catalogue of certification services, giving businesses and organisations the tools to demonstrate that their goods and services conform to the highest international standards.

Our services help to enable trade, protect the consumer, and ensure that products and services can be relied upon nationally and around the world.

## How we achieve our goals

- Encouraging the use of standards across the industry
- Formulating standards, guides, recommendations and codes of practice for industry sectors
- Promoting and facilitating industry participation in the development of standards at national, European and international levels
- Providing businesses with internationally-recognised certification for products, processes or practices
- Maintaining and ensuring industry access to internationally traceable measurement standards
- Providing high precision measurement calibration services
- Overseeing measurements and measuring instruments used in trade



## Our Mission

As the primary Irish authority for standardization, certification and measurement services, NSAI contributes to an optimal business environment for trade and innovation through excellence and expertise in the provision of the highest quality services.

## Our Vision

To be Ireland's leading provider of world-class standards, certification and measurement expertise to facilitate trade and support sustainable economic growth.

### Dedicated Resilience:



## Remote Working

In 2020, communications became more important than ever before for organisations all over the world. As personnel moved their work lives home, the digital network became crucial, on both a professional and social level. As a result, the upgrading of NSAI's Home Portal was very timely for the organisation. The new Portal provides a platform for communications and for members of staff to keep in touch with organisational updates, notices, and even hosts a staff wellbeing section.



# CHAIRPERSON & CEO OVERVIEW

It is no exaggeration to state that 2020 was a year like no other. We began the year with the usual appetite and vigour to deliver against business requirements in the areas of standards development, certification, and metrology.

**Indeed, the first quarter got off to a great start with the significant achievement of reaching two major milestones for the organisation. The first being NSAI's designation to the Medical Devices Directive (MDR) on February 13th, and the second, the publication of the new National Wiring Rules, I.S. 10101 in early March.**

However, by the middle of March it became apparent that the arrival of COVID-19 to our shores, would soon begin to reverberate across the nation inflicting devastating consequences on society and across the world economy.

The emergence of COVID-19 represented unique challenges for all organisations, including state agencies like ourselves. NSAI's immediate priority was continuity of service primarily through pivoting on-site and face-to-face services to a remote working environment. NSAI developed policies and recalibrated practices following consultation with key stakeholders to provide for continuity of services essential to underpin the resilience, operations, and trade of Irish business in the COVID environment.

## Agility

NSAI like other state agencies were faced with the unprecedented task of moving as quickly as possible to remote working, and devising ways of doing business in a virtual environment, which would enable us to strive towards meeting and delivering on our key objectives. This we managed to do relatively seamlessly, and in a very short space of time. The task was made possible with the cooperation of all our staff, including our IT and HR teams who moved quickly to ensure it was possible for the majority of employees to be able to work remotely, thus enabling our services to continue

with only limited disruption. However, not all our services can operate remotely and with innovation and dedication our teams at the National Metrology Laboratory and Legal Metrology implemented protocols to provide for continuity of critical and essential measurement services to key business sectors, while operating within COVID restrictions and government guidelines.

## COVID-19 National Response

Very early into the crisis we were tasked by the Government to assist with the wider national response to enable essential business services and support businesses navigate their way through the impact of the pandemic. As an agency of the Department of Enterprise, Trade and Employment we were keen for our knowledge and expertise to help businesses prepare for a recovery from the crisis quickly and safely. NSAI staff resources were mobilised to produce guidance documents that have offered businesses systematic approaches to get back on their feet as restrictions lift.

These business recovery documents and protocols have been published and widely used since April 2020. Resources such as the Workplace Protection and Improvement Guide consolidate practical guidance on how to manage business continuity during the COVID-19 pandemic, while also addressing risks to workers and the public. Additionally, smaller retail outlets right through to large supermarkets have been referencing our Retail Protection and Improvement Guide to help them prepare to reopen their premises in a way that is safe for both employees and customers.



We also collaborated with our colleagues in the Health and Safety Authority (HSA) to provide supporting documents to help businesses implement the mandatory Return to Work Safely Protocol, which applies to all workplaces right across the economy.

In response to the demand for medical supplies, NSAI drafted and published guidance on Manufacturing and Importing PPE and Medical Devices and produced specification requirements for producing barrier masks for the public. The SWIFT 19:2020 specification was of particular use to companies who repurposed their production lines to join the fight against COVID-19.

In July we published a COVID-19 Shopping Centre and Recovery Guide. This document was universally well received as shopping centres across the country sought to put in place measures to allow them to reopen again within safe limits. Helplines and support services were established so that people could call and speak to our expert staff who have a strong track record in standardization and carrying out audits. All our guides are kept under active review, and are updated to reflect new information which may require changes to safety measures and protocols.

## Knowledge Sharing Initiatives

In March 2020, NSAI moved its operations, events, and outreach online. This led to the launch of our online Learning Centre, a section of our website that aims to inform and educate visitors about the kind of services our organisation offers. In-house video presentations and articles are housed here. We also created and produced a series of webinars around Brexit topics, which featured our Brexit team and industry guest speakers. These recordings are available on demand via the Learning Centre.

## Dedicated Resilience:



## SFA Small Business Awards

In 2020, NSAI continued to nurture and support the Irish SME sector through its services. The organisation was particularly happy to support the Small Firms Association's Small Business Awards during the year. As sponsors of the manufacturing category, NSAI met and engaged with award nominees from all over Ireland, and were delighted to congratulate KORE, an NSAI certified company, on winning both the category, and for also taking home the top award, 'Small Business of the Year'.



## The Digital Future

The Government's National Industry 4.0 Strategy sets out a series of ambitious targets for the next four years. It states that by 2025 Ireland will be a competitive, innovation driven manufacturing hub at the forefront of Industry 4.0's development and adoption. New and exciting digital technologies in areas such as Blockchain, AI, data security and advanced manufacturing will be key to the transformation.

Through its Standards Committees with wide industry representation, NSAI is committed to supporting SMEs in their digital transformation and to promoting standards development for a digital future. In this context, we wish to congratulate Fiona Delaney, Technical Committee member and founder of Origin Chain Networks who was awarded for her contributions to European and international blockchain Standards at the 2020 CEN and CENELEC 'Standards+Innovation' awards.

In 2020, NSAI were appointed to lead out a Government of Ireland Top Team on AI Standards. The team was established to realise opportunities presented by technological changes and the move to a low carbon economy. It forms part of the overall national AI Strategy which aims to ensure research centres, businesses, and the public sector exploit AI technologies to secure greater levels of productivity and wellbeing.

## Climate Action

The Government published its Climate Action and Low Carbon Development (Amendment) Bill in October 2020. It commits us, in law, to move to a climate resilient and climate neutral economy by 2050. The Programme for Government commits to a 7% average yearly reduction in overall greenhouse gas emissions over the next decade, and to achieving net zero emissions by 2050.

NSAI is playing its part to drive down emissions by supporting actions on the supply chain for renewables, retrofitting homes and climate adaptation. Our Sustainability and Built Environment division are actively working with the Department of Housing in the areas of radon protection, near zero energy buildings (NZEB), ventilation and development of Part L of the building regulations. While Standard Recommendations are being developed for PV panels for domestic dwellings, with public consultations expected to begin by summer 2021. These schemes and other collaborations with the Sustainable Energy Authority of Ireland (SEAI) in areas such as Thermal Modelling, Airtightness and Window Energy Performance, ensure ongoing support to the Government's climate action policy.

Standards work specific to the circular economy has also commenced and NSAI has already started participating in this work to help companies design and manufacture for the circular economy. A new European Standard EN 50614: 2020, "Requirements for the preparing for re-use of waste electrical and electronic equipment", defines the steps that must be undertaken to make electronic products that have been disposed of by consumers suitable for resale and re-use.

## Dedicated Resilience:



## Learning Centre launch

In March 2020, like so many organisations, NSAI moved its operations, events and outreach online. This digital shift led to the launch of our online Learning Centre, a section of our site that aims to inform and educate visitors who are becoming familiar with the importance of standards and certification to their organisations.



## Developments in Metrology

During 2020, NML remained operational and provided critical and essential measurement services to Irish industry throughout the COVID-19 pandemic restrictions. Demand for NML's calibration services remained strong during the year with the laboratory issuing over 4,600 calibration certificates. While the ability to provide training courses in-house was greatly curtailed, NML did deliver 12 courses to 21 companies, 6 of which were online.

During 2020 NML's Time & Frequency calibration capabilities were further enhanced as its primary caesium frequency standard was officially accepted by the International Bureau of Weights and Measures (BIPM) Time Department as an atomic clock now contributing to the calculation of International Atomic Time (TAI) and Coordinated Universal Time (UTC) through Circular T 394.

NML also received the Calibration/Testing Laboratory of the Year Award at the Irish Laboratory Awards in 2020, recognising the importance of NML to the sector.

## Enhanced Medical Device Services

In early 2020, the Medical Devices Division at NSAI were approved for designation to the EU Medical Device Regulations (MDR). After two and a half years working towards this designation, NSAI became the 11th notified body in the world to be designated to the new regulations. The achievement represents a significant endorsement and is global recognition of the organisation as the only Irish notified body in the medical technology space.

This is coupled with NSAI's achievement of recognition as an 'auditing organisation' under the Medical Device Single Audit Program (MDSAP) where NSAI is currently one of just 14 certification bodies worldwide with the skills, expertise, and capabilities to certify medical device manufacturers to MDSAP.

## NSAI Brexit

NSAI provided vital supports to the Government's Getting Ireland Brexit Ready Campaign in 2020. The Brexit Unit's focus is to examine the risks and opportunities for businesses in terms of product certification and the application of EU, ISO, and British standards post-Brexit.

Information and supports were developed to help Irish businesses in their preparations to minimise the impact of Brexit, to protect their supply chains and to maintain access to the UK market. During 2020 the team developed responses to Frequently Asked Questions on Electrical Equipment, Medical Devices and Product Certification. A dedicated NSAI Brexit Telephone Helpline was introduced, NSAI staff presented at a range of external Brexit events and in autumn delivered a series of live Brexit webinars, attended by over 650 people in total.

### Future Focus

With the conclusion of NSAI’s current strategy at the end of 2020, the process to develop a new strategy has been initiated. The strategy development process is to be led by the Board and Executive Management Team in consultation the Department of Enterprise, Trade and Employment (DETE) and appropriate engagement with relevant stakeholders.

The strategy, set against the backdrop of Brexit, recovery from the pandemic, a digital transition and the increasing importance of the green agenda will build on our progress and leverage NSAI as a knowledge-based organisation which contributes to the resilience, innovation and future growth of business and enhances the quality of life of Irish society.

It is important to note that the economic landscape has changed significantly and will no doubt shape and indeed change strategy direction in the months and years ahead. Despite the significant challenges and uncertainty that lie ahead we look forward to working to support Irish businesses as they seek to adopt and implement standards to achieve their objectives.

### Appreciation

We would like to express our gratitude to the NSAI staff in Ireland and in the US, who showed incredible resilience during 2020, which ensured that we continued to achieve exceptional results. We would like to thank the Members of the Board, and outgoing Board Members for their time and commitment, and would also like to pay a special tribute to former NSAI Chair Ann Riordan, who sadly passed away in March 2021. Ann was a trailblazer for corporate women in Ireland and was an exceptionally gifted leader.

We record our appreciation to our many committee members and industry experts for their continued commitment to the work of standardization, which has helped to enhance Ireland's reputation on the world stage.

We also wish to thank our colleagues in the Department of Enterprise, Trade and Employment, including the Tánaiste and Minister for Enterprise Trade and Employment Leo Varadkar TD and Minister of State for Business, Employment and Retail, Damien English. Their ongoing support is very much appreciated.

Finally in accordance with the provisions of the National Standards Authority of Ireland (NSAI) Act 1996, on behalf of the Board and Authority, we present the Annual Report for the year ended 31st December 2020.



**JAMES KENNEDY**  
Chairperson

**GERALDINE LARKIN**  
Chief Executive Officer

## COVID-19 RESPONSE

As an agency of the Department of Enterprise, Trade and Employment, and Ireland's National Standards Body, NSAI, was tasked by Government with supporting essential business services and producing a series of guidance documents for a number of sectors directly affected by the spread of the COVID-19 virus. Through the maintenance of its service delivery NSAI was well positioned to support those businesses engaged in the national COVID response. In this context, the COVID-19 Response Package provides access to a suite of Medical Supplies Standards at no cost.

The NSAI response resulted in the formulation of a series of key business recovery documents and protocols which have been published and widely used since April 2020. The purpose of compiling such resources was to assist businesses both large and small to build resilience into their structures, to ensure the safety of their employees and the wider public, and to allow for business continuity where possible.

Producing comprehensive guidance documents in such a short space of time required a cross agency approach, and thanks to the assistance of colleagues in agencies like the HSE, Enterprise Ireland, IDA, CCPC as well as other stakeholders in the private sector, NSAI were able to meet the challenge. The organisation also worked with colleagues in the Health and Safety Authority (HSA) to provide supporting documents to help businesses implement the mandatory Return to Work Safely Protocol which applies to all workplaces right across the economy.

The range of guidance published included:

1. **Workplace Protection and Improvement Guide**  
Consolidating the practical advice available on protecting employees and the public during the COVID-19 pandemic.
2. **Retail Protection and Improvement Guide**  
The retailer's one-stop-shop guide to preparing to reopen their premises in a way that is safe for both employees and customers.
3. **Shopping Centre Recovery and Protection Guide**  
Guidelines for shopping centres restoring business operations following a closure due to the COVID-19 pandemic.
4. **Guidance on Manufacturing and Importing PPE and Medical Devices**  
To ensure compliance with the EU legal framework during the COVID-19 pandemic.
5. **SWIFT 19:2020 Barrier Masks for consumers - requirements**  
A consensus-based specification for non-medical and non-PPE masks (barrier masks) for the general public. This specification was of particular use to companies who had repurposed their production lines to join the fight against COVID-19.
6. **Limitations of Infrared Fever Screening**  
A report highlighting the complexities of using infrared fever screening to protect against COVID-19 infection.

**Dedicated Resilience:**



### COVID-19 Guides

As an organisation with a wealth of expertise and extensive experience at creating consensus-driven documents, it was natural for NSAI to produce Business Guides for organisations striving for continuity through the COVID-19 pandemic. Through the guidance produced, NSAI became an authoritative resource to Irish businesses that were dealing with topics such as risk management, PPE, and rigorous hygiene controls.



# BREXIT

NSAI's Brexit Unit was established in 2018 to support Irish business in mitigating the impact of Brexit on product certification and standards. During 2020, the Brexit Unit provided analysis and coordinated technical advice to the Department of Enterprise, Trade and Employment on product certification and market surveillance. The Brexit team continued to support Government preparedness on Getting Ireland Brexit Ready recognising CE Marking, the introduction of the new UKCA mark and the new CE UK (NI) Mark.

The Irish Network for Notified Bodies (INBN) was established by the Brexit Unit in 2019. There are now 16 Irish Notified Bodies. In 2020 the INBN established three sub-groups for Construction, Products, Electrical Equipment and Transportable Pressure Equipment.

On the 24th December, the EU-UK Cooperation and Trade Agreement was agreed between the EU and UK together with the Withdrawal Agreement including the Protocol on Ireland/Northern Ireland. The Brexit Unit along with other agencies in DETE provided a technical helpline support over the Christmas period to address technical issues.

## Brexit Resources

In the absence of Brexit Roadshows and events in 2020 the Brexit Unit placed a strong emphasis on consistently improving and updating the latest information on the Brexit Portal, which is housed on the NSAI website. Factsheets on product certification, construction, medical devices, and electrical equipment can be found here, as well as FAQs for each of the sectors. In addition to this we have made available all of our webinars on-demand, and provided a dedicated [brexitunit@nsai.ie](mailto:brexitunit@nsai.ie) email address for individual enquiries.

---

## 2,569

HITS TO THE NSAI BREXIT PORTAL

---

## 145

BREXIT TECHNICAL ENQUIRIES

---

## 656

ATTENDEES AT NSAI BREXIT WEBINAR SERIES

---

## 3

INDUSTRY EVENTS

**Dedicated Resilience:**



## Brexit Webinars Series

In response to the queries from Irish businesses, the NSAI Brexit Unit embarked on a four-part weekly series of webinars during autumn 2020. The team were joined by representatives from ISME, the Department of Housing, Local Government and Heritage and the Local Enterprise Offices to speak alongside them on topics such as supply chains, economic operators, and regulations for medical devices and construction products. The series was a 2020 highlight for the team, with over 650 attendees participants in total.



# STANDARDS

A Standard is defined by European Regulation (EU) No 1025/2012 as;

**A standard is a technical document designed to be used as a rule, guideline or definition. It is about establishing an agreed way of making a product, managing a process, delivering a service or supplying materials.**

**As the national member of the international standards organisations, NSAI facilitates input to the development and publication of new standards through its consultative committee network and Irish representation on international standards committees. They operate in an open and transparent way to ensure that quality, safety and consistency are at the forefront of any new standard.**

Standards play a major role in ensuring a smarter and more sustainable future for citizens and businesses. They are instrumental in facilitating international trade and help businesses and organisations to build, innovate, and compete in the global marketplace.

Leading and innovative companies have demonstrated increased competitive advantage from being engaged in standards development, allowing them to influence and see in advance, requirements that will be standardized in the future.

Evidence has proven that early and active engagement in standards development helps businesses to de-risk and accelerate their RDI activities, which enables faster mass-market adoption of products across competitive international markets. EU and national policy emphasises the importance of standards as a source of competitive advantage for companies of all types and sizes.

## 276

STANDARDS COMMITTEES

## 1,768

COMMITTEE MEMBERS

## 1,349

STANDARDS PUBLISHED

## 224,762

STANDARDS VIEWED AND/OR DOWNLOADED

## 4,026

ENGAGEMENT THROUGH  
'YOUR STANDARDS YOUR SAY'

**Dedicated Resilience:**



## Standards Forum moves online

COVID-19 restrictions meant that the organisation was unable to gather Standards Committee members in-person for the annual NSAI Standards Forum. In its place, on World Standards Day 2020, NSAI welcomed Committee members to an online version of the event, where their achievements could be recognised and celebrated safely. The event proved to be an excellent success, with over 150 guests attending. The digital setting allowing NSAI to host more Forum attendees than at a physical space.



# STANDARDS IN FOCUS 2020

The NSAI Standards division were successful in being able to offer an uninterrupted continuation of standards work during the COVID-19 pandemic. In 2020, the NSAI Standards division supported over 258 Standards Committees with a registered membership of 1768 committee members external to the organisation. In recent years the number of new business sectors where standards are playing a part has continued to grow and evolve.

Standards are already playing a key role in ensuring a smarter and more sustainable future for all businesses and citizens. In the context of the Digital Single Market, the EU has prioritised the following areas for standardization – Cybersecurity, 5G, IoT, Cloud and AI/Big Data. Additive Manufacturing, Robotics, Virtual Reality, and the Circular Economy have also become a focus area for European and International standards development.

Our standards Consultative Committees also encompass areas such as Construction and Building Information Modelling (BIM), Beauty Standards, Electrical products, and Health and Life Sciences.

A total of 1,349 Irish standards were published by NSAI in 2020 across a wide portfolio of technical areas. NSAI continued to contribute to the Government's national strategies and policies through the promotion of standards as a source of competitive advantage for business, as well as developing national standards and action programmes which support future plans and policies.

## Top 10 Selling Standards 2020

1.	I.S. 10101	National Rules for Electrical Installations	3,653
2.	I.S. 340	Hygiene in the Catering Sector	343
3.	I.S. 3218	Fire detection and alarm systems for buildings - System design, installation, commissioning, servicing and maintenance	301
4.	ET 101	National Rules for Electrical Installations	292
5.	I.S. 3217	Emergency Lighting	287
6.	I.S. 813	Domestic gas installations	263
7.	I.S. 820	Non-domestic gas installations	158
8.	I.S. EN ISO 9001 / ISO 9001	Quality management systems - Requirements	112
9.	I.S. EN ISO 14971 / ISO 14971	Medical devices - Application of risk management to medical devices	109
10.	I.S. ISO 45001 / ISO 45001	Occupational health and safety management systems - Requirements with guidance for use	86



## Publication of I.S. 10101:2020

Ireland's revised National Rules for Electrical Installations "Wiring Rules" were published by NSAI in March 2020. The document is the first major revision to the standard in over 10 years and is based on internationally agreed standards for the safety of electrical installations. The new standard, I.S. 10101:2020, which was also produced as a digital offering, replaces ET 101:2008, and has been produced by industry experts who participate on the NSAI's Electrotechnical Committee (ETC/TC 2) "Electrical Installations." The National Rules for Electrical Installations are essential for electricians, electrical contractors, and designers as they specify the safety requirements for electrical installations in all types of premises in Ireland. The revisions bring requirements in line with recent technical developments and best practice in Europe, including new technologies such as charging of electric vehicles, Solar Photovoltaic systems, and guidance on energy efficiencies. More than 3,500 copies of the new Wiring Rules were sold last year.

## NSAI & Engineers Ireland establish CPD arrangement

In July, Engineers Ireland formally endorsed their members' participation in NSAI Standards Committees as a form of Continuing Professional Development (CPD). The Committees, operated by the NSAI, partake in the development of national, European, and international Standards. Getting such recognition from one of Ireland's largest professional bodies places a focus on the role of Standards Committee Members and the benefits that accrue to individuals for engagement in the development and evolution of standards in their specific field of interest.

**Dedicated Resilience:**



## National "Wiring Rules" published

After a public consultation period, NSAI published the new National Rules for Electrical Installations, also known as I.S. 10101:2020 or the "Wiring Rules". The first revision in ten years brings requirements in line with recent technical developments and best practice in Europe, including new technologies such as charging of electric vehicles, Solar Photovoltaic systems and guidance on energy efficiencies. By 2022, all electrical installations in Ireland will be legally required to meet the Standard.



## Artificial Intelligence

In January 2020, NSAI Standards were appointed by Government to lead out a Top Team on AI Standards. The team was established to realise opportunities presented by technological advancements and the move to a low carbon economy. It forms part of the overall national AI Strategy which aims to ensure our research centres, businesses, and the public sector exploit AI technologies to secure greater levels of productivity and wellbeing.

## New Approach to Services Design

During 2020, NSAI rolled-out a pilot programme on Design Thinking Workshop for a selected team within NSAI. The workshop developed Design Thinking skills to address new project solutions for NSAI for both internal and external stakeholders. Learnings from the project will be considered in the implementation of strategic initiatives identified during the strategic planning process.

## Standards+Innovation and the ISO 56000 Series

Under the current Programme for Government, NSAI are tasked with enabling SME innovation. Following our successful launch of the ISO 56000 Series on Innovation Management in late 2019, new content was developed which provides more information on standards development, research and links to information and videos on how to become involved in the area.

## Dedicated Resilience:



## NSAI Blockchain Committee Member takes home the European 'Standards+Innovation' Award

At the 2020 CEN and CENELEC 'Standards+Innovation' awards, Fiona Delaney, Technical Committee member and founder of Origin Chain Networks was awarded for her contributions to European and international Blockchain standards. Ms. Delaney submitted a unique agri-food application of blockchain called Universal Farm Compliance to the 'Blockchain and distributed ledger technologies' Standards Committee, which earned her this momentous achievement. The use case will allow Blockchain technology to be used creatively worldwide.



## METROLOGY

The process of measurement is of considerable importance in almost every field of human activity, and to be meaningful, measurements must be underpinned by metrology, the science of measurement.

**Metrology, systems of reliable measurement and standards are often a hidden part of a country's infrastructure. Traceable measurements enable nations to trade globally, provide the necessary infrastructure to protect consumers, support industrial development, and underpin innovation and research across various sectors.**

NSAI ensures that the elements of a national measurement system are developed and maintained in order to support trade and other measurement-related activities by increasing the reliability of measurements. These elements include the operation of The National Metrology Laboratory and Legal Metrology Service.

## NATIONAL METROLOGY LABORATORY

The National Metrology Laboratory (NML) is the national metrology institute for Ireland and is responsible for establishing, maintaining, developing and disseminating the national measurement standards for physical quantities.

**The science of measurement underpins every developed society. Commerce, science, government, education and law all require accurate, reliable and consistent measurement standards as represented by the International Systems of Units (SI), which is the recognised world-wide system of measurement.**

Measurement science is critical for supporting trade, underpinning innovation and providing the necessary infrastructures to protect all our citizens. It also plays an important role in ensuring that we experience economic growth in an environment where citizens are safe and protected, while at the same time meeting the demands of global challenges like climate change.

The measurement standards maintained by NML are the most accurate representations of the SI units available in Ireland. They provide the gateway by which measurement results can be traced to the International System of Units (SI) for measurement standards for physical quantities of mass, length, temperature, humidity, pressure, voltage, resistance, capacitance, force, torque, frequency, time intervals and sound levels.

NML disseminate these measurement standards through a comprehensive range of calibration services in compliance with the requirements of ISO 17025. NML also provides training, proficiency testing and consultancy services.

# NATIONAL METROLOGY LABORATORY IN FOCUS 2020

During 2020, NML remained operational and provided critical and essential measurement services to Irish industry and essential sectors responding to COVID-19. Demand for NML's calibration services remained strong during the year, with the laboratory issuing over 4,600 calibration certificates, while operating in accordance with COVID restrictions.

Research continues to be a core component of NML's work with participation in 3 EU/European Metrology Programme for Innovation and Research (EMPIR) projects in 2020. The joint research project VersiCaL, which is being co-ordinated by NSAI, is now in its final year.

NSAI was a co-author of presentations at two international conferences and of a paper published in the IEEE Transactions on Instrumentation and Measurement. Arising from the project, a digital impedance bridge has been constructed at NML and is undergoing validation. In future, it should allow NML to realise a reference scale for electrical impedance without relying on extensive external calibrations.

The results of two international measurement comparisons in which NML's Pressure Laboratory participated have been published in the international scientific journal 'Metrologia'. NML's positive results in both comparisons provide global confidence in its calibration & measurement capabilities.

As part of its outreach programme, NML hosted two DCU INTRA students during their summer placement in 2020. They also provided the topic and supervision for a fourth year DCU Physics student project.

---

**4,665**

INSTRUMENT CALIBRATIONS

---

**490**

RESEARCH DAYS COMPLETED

---

**12**

TRAINING COURSES HELD (6 ON-LINE)

---

**3**

RESEARCH PROJECTS IN PROGRESS

## National Measurement Standards

After extensive analysis, the NSAI National Metrology Laboratory's primary caesium frequency standard was officially accepted by the BIPM's Time Department as an atomic clock now contributing to the calculation of International Atomic Time (TAI) and Coordinated Universal Time (UTC) through Circular T 394. Post Brexit, NML now maintains an internationally recognised Irish National Timescale [UTC (NSAI)] traceable to UTC and will investigate disseminating this timescale to interested parties in the country in 2021. This Primary Standard provides direct traceability to the SI definition of the second, further improving NML's Time & Frequency calibration capabilities.

## COVID-19 Temperature Screening Report

In collaboration with the Medical Devices division, NML produced a report warning of the limitations of COVID-19 temperature screening via Infrared thermometers. The report is available on the NSAI website, and a press release was circulated to promote it to the wider public.

## Training and online presentations

While the ability to provide training courses in-house was greatly curtailed due to COVID-19, NML did deliver 12 courses to 21 companies, with six of these courses being delivered online. NML also produced three video presentations relating to metrology issues important to industry. The three online offerings are available on the NSAI website and address topics such as calibration certificates, measurement risks and decision rules in the context of ISO 17025, CIPM and the status of calibration certificates issued by NML.

## Dedicated Resilience:



## Irish Laboratory Awards

The National Metrology Laboratory was recognised as the 'Calibration or Testing Laboratory of the Year' at the Irish Laboratory Awards. Laboratory Manager Paul Hetherington and the NML team received the award which recognises their excellence and achievement at the Ballsbridge Hotel, Dublin during March 2020. The momentous achievement is particularly memorable as it was one of the last that NSAI celebrated before social distancing measures were introduced country wide.



# LEGAL METROLOGY

**NSAI Legal Metrology (LM) provides a regulatory function for upholding and enforcing the accuracy and transparency in trade measures. This is achieved by inspecting and verifying measuring instruments used by traders and by inspecting pre-packaged goods to ensure correct quantity.**

**The primary obligation of Legal Metrology is to implement the Metrology Acts 1980 to 2017 and associated regulations relating to controls of measuring instruments and measurements for trade purposes within the State.**

In order to provide an assurance on measurement compliance, the service adopts a risk-based inspection approach model covering 40,000 traders and 75,000 measuring instruments throughout the country. Legal Metrology inspectors visit thousands of traders each year, inspecting measuring instruments used in trade and have the power to investigate and prosecute those who do not comply with the legislation.

LM uses 31 authorised verifiers to provide a nationwide verification service to ensure that instruments are compliant with the relevant legislation. This service ensures consistent levels of accuracy of measurement instruments used in trade.

## Inspections

Main Instrument Type	Number of Inspections
Liquid Fuel Dispensers	9,421
Retail Scales	601
Retail Weighing	601
Weighbridge – animals (e.g in Marts)	20
Weighbridge – vehicle	341
Milk Meter	70
Waste Weigher	214
Truck mounted oil meters (e.g delivering home heating oil)	111

## Dedicated Resilience:



## Revision of Taximeter Seals

After conducting a review of the sealing arrangement of taximeters, the Legal Metrology Service replaced its original seal, a tamper-proof sticker with a wire and plastic locking mechanism. This change was introduced in April of 2020, and is now the required sealing arrangement for all taximeters in Ireland.



# LEGAL METROLOGY IN FOCUS 2020

## Compliance

LM inspectors completed over 13,600 risk-based instrument inspections and visited over 2,500 premises during 2020 using strict COVID-19 inspection protocols. The impact of the inspection and verification regime is evidenced by the compliance rates achieved following the first inspection, with the average compliance rate at 86% last year, which is consistent with prior years.

## Targeted Campaign

Due to the volume of traders and instruments in trade, the use of the risk-based inspections and targeted campaigns are central to the oversight of trade measurements. During 2020, LM conducted 6 targeted campaigns on;

- Fisheries
- Licensed Premises
- Truck Mounted Oil Meters
- Weighbridges
- Truck Mounted Waste Weighers
- Milk Metering Systems

Legal Metrology pay particular attention to information received concerning doubts about measurements and will, where appropriate, investigate alleged breaches of the Acts as part of their enforcement role. LM received and investigated 36 complaints during 2020.

Once an instrument is being used for trade purposes, the owner and/or operator is responsible for ensuring it remains compliant. LM promote voluntary compliance by traders through information campaigns and awareness raising. Where this approach is unsuccessful, further action will be initiated. Where on inspection an instrument is found to be non-compliant, an inspector may issue a warning, take the instrument out of trade use, or recommend prosecution.

One prosecution was taken in 2020, where a taxi company pleaded guilty to three contraventions of the Metrology Act 1996. The Probation Act was applied on payment of €250 to charity and costs of €2,000 were awarded.

## Enhanced taximeter compliance

In April new security sealing arrangements for taximeters were implemented. In place of the previous tamper proof sticker, a wire and plastic locking mechanism will now be used on all taximeters, except the Cygnus MR500 View and the Tarola SPT5 models. These two taximeters will continue to be sealed with the tamper proof stickers.

Also in April, the paper TTI form was replaced with a new online form. This new on-line form has been designed with the user in mind with on-line notifications and the taximeter owner/operator in relation to the verification booking process.

This new process is GDPR compliant, delivers improved records management for installers, notifies the taximeter owner/operator of their legal obligations regarding taximeter verification, while also improving environmental sustainability.

# CERTIFICATION

## Conformity Assessment:

Conformity Assessment is the provision by an independent body of written assurance (a certificate) that the product, service or system in question meets specific requirements and is a useful tool for a business to add credibility, by demonstrating that products or services meets the requirements of a specific standard and expectations of customers.

**For some industries, certification is a legal or contractual requirement. Within the certification industry, “Accreditation” is the formal recognition by an independent body, generally known as an accreditation body, that a certification body operates according to international standards. NSAI is accredited for a diverse range of certification schemes to support Irish business needs.**

NSAI Certification creates, maintains and promotes accredited certification of products, services and organisations for compliance with recognised standards, from business management systems to product approvals.

NSAI certifies businesses across a variety of sectors including transport, construction, pharmaceutical, finance, food services and many more.

Certification services are categorised into four primary business units;

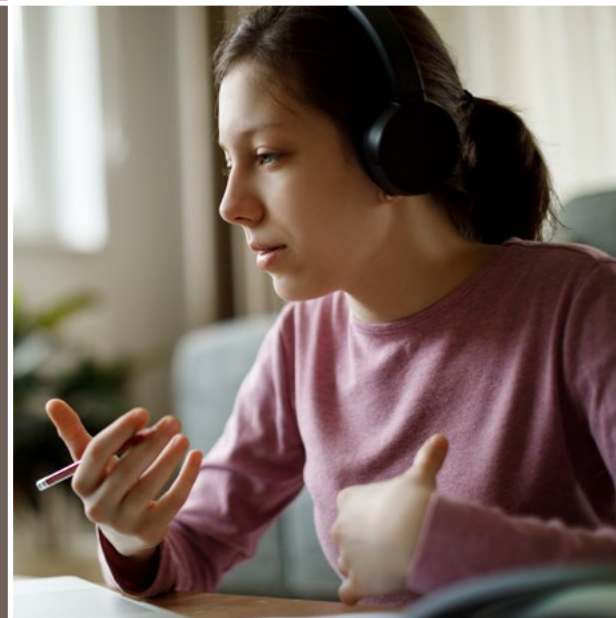
- Business Excellence
- Sustainability and the Built Environment
- Medical Devices
- Market & Regulatory Support

## Dedicated Resilience:



## #NSAICertified

During 2020, NSAI remotely certified hundreds of organisations to world class business Standards. In place of a bi-annual certification ceremony, celebrations were also taken online with a month-long social media campaign, #NSAICertified during December 2020. The campaign, complete with video greetings from Minister Damien English and NSAI CEO, Geraldine Larkin, was a major success with NSAI clients and followers, garnering over 50,000 impressions across all platforms.





# CERTIFICATION IN FOCUS

## Business Excellence

NSAI's Business Excellence division focuses primarily on management system standards, which defines how an organisation manages all parts of its business processes to meet its goals and objectives. As an accredited certification body, NSAI provides independent certification to organisations enabling them to demonstrate compliance with international standards which allow their businesses operate to the highest international standards.

The primary Management Systems schemes offered by NSAI include:

- Quality Management (ISO 9001)
- Environmental Management (ISO 14001)
- Occupational Health and Safety Management (ISO 45001)
- Information Security (ISO 27001)
- Energy Management (ISO 50001)

## 2,280

AUDITS DAYS COMPLETED

## 234

NEW CERTIFICATIONS ISSUED

## 1,169

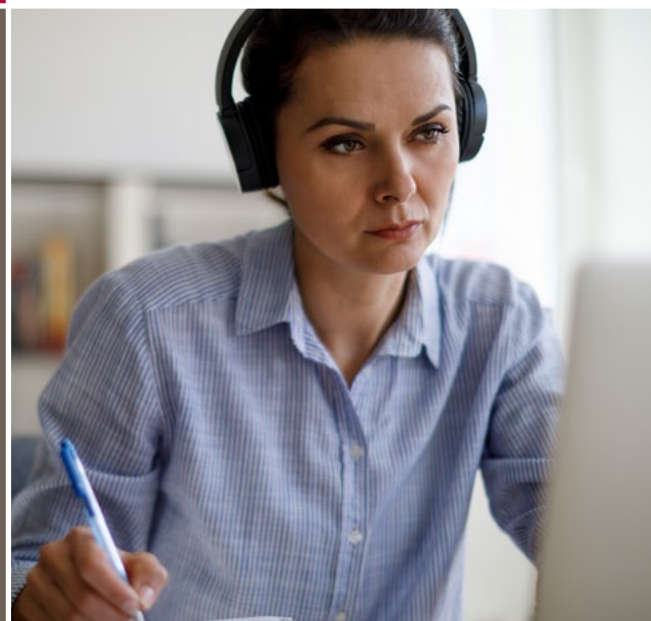
NUMBER OF CLIENTS WITH MANAGEMENT SYSTEM CERTIFICATIONS IN 2020

**Dedicated Resilience:**



## Pivoted to Remote Auditing

The development of remote auditing procedures became crucial once COVID-19 restrictions came into place. This meant the Certification Division were promptly able to maintain auditing activity, where applicable. Overall, it contributed to better than expected performance from a financial perspective.



### Sustainability and the Built Environment

The construction sector was an inevitable casualty of the crisis as building sites were subject to a series of lockdowns, with a consequential impact on demand for construction products.

According to the CSO, in the second quarter of 2020 there was a 6.1% contraction in the sector, the largest quarterly decline on record. The level of completions in Q4 however showed a recovery from the impact of the restrictions which particularly affected completions in Q2 and Q3. There were 7,400 new dwelling completions in Q4 2020, which is a 15.9% increase on the 6,387 completed in Q4 2019. This brings the total number of new dwelling completions in 2020 to 20,676, down from 21,087 in 2019.

However, demand across the portfolio of construction related certification remained consistent with 2019. The introduction of the Ventilation Validation Registration Scheme has seen industry interest with 18 individuals registered in 2020, with 17 others at application stage.

Looking to the future, Sustainability and the Built Environment has an important role to contribute to sustainability, climate action and housing objectives. In this context, NSAI will continue to work with the Department of Housing, Local Government and Heritage in the areas of radon protection, near zero energy buildings (NZEB), ventilation, Thermal Modelling, Airtightness and Window Energy Performance and development of Part L of the building regulations.

---

**214**  
COMPANIES CERTIFIED FOR CONSTRUCTION  
INSULATION SCHEMES

---

**785**  
CE MARKING PRODUCT AUDITS

---

**938**  
CONSTRUCTION PRODUCT APPROVALS  
(IRISH AGRÉMENT BOARD AND CE MARK)

---

**71**  
I.S. EN ISO 50001:2011 ENERGY MANAGEMENT  
SYSTEMS CERTIFIED BUSINESSES

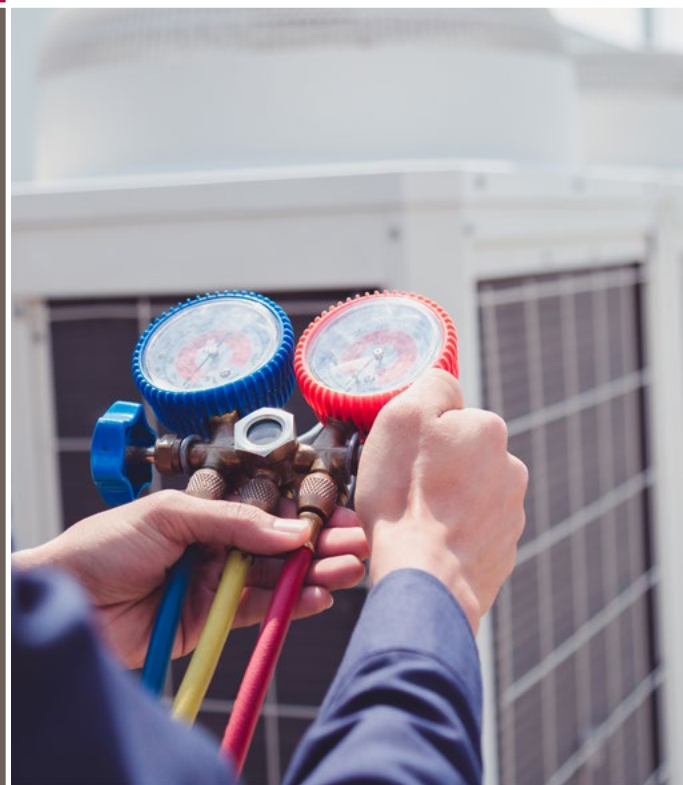
---

### Dedicated Resilience:



### Ventilation Validation Registration Scheme

NSAI has established a registration scheme that certifies an individual as a competent independent third party to validate that a ventilation system has been installed, balanced and commissioned to meet the minimum requirements of Technical Guidance Document F - Ventilation (2019) to the Irish Building Regulations.



## Market and Regulatory Support

NSAI is responsible for a range of schemes which enhance the safety and environmental aspects of vehicles on the road in Ireland and Europe with the provision of a range of Automotive certification services which include European Type Approval, National Type Approval and Individual Vehicle Approval for vehicles and their components.

NSAI also approves test centres (ATCs) and authorised workshops nationwide for activities related to Tachograph, Plating and Road Speed Limiters.

Significant work was carried out in the transition to the new smart tachograph requirements and implementation date, along with the ongoing development of a new process for tachograph audits.

## Automotive

# 2,909

INDIVIDUAL VEHICLE APPROVALS FOR DISABLED DRIVERS

# 1,041

INDIVIDUAL VEHICLE APPROVALS FOR OTHER CATEGORIES (IVA)

# 112

NATIONAL SMALL SERIES TYPE APPROVALS (NSSTA)

# 4,043

EU/UN APPROVALS OF VEHICLE SYSTEMS AND COMPONENTS

## Food

# 220

MANAGEMENT SYSTEM AUDIT DAYS

# 60

REGULATORY INSPECTIONS

**Dedicated Resilience:**



## National Type Approval

To apply for National Approval (IVA/NSSTA) an applicant must be part of NSAI's Approved Vehicle Body Builder Scheme (AVBB) scheme. This scheme looks at the production process in which a vehicle is being produced against legislative and manufacturer requirements. As of 1st January 2020, National Vehicle Approval (IVA/ NSSTA) applications for vehicles of category M (passenger cars, buses and coaches), N and O (trailers towed by cars or buses) will only be accepted from an AVBB.



## Medical Devices

The Irish Medical Technology sector employs over 40,000 people and is the second largest employer of MedTech professionals in Europe, per capita. Ireland is also one of the largest exporters of medical products in Europe with annual exports of €12.6 billion.

As many as 9 of the world’s top 10 medical technology companies have a base in Ireland and 60% of the 450 MedTech companies based here are indigenous. Industry and Government are constantly looking for new ways to enhance competitiveness, develop new capabilities and ultimately generate new sustainable growth.

NSAI is aligned with this strategy, offering a full range of services relating to Management System Standards and Product Certification Services for the sector.

**13**

NEW MEDICAL DEVICE PRODUCTS CERTIFIED

**75**

PRODUCT RECERTIFICATIONS

**117**

AUDITS FOR MEDICAL IRELAND

**Dedicated Resilience:**



## Designation to Medical Device Regulation

In February, the Medical Devices division was approved for designation to the new EU Medical Device Regulations (MDR). With this approval NSAI became the 11th Notified Body in the world to be designated to the new regulation. The achievement represents significant resource to the Irish Medical Devices sector with NSAI as the only Irish notified body in the medical technology space.



## NSAI Inc.

NSAI Inc. provides a wide array of Management System and Medical Device certification services to an international client base. These activities place NSAI Inc. at the centre of NSAI's overall technical competencies and international client profile.

Throughout 2020, NSAI Inc. maintained focus on its continued support of the Irish economic activities by promoting Irish brand awareness for NSAI products and services. NSAI Inc. enhances NSAI's profile with an international client base and during 2020 continued to be committed to consistently meet the requirements of the management standards to which it operates.

As the impact of the Global Pandemic became more evident in early March, the NSAI Inc. team moved swiftly to initiate a comprehensive remote auditing programme and conducted over 600 remote audits across all service areas. The remote assessment and implementation process received positive feedback from accreditation bodies during their annual assessments.

### 130

NEW MANAGEMENT SYSTEM CERTIFICATES ISSUED

### 27

NEW MEDICAL DEVICE SITE CERTIFICATES ISSUED

### 554

MANAGEMENT SYSTEM CLIENTS REPRESENTING OVER 1015 FACILITIES

**Dedicated Resilience:**



## ISO 50001

In 2020, NSAI, Inc. Achieved ISO 50001 accreditation under ANAB. ISO 50001, the global energy management systems standard, specifies requirements for establishing, implementing, maintaining, and improving an Environmental Management System. This achievement expands NSAI and NSAI Inc.'s capabilities in supporting environmental initiatives.



# GOVERNANCE & FINANCIALS

Board Members	29
Governance Statement and Board Members' Report	30
Statement on Internal Control	37
Report of the Comptroller and Auditor General	39
Board Members and General Information	42
Consolidated Statement of Income and Expenditure and Retained Revenue Reserves	43
Consolidated Statement of Comprehensive Income	44
Consolidated Statement of Financial Position	45
NSAI Statement of Financial Position	46
Consolidated Statement of Cash Flows	47
Notes To The Financial Statements	48

## BOARD MEMBERS 2020



**James Kennedy**  
NSAI Chairperson



**Geraldine Larkin**  
NSAI Chief Executive Officer



**Aideen Goggin**



**Barry Smith**



**Valerie Bowens**



**Conor Verdon**



**Marie O'Connell**



**Piers Devereux**



**Maria McKeown**



**Aoife Gleeson**



**William Egenton**



**Ethna Felten**



**Roger Blackburn**  
Retired in April 2020



**Terry Landers**  
Retired in April 2020



**Dr. Aidan O'Boyle**  
Retired in April 2020

# GOVERNANCE STATEMENT AND BOARD MEMBERS' REPORT

The National Standards Authority of Ireland (NSAI) was established on 14 April 1997 under Section 6 of the National Standards Authority of Ireland Act, 1996.

NSAI's statutory functions are defined within the following Acts:

- National Standards Authority Act 1996;
- Metrology Act 1996;
- Packaged Goods (Quantity Control) Act 1980.

NSAI delivers this infrastructure through the core programmes of metrology, standardisation, legal metrology for measurements and measuring instruments used in trade and conformity assessment.

The National Standards Authority of Ireland is a Public Benefit Entity (PBE).

The NSAI operates under the aegis of the Minister for Enterprise, Trade and Employment who is empowered to; provide funds to the NSAI to enable it to discharge its obligations; to issue general policy directives; and to seek information on the NSAI's activities.

In addition to its own governing legislation, the NSAI is also required to comply with a range of other statutory (national and EU) and administrative requirements. It has put in place procedures to ensure compliance with these specific requirements.

## Governance

The Board of the National Standards Authority of Ireland was established under the NSAI Act 1996. The functions of the NSAI are set out in Part 2 section 7 of this Act.

The Board is accountable to the Minister of State at the Department of Enterprise, Trade and Employment with responsibility for Business, Employment and Retail and is responsible for ensuring good governance and performs this task by setting strategic objectives and targets and taking strategic decisions on key business issues.

The regular day-to-day management, control and direction of NSAI are the responsibility of the Chief Executive Officer (CEO) and the senior management team. The CEO and the senior management team must follow the broad strategic direction set by the Board, and must ensure that all Board members have a clear understanding of the key activities and decisions related to the entity, and of any significant risks likely to arise. The CEO acts as a direct liaison between the Board and management of NSAI.

The Authority operates in accordance with the guidelines of the Code of Practice for the Governance of State Bodies 2016, (the Code) as issued by the Department of Public Expenditure and Reform (DPER).



## Board Responsibilities

The role and responsibilities of the Board are set out in the NSAI Governance Manual which also contain the matters specifically reserved for Board decision. Items on the Board agenda include:

- Declaration of interests,
- Reports from committees,
- Financial reports/management accounts,
- Performance reports,
- Risk Management,
- Corporate Governance and
- Reserved matters.

Paragraph 8(2) of the First Schedule to the National Standards Authority of Ireland Act, 1996 requires the NSAI to keep, in such form as may be approved of by the Minister for Enterprise, Trade and Employment, with the consent of the Minister for Finance, all proper and usual accounts of money received and expended by it and to keep in such form as aforesaid all special accounts as the Minister for Enterprise, Trade and Employment may from time to time direct. In preparing the financial statements, the NSAI is required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- disclose and explain any material departures from applicable accounting standards;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the NSAI will continue in operation.

The Board is responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the group including the wholly-owned subsidiary, NSAI Inc. and which enable it to ensure that the Financial Statements comply with Paragraph 8 of the First Schedule to the National Standards Authority of Ireland Act, 1996. The Board is also responsible for safeguarding its assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board is responsible for:

- Approving the annual plan and budget.
- Evaluation of the performance of NSAI, by reference to the Chief Executive KPI reporting and financial management reports to the Board.

The Board considers that the financial statements of NSAI give a true and fair view of the financial performance and the financial position of NSAI at 31st December 2020.

## Board Structure

The Minister appoints the Members, in accordance with the provisions of the NSAI Act 1996, from among those interests involved in the process of standardization and certification of commodities, processes and practices, without any single interest predominating.

The Board comprises thirteen members; a Chairperson and 11 Members, all of whom are appointed by the Minister of State at the Department of Enterprise, Trade and Employment with responsibility for Business, Employment and Retail. The Chief Executive Officer is an ex-officio member for the term of her contract.

Members are appointed to the Board annually, on the anniversary of the establishment day of the NSAI, when the three longest serving Members present for retirement from the Board. Due to additional retirements from the Board and in accordance with the NSAI Act 1996, the Minister appointed three new Members and reappointed one Member presenting for retirement in 2020.

The Board meets bi-monthly and convened 6 meetings in 2020. The schedule of attendance at the Board meetings for 2020 is set out below, including the fees and expenses paid to each member in the year.

Board Members	First Appointed	Retired	Board and Committee Members Attendance				Fees 2020	Expenses 2020
			Board	Audit and Risk Committee	Nominations Committee	Governance Committee		
			6 Meetings	5 Meetings	3 Meetings	1 Meetings		
<b>Mr. J. Kennedy</b> Chairperson	9 April 2018		6(6)		3(3)		11,929	2,117
<b>Mr R. Blackburn</b> ARC Chairperson	20 June 2016	14 April 2020	1(1)	2(2)			2,271	
<b>Ms V. Bowens</b>	12 May 2014		6(6)			1(1)	7,668	121
<b>Mr P. Devereux</b> ARC Chairperson from June	30 May 2019		6(6)	5(5)			7,668	633
<b>Mr. W. Egenton</b>	17 September 2020		2(2)				2,124	0
<b>Ms. E Felten</b> (Note 1)	17 September 2020		2(2)				0	0
<b>Ms A Gleeson</b>	17 September 2020		2(2)				2,124	0
<b>Ms A. Goggin</b> Deputy Chairperson – Governance Committee Chairperson (Note 1)	31 January 2013		6(6)		2(3)	1(1)	0	433
<b>Mr T. Landers</b> NSAI Inc. Chairperson	6 March 2012	14 April 2020	1(1)		2(2)		2,271	0
<b>Ms M. McKeown</b> (Note 1)	6 November 2019		6(6)				0	0
<b>Dr A. O'Boyle</b>	12 May 2014	14 April 2020	1(1)	2(2)			2,271	
<b>Ms M. O'Connell</b>	30 May 2019		6(6)	4(4)		1(1)	7,668	0
<b>Mr B. Smith</b> (Note 1)	17 April 2018		3(6)			1(1)	0	
<b>Mr C. Verdon</b> (Note 1)	16 April 2019		6(6)	5(5)			0	
<b>Ms. G. Larkin</b> Chief Executive Officer Ex-officio member (Note 1)	20 February 2017		6(6)		3(3)		0	0
<b>Total Fees and Expenses</b>							<b>45,994</b>	<b>3,304</b>

Notes

1. Remuneration not payable in accordance with OPOS principals.

## Board Fees and Expenses

Board Members fees are discharged in accordance with the Warrant of Appointment.

Expenses are processed at the rates and subject to the regulations appropriate to Civil Servants of the highest grade.

## Board Effectiveness and Evaluation

The Board undertook an internal Board Effectiveness Review in December 2020 which was reviewed and adopted by the Board in February 2021.

## Committees of the Board

The Board has established three committees, as follows:

### Audit and Risk Committee (ARC)

Comprising of at least four Board members the ARC is independent from the management of the organisation. The ARC is a core component of governance and of the systems of internal controls implemented by the Board. The role of the ARC is to support the Board in relation to its responsibilities for issues of risk, the control environment, financial reporting and associated assurances. The Committee ensures that the internal control systems including audit activities are monitored actively and independently. The ARC reports to the Board after each meeting, and formally in an annual report to the Board. The Committee operates under terms of reference approved by the Board and convened five meetings in 2020. Management attend at the request of the ARC Chairperson and the ARC meet with the auditors annually in the absence of management.

The Members of the Committee during 2020 are detailed in the Schedule of Members Meeting Attendance, Fees and Expenses.

## Nominations Committee

Comprising of four Board members, the primary role of the Nominations Committee is to review and make recommendations to the Board regarding appointments and succession planning considering the challenges and opportunities facing the NSAI, and the skills and expertise needed on the Board. In the absence of the Chief Executive, the committee also supports the Boards requirements for Appointment and Performance of the Chief Executive. The Committee operates under terms of reference approved by the Board and convened three meetings in 2020.

The Members of the Committee during 2020 are detailed in the Schedule of Members Meeting Attendance, Fees and Expenses.

## Governance Committee

Comprising of four Board members the primary role of the Governance Committee is defining and articulating the NSAI's overall corporate governance structures to ensure it complies with the Code of Practice for the Governance of State Bodies, developing and recommending to the Board for approval Corporate Governance Guidelines applicable to the NSAI and reassessing such guidelines and recommending any proposed changes to the Board for approval. The Committee operates under terms of reference approved by the Board and convened one meeting in 2020.

The Members of the Committee during 2020 are detailed in the Schedule of Members Meeting Attendance, Fees and Expenses.

## NSAI Inc.

NSAI Inc. was established in New Hampshire, USA on July 1, 1997 as a not for profit corporation wholly-owned by the NSAI for the purpose of distribution and dissemination of information on current and proposed Irish and EU standards, the provision of technical reviews and evaluation of products, processes and practices and certification for conformity to EU, Irish and International standards. The US entity complies with the requirements of US federal and state regulations.

The subsidiary is subjected to the specific management and procedural controls approved by the Board of NSAI Inc. and are included within these overall statements of compliance and effectiveness of controls. Three members of the NSAI Inc. Board are members of the NSAI Board.

The NSAI Inc. Board operates in accordance with governance procedures approved by the Board and convened four meetings in 2020.

<b>Number of Meetings</b>	<b>4</b>
Mr. T. Landers – Chairperson (Retired April)	1
Ms. V. Bowens – Chairperson (Appointed Chair January)	4
Ms. G. Larkin – Chief Executive	4
Mr. C. Morrell – NSAI Inc.	4
Mr. P. Devereux (Appointed June)	3

## Disclosures Required by Code of Practice for the Governance of State Bodies (2016)

The Board is responsible for ensuring that the NSAI has complied with the requirements of the Code of Practice for the Governance of State Bodies (“the Code”), as published by the Department of Public Expenditure and Reform in August 2016. Following a review of the Authorities compliance with the Code and its Assurance Framework the Members are satisfied that the disclosure requirements of the Code have been fully discharged within the notes to the Financial Statements including;

- Travel and Subsistence Expenditure – Note 3
- Consultancy – Note 3
- Hospitality – Note 3
- Employee’s benefits breakdown – Note 3

## Key Personnel Changes

There were no changes to key personnel during 2020.

## Statement on Internal Controls

A comprehensive Statement on Internal Control is included with the Financial Statements.

## Legal Costs and Settlements

There were no legal costs or settlements incurred. Legal fees are disclosed under consultancy costs in accordance with the Code.

## Wider Governance Environment

In addition to its own governing legislation and the Code, the NSAI is also required to comply with a range of other statutory (national and EU) and administrative requirements. It has put in place procedures to ensure compliance with the following specific requirements:

### EU Regulation No. 1025/2012 on European Standardization

NSAI has been notified by the Department of Enterprise, Trade and Employment as the national standards body for CEN, CENELEC and ETSI under the EU Regulation on Standardization and is required to publish an annual report on standardization activities.

### Ethics in Public Office Act 1995 and Standards in Public Office Act 2001 and ensuing regulations

In accordance with the provisions of the Acts, all Members and staff holding designated positions are required to comply with the provisions of the Acts.

### Employment Equality Acts 1998 and 2011 and the Equal Status Acts 2000-2012

NSAI is committed to a policy of equal opportunity and adopts a positive approach to equality in the organisation. NSAI provides several schemes, such as staff development, career breaks and flexible work arrangements which contribute to the development of a balanced work/life environment for all staff.

A policy on Dignity at Work is in operation and has been communicated to all staff.

### Safety, Health and Welfare at Work Act 2005

NSAI takes appropriate measures to protect the safety, health and welfare of all employees and visitors in compliance with the provisions of this Act.

### Worker Participation (State Enterprises) Acts 1998

NSAI is not a designated body for the purposes of the Act. However, the NSAI observes the procedures in these Acts to provide for staff representation on the Board.

### Protected Disclosures Act 2014

The NSAI received no protected disclosure during the reporting period 1 January 2020 to 31 December 2020.

## Freedom of Information 2014

NSAI complies with the provisions of this Act. The Act establishes the following statutory rights:

- Access to information held by public bodies;
- To have official information held by a public body relating to that individual amended where it is incomplete, incorrect or misleading; and
- Access to records on decisions affecting oneself taken by that public body.

Requests for information should be addressed to the Freedom of Information Officer, NSAI, 1 Swift Square, Northwood, Santry, Dublin 9.

### Data Protection Acts 1988 and 2003

NSAI is registered as a data controller and complies with the provisions of these Acts.

### Public Spending Code

NSAI has established procedures which are consistent with the principles set out in this code.

### Prompt Payment of Accounts Act 1997

The Prompt Payment of Accounts Act 1997 was amended by the European Communities (Late Payments in Commercial Transactions) Regulations 2002. Management is satisfied that NSAI complied with the provisions of the Act in all material respects.

### Prompt Payment to Suppliers

NSAI is committed to ensuring that all valid suppliers' invoices are paid promptly, under the 15-day Prompt Payment Rule, which came into effect on 1st July 2011.

NSAI reports quarterly on the website on the performance against this requirement.

## Energy Efficiency

NSAI is committed to taking every effort possible to be energy efficient. The SEAI Public Sector Monitoring and Reporting System on the public sector progress towards 33% energy savings target for the end of 2020 is reporting that NSAI has achieved a overall 44.5% energy performance, better than baseline.

The NSAI participates in framework agreements for the supply of electricity and gas procured centrally by the National Procurement Service.

## Customer Charter

NSAI's Customer Charter sets out our commitment to high quality services to our customers and is available in Irish and English at the "About NSAI – Need to Get in Touch – Customer Service Promise and Complaints Procedure" section of the website. The Charter includes information on compliance with the Ombudsman Act 1980 and the Ombudsman for Children Act 2002.

## Official Languages Act 2003

In accordance with Section 10 of the Act, the Annual Report is published in Irish and English.

## Reuse of Public Sector Information Regulation (S.I. 279 of 2005)

NSAI complies with the requirements of the regulation regarding licencing of information for reuse.

## Statement of Compliance

The Board has adopted the Code of Practice for the Governance of State Bodies (2016) and has put procedures in place to ensure compliance with the Code.

The emergence of COVID-19 represented unique challenges for all organisations, including NSAI. NSAI's immediate priority was continuity of service primarily through pivoting on-site and face-to-face services to a remote working environment. To facilitate this management revised policies and recalibrated work practices to provide for the continuity of services and to underpin the internal control environment. A special COVID-19 Impact Audit was commissioned from ASM (B) Ltd, NSAI's internal auditors, by the Audit and Risk Committee which reported that:

"the existing systems in place in relation to NSAI's response to COVID-19 are basically sound and provide a satisfactory level of assurance regarding the effective and efficient achievement of NSAI's objectives."

In February 2021, the Board undertook a review of the 2020 internal control environment and the NSAI assurance framework. Based on this review the Board confirms a reasonable assurance on the internal control environment and that NSAI has complied with the Code of Practice for the Governance of State Bodies for 2020.



**JAMES KENNEDY**

Chairperson  
June 2021

# STATEMENT ON INTERNAL CONTROL

## Scope of Responsibility

On behalf of The National Standards Authority of Ireland (NSAI) we acknowledge the Board's responsibility for ensuring that an effective system of internal control is maintained and operated within the organisation which includes NSAI's wholly-owned subsidiary NSAI Inc. This responsibility takes account of the requirements of the Code of Practice for the Governance of State Bodies (2016). The system of internal control includes financial, operational and compliance controls and risk management systems that support the achievement of NSAI's strategic priorities whilst also safeguarding the public and other funds and assets for which NSAI is responsible.

## Purpose of the System of Internal Control

The system of internal control can only provide reasonable and not absolute assurance that assets are safeguarded, transactions appropriately authorised and properly recorded and that material errors or irregularities are either prevented or detected in a timely way and that corrective action is effected where necessary. The system of internal control is designed to manage risk to a tolerable level rather than to eliminate it.

The system of internal control, which accords with guidance issued by the Department of Public Expenditure and Reform, has been in place in NSAI for the year ended 31 December 2020 and up to the date of approval of the financial statements.

## Control Environment, Risk and Procedures

NSAI has an Audit and Risk Committee (ARC) comprising Board members with financial and audit expertise. The ARC met on 5 occasions in 2020. Internal Audit function (outsourced service) and its work programme is informed by analysis of risk and control issues within NSAI. The internal audit plan is approved by the ARC and advised to the Board. In addition, the NSAI is also subject to accreditation, quality management and other reviews which are undertaken by third parties and considered by Management.

NSAI has Governance and Nominations committees comprising of board members with terms of reference approved by the Board. These committees provide regular reports to the Board.

NSAI has an overall risk management framework and process which includes a risk management policy and a risk appetite statement. The risk management policy is available to all staff. There is a Chief Risk Officer Role. The corporate risk register is considered by Management pre review by the ARC and presentation to the Board. Risk management is a regular Board agenda item.

The Board has taken steps to ensure an appropriate control environment is in place with the following elements:

- a Code of Business Conduct requiring Board members, management and staff to maintain the highest ethical standards,
- ensuring compliance with the requirements in the Ethics in Public Office Acts ,
- policies and procedures for staff performance management and continuing professional development,
- systematic reviews by Internal Audit of internal controls and risk issues,
- documented procedures for all key business processes,
- specific training and awareness programmes designed to mitigate identified risks related to current and emerging threats and significant compliance issues,
- matters reserved for the Board decision,
- the assignment of financial responsibilities and corresponding accountability at management level,
- a comprehensive budgeting system with an annual plan and budget which is subject to Board approval,
- systems and procedures in place aimed at ensuring the security and resilience of the information technology systems,
- financial control systems in place to ensure stewardship of financial resources and safeguarding of assets,
- procedures for determining and reporting significant control failures and ensuring appropriate corrective action.

**STATEMENT ON INTERNAL CONTROL** (continued)**Impact of COVID-19 on the Risk and Control Framework**

NSAI has continuously assessed its control framework following the outbreak of Covid-19 and the move to remote working for all staff. Existing secure technology platforms were extended to all staff to facilitate remote working and enhanced cyber security measures including training and testing were implemented. The impact of risks arising from COVID-19 are assessed as part of the Authority's risk management process and NSAI will continue to take all necessary actions to mitigate all material risks identified.

**Ongoing Monitoring and Review**

Formal procedures have been established for monitoring control processes in a timely manner. Where control deficiencies are identified the necessary improvements are agreed with those responsible for taking corrective action and appropriate reporting made to management, the ARC and the Board as appropriate.

The system of internal control is based on a framework of regular management reporting, administrative procedures including segregation of duties and a system of delegation and accountability.

In particular, it includes:

- key risks and related controls have been identified and processes have been put in place to monitor the operation of those key controls and report any identified deficiencies,
- ongoing monitoring by the Board of the approved annual plan and budget including KPIs, and
- regular reviews by senior management of periodic and annual performance of both financial and non-financial reports which indicate performance against budgets and objectives.

**Procurement**

NSAI has a dedicated procurement officer/procurement function. The procurement arrangements include annual procurement plan, regular procurement updates for managers, the use of OGP Frameworks and the use of mini-competitions as appropriate to the needs of the organisation.

We confirm that NSAI has procedures in place to ensure compliance with current procurement rules and guidelines and that during 2020 NSAI complied with those procedures with the exception of on instance of a procurement in the absence of competitive tendering relating to a pilot project for laboratory services to deliver In-Service Conformity (ISC) testing of vehicles approved by NSAI to address Commission Regulation (EU) 2018/1832. The contract was awarded with an estimated value of €60,000, with the contract costs recoverable from the manufacturer. No payments were made in 2020. Following a full assessment of ISC requirements and the pilot project, a full tender was undertaken in October 2020 with a multi-annual contract awarded in December 2020.

**Review of Effectiveness**

We confirm that NSAI has procedures to monitor the effectiveness of its risk management and control procedures. NSAI's monitoring and review of the effectiveness of the system of internal control is informed by the work of the internal and external auditors, the Audit and Risk Committee which oversees their work and the senior management within NSAI responsible for the development and maintenance of the internal control framework.

We confirm that the Board conducted an annual review of the effectiveness of the internal controls for 2020 at the Board meeting on 26 February 2021. This review was informed by the formal report on the internal controls environment by the ARC and internal audit assurances, which were considered as an item on the ARC meeting agenda on 12 February 2021.

**Internal Control Issues**

No weaknesses in internal control were identified which have resulted in material losses in relation to 2020 that require disclosure in the financial statements. An unprompted voluntary disclosure was made to Revenue in 2019 in respect of the application of relevant contracts tax. NSAI has requested that consideration be given to a no loss of revenue claim and that the minimum penalty of €5,000 as provided under the Revenue code of practice be deemed the appropriate sanction. This matter is currently under consideration.

On behalf of the Board:


**JAMES KENNEDY**

Chairperson  
30 August 2021


**GERALDINE LARKIN**

Chief Executive Officer  
30 August 2021



# COMPTROLLER & AUDITOR GENERAL

## REPORT FOR PRESENTATION TO THE HOUSES OF THE OIREACHTAS

### Opinion on the financial statements

I have audited the financial statements of the National Standards Authority of Ireland for the year ended 31 December 2020 as required under the provisions of paragraph 8 of the First Schedule of the National Standards Authority of Ireland Act 1996.

The financial statements comprise

- the consolidated statement of income and expenditure and retained revenue reserves
- the consolidated statement of comprehensive income
- the consolidated statement of financial position
- the NSAI statement of financial position
- the consolidated statement of cash flows and
- the related notes, including a summary of significant accounting policies.

In my opinion, the financial statements give a true and fair view of the assets, liabilities and financial position of National Standards Authority of Ireland at 31 December 2020 and of its income and expenditure for 2020 in accordance with Financial Reporting Standard (FRS) 102 – The Financial Reporting Standard applicable in the UK and the Republic of Ireland.

### Emphasis of matter - deferred pension funding

Without qualifying my opinion I draw attention to note 12 (c) to the financial statements. The National Standards Authority of Ireland recognises an asset in respect of deferred retirement benefit funding – the current value of the funding it anticipates will be provided in the future by the State to meet retirement benefit liabilities as they fall due. Inherent in this accounting treatment is an assumption that any income generated by the National Standards Authority of Ireland will in the first instance be applied towards current expenses and that State funding will meet any current or future shortfall in resources including future retirement benefit liabilities.

### Basis of opinion

I conducted my audit of the financial statements in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the appendix to this report. I am independent of the National Standards Authority of Ireland and have fulfilled my other ethical responsibilities in accordance with the standards. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### Report on information other than the financial statements, and on other matters

The National Standards Authority of Ireland has presented certain other information together with the financial statements. This comprises the annual report including the governance statement and Board members' report and the statement on internal control. My responsibilities to report in relation to such information, and on certain other matters upon which I report by exception, are described in the appendix to this report. I have nothing to report in that regard.



### ANDREW HARKNESS

For and on behalf of:  
Comptroller and Auditor General  
8 September 2021

**COMPTROLLER & AUDITOR GENERAL** (continued)**Appendix to the report****Responsibilities of Board members**

As detailed in the governance statement and Board members' report, the Board members are responsible for

- the preparation of financial statements in the form prescribed under paragraph 8 of the First Schedule of the National Standards Authority of Ireland Act 1996
- ensuring that the financial statements give a true and fair view in accordance with FRS 102
- ensuring the regularity of transactions
- assessing whether the use of the going concern basis of accounting is appropriate, and
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**Responsibilities of the Comptroller and Auditor General**

I am required under paragraph 8 of the First Schedule of the National Standards Authority of Ireland Act 1996 to audit the financial statements of the National Standards Authority of Ireland and to report thereon to the Houses of the Oireachtas.

My objective in carrying out the audit is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement due to fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. In doing so,

- I identify and assess the risks of material misstatement of the financial statements whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- I obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.
- I evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures.
- I conclude on the appropriateness of the use of the going concern basis of accounting and, based on the audit evidence obtained, on whether a material uncertainty exists related to events or conditions that may cast significant doubt on the National Standards Authority of Ireland's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause the National Standards Authority of Ireland to cease to continue as a going concern.
- I evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

### **Information other than the financial statements**

My opinion on the financial statements does not cover the other information presented with those statements, and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, I am required under the ISAs to read the other information presented and, in doing so, consider whether the other information is materially inconsistent with the financial statements or with knowledge obtained during the audit, or if it otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

### **Reporting on other matters**

My audit is conducted by reference to the special considerations which attach to State bodies in relation to their management and operation. I report if I identify material matters relating to the manner in which public business has been conducted.

I seek to obtain evidence about the regularity of financial transactions in the course of audit. I report if I identify any material instance where public money has not been applied for the purposes intended or where transactions did not conform to the authorities governing them.

I also report by exception if, in my opinion,

- I have not received all the information and explanations I required for my audit, or
- the accounting records were not sufficient to permit the financial statements to be readily and properly audited, or
- the financial statements are not in agreement with the accounting records.

# BOARD MEMBERS AND GENERAL INFORMATION

## Board of the NSAI

NSAI Board Members, who are appointed by the Minister for Enterprise, Trade and Employment comprise of the following:

### Board Members

Mr. J. Kennedy - Chairman

Ms. G. Larkin - Chief Executive Officer

Mr. R. Blackburn - Retired 14 April 2020

Ms. V. Bowens

Mr. P. Devereux

Mr. W. Egenton - Appointed 17 September 2020

Ms. E Felten - Appointed 17 September 2020

Ms. A. Gleeson - Appointed 17 September 2020

Ms. A. Goggin

Mr. T. Landers - Retired 14 April 2020

Ms. M. McKeown

Dr. A. O'Boyle - Retired 14 April 2020

Ms. M. O'Connell

Mr. B. Smith

Mr. C. Verdon - Appointed 16 April 2019

### Board Secretary

Mr. P. Bracken

## General information

### Head office

1 Swift Square,  
Northwood,  
Santry,  
Dublin 9.

### Auditors

Comptroller and Auditor General  
3A Mayor Street Upper,  
Dublin 1.

### Bankers

Allied Irish Banks, plc.

### Solicitors

Eversheds Sutherland

## CONSOLIDATED STATEMENT OF INCOME AND EXPENDITURE AND RETAINED REVENUE RESERVES

For the year ended 31 December 2020

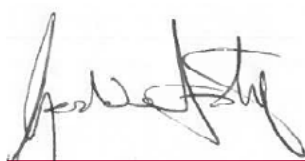
	Notes	2020 €	2019 €
<b>Income</b>	2	<b>21,965,271</b>	25,161,735
<b>Expenditure</b>			
Administration and general expenses	3	<b>24,952,009</b>	27,051,117
Retirement benefit costs	12(a)	<b>3,610,633</b>	4,362,688
		<b>28,562,642</b>	31,413,805
<b>Net operating costs before grant</b>		<b>(6,597,371)</b>	(6,252,070)
Oireachtas grant	4	<b>5,798,000</b>	5,853,685
<b>Net operating (costs) for the year</b>		<b>(799,371)</b>	(398,385)
Transfer to capital account	5	<b>(100,543)</b>	(194,593)
Translation adjustment		<b>(174,739)</b>	55,279
<b>Transfer (from) / to reserves for the year</b>		<b>(1,074,653)</b>	(537,699)
Balance at 1 January		<b>6,214,246</b>	6,751,945
<b>Balance at 31 December</b>		<b>5,139,593</b>	6,214,246

The consolidated statement of cash flows and Notes 1 to 19 form part of the consolidated financial statements.

On behalf of the Board:



**JAMES KENNEDY**  
Chairperson  
30 August 2021



**GERALDINE LARKIN**  
Chief Executive Officer  
30 August 2021

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2020

	Notes	2020 €	2019 €
<b>Reserves /(Deficit) for the year after appropriations</b>		<b>(1,074,653)</b>	(537,699)
Experience loss on retirement benefit obligations	12(d)	<b>(1,056,000)</b>	(12,134,000)
Changes in assumptions underlying the present value of retirement benefit obligations		<b>(8,825,000)</b>	(10,520,000)
<b>Total actuarial loss in the year</b>		<b>(9,881,000)</b>	(22,654,000)
Adjustment to deferred retirement benefits funding	12(b)	<b>9,881,000</b>	22,654,000
<b>Total comprehensive income for the year</b>		<b>(1,074,653)</b>	(537,699)

The consolidated statement of cash flows and Notes 1 to 19 form part of the consolidated financial statements.

On behalf of the Board:



**JAMES KENNEDY**  
Chairperson  
30 August 2021



**GERALDINE LARKIN**  
Chief Executive Officer  
30 August 2021

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2020

	Notes	2020 €	2019 €
<b>Non - current assets</b>			
Property, plant and equipment	6	3,739,219	3,639,432
<b>Current assets</b>			
Receivables	8	5,253,094	6,320,168
Cash & cash equivalents		2,241,848	1,997,676
		<b>7,494,942</b>	8,317,844
<b>Current liabilities (falling due &lt; 1 year)</b>			
Payables	9	2,355,349	2,103,598
<b>Net current assets</b>		<b>5,139,593</b>	6,214,246
<b>Total Assets less current liabilities before Pensions</b>		<b>8,878,812</b>	9,853,678
<b>Retirement benefits</b>			
Deferred retirement benefit funding asset	12(c)	128,050,000	114,881,000
Retirement benefit obligations	12(b)	(128,050,000)	(114,881,000)
		-	-
<b>Net Assets</b>		<b>8,878,812</b>	9,853,678
<b>Representing</b>			
Capital account	5	3,739,219	3,639,432
Retained revenue reserves		5,139,593	6,214,246
		<b>8,878,812</b>	9,853,678

The consolidated statement of cash flows and Notes 1 to 19 form part of the consolidated financial statements.

On behalf of the Board:



**JAMES KENNEDY**  
Chairperson  
30 August 2021



**GERALDINE LARKIN**  
Chief Executive Officer  
30 August 2021

## NSAI STATEMENT OF FINANCIAL POSITION

As at 31 December 2020

	Notes	2020 €	2019 €
<b>Non - current assets</b>			
Property, plant and equipment	6	3,701,779	3,602,534
<b>Current assets</b>			
Receivables	8	4,121,238	4,253,221
Cash & cash equivalents		893,753	1,052,486
		5,014,991	5,305,707
<b>Current liabilities (falling due &lt; 1 year)</b>			
Payables	9	6,391,031	5,480,706
<b>Net current assets</b>		<b>(1,376,040)</b>	<b>(174,999)</b>
<b>Total Assets less current liabilities before Pensions</b>		<b>2,325,739</b>	<b>3,427,535</b>
<b>Retirement benefits</b>			
Deferred retirement benefit funding asset	12(c)	128,050,000	114,881,000
Retirement benefit obligations	12(b)	(128,050,000)	(114,881,000)
		-	-
<b>Net Assets</b>		<b>2,325,739</b>	<b>3,427,535</b>
<b>Representing</b>			
Capital account	5	3,701,779	3,602,534
Retained revenue reserves		(1,376,040)	(174,999)
		2,325,739	3,427,535

The consolidated statement of cash flows and Notes 1 to 19 form part of the consolidated financial statements.

On behalf of the Board:



**JAMES KENNEDY**  
Chairperson  
30 August 2021



**GERALDINE LARKIN**  
Chief Executive Officer  
30 August 2021



## CONSOLIDATED STATEMENTS OF CASH FLOWS

For the year ended 31 December 2020

	Notes	2020 €	2019 €
<b>Net cash flows from operating activities</b>			
Net operating (costs) for the year		<b>(799,371)</b>	(398,385)
Bank interest		<b>(1,028)</b>	(1,870)
Depreciation charge	6	<b>678,628</b>	619,636
Profit on disposal of property, plant & equipment		<b>(14,347)</b>	(1,842)
Decrease/(increase) in receivables		<b>1,067,074</b>	(603,437)
Increase in payables		<b>251,751</b>	284,464
Currency translation adjustment		<b>(174,739)</b>	55,279
<b>Net cash (outflow)/inflow from operating activities</b>		<b>1,007,968</b>	(46,155)
<b>Cash flows from investing activities</b>			
Payments to acquire property, plant & equipment	6	<b>(779,171)</b>	(814,229)
Receipts from sale of property, plant & equipment		<b>14,347</b>	1,842
<b>Net cash outflow from investing activities</b>		<b>(764,824)</b>	(812,387)
<b>Cash flows from financing activities</b>			
Bank interest		<b>1,028</b>	1,870
<b>Net cash inflow from financing activities</b>		<b>1,028</b>	1,870
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>244,172</b>	(856,672)
<b>Cash and cash equivalents at 1 January</b>		<b>1,997,676</b>	2,854,348
<b>Cash and cash equivalents at 31 December</b>		<b>2,241,848</b>	1,997,676

The consolidated statement of cash flows and Notes 1 to 19 form part of the consolidated financial statements.

On behalf of the Board:



**JAMES KENNEDY**  
Chairperson  
30 August 2021



**GERALDINE LARKIN**  
Chief Executive Officer  
30 August 2021

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2020

### 1. Accounting Policies

The basis of accounting and significant accounting policies adopted by the National Standards Authority of Ireland in the preparation of these consolidated financial statements are set out below. They have all been applied consistently throughout the year and for the preceding year.

#### General information

The National Standards Authority of Ireland (NSAI) was established on 14 April 1997 under Section 6 of the National Standards Authority of Ireland Act, 1996.

NSAI's statutory functions are defined within the following Acts:

- National Standards Authority Act 1996;
- Metrology Act 1996;
- Packaged Goods (Quantity Control) Act 1980.

NSAI delivers this infrastructure through the core programmes of metrology, standardisation, legal metrology for measurements and measuring instruments used in trade and conformity assessment.

The National Standards Authority of Ireland is a Public Benefit Entity (PBE).

The financial statements have been presented in Euro (€) which is also the functional currency of the Authority.

#### Statement of compliance

The financial statements have been prepared in compliance with the applicable legislation, and with FRS 102 The Financial Reporting Standard applicable in the UK and the Republic of Ireland issued by the Financial Reporting Council in the UK.

#### Basis of consolidation

The consolidated financial statements comprise the results of the Authority and its wholly-owned subsidiary NSAI Inc. NSAI Inc. was established in New Hampshire, USA on 1 July 1997 as a not for profit corporation, see Note 13 for further details. The accounting policies of the subsidiary do not differ to those of the Authority.

#### Basis of preparation

The financial statements have been prepared under the historical cost convention, except for certain assets and liabilities that are measured at fair values as explained in the accounting policies below. The financial statements are in the form approved by the Minister for Enterprise, Trade and Employment with the concurrence of the Minister for the Department of Public Expenditure and Reform under the National Standards Authority of Ireland Act, 1996.

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

#### Income

All income, other than Oireachtas Grant, is accounted for in the period in which it has been earned. Fees paid in advance are treated as deferred income and are reported as a current liability. This income is released to the Statement of Income and Expenditure and Retained Revenue Reserves on delivery of the service.

## Oireachtas grant

Oireachtas grants are recognised using the performance model. A grant that does not impose specified future performance-related conditions on the recipient is recognised as income when the grant proceeds are received. A grant that imposes specified future performance-related conditions on the recipient is recognised as income only when the performance-related conditions are met.

## Translation of foreign currencies

### (a) Foreign currency transactions

Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates ruling at the reporting date. Income and expenses are translated at the exchange rates ruling at the dates of the underlying transactions. Profits and losses arising from foreign currency translations upon settlement of amounts receivable and payable in foreign currency are dealt with in the Statement of Income and Expenditure and Retained Revenue Reserves.

### (b) Foreign operations

When translating the results of the foreign operation for inclusion in the financial statements, assets and liabilities are translated at the exchange rate ruling at the Reporting date. The translation difference arising from the restatement of foreign operations in the functional currency euro due to changes in exchange rates, is recognised in reserves (the Statement of Income and Expenditure and Retained Revenue Reserves under the heading "translation adjustment" in respect of monetary items and the Capital Account in respect of fixed asset re-translation differences.) Income and expenses are translated at monthly period average exchange rates. Any resulting translation difference compared to the Statement of Financial Position rate is also recognised in the reserves of the operation.

## Property, plant and equipment

Property, plant and equipment, which are owned by the NSAI, are stated at cost less accumulated depreciation and adjusted for any provision for impairment. Land and Buildings includes land held accommodating the buildings footprint. Depreciation is calculated in order to write off the cost less the estimated residual value of each asset on a straight line basis as follows:

- |                                   |          |
|-----------------------------------|----------|
| i. Equipment, Fixtures & Fittings | 5 years  |
| ii. Computers                     | 3 years  |
| iii. Land and Buildings           | 50 years |
| iv. Motor Vehicles                | 5 years  |

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of an age and in the condition expected at the end of its useful life.

If there is objective evidence of impairment of the value of an asset, an impairment loss is recognised in the Statement of Income and Expenditure and Retained Revenue Reserves in the year.

## Capital account

The capital account represents grant income utilised for the acquisition of property, plant and equipment and is written down in line with the depreciation and revaluation policies for the related assets.

## Receivables

Receivables are recognised at fair value, less a provision for doubtful debts. The provision for doubtful debts is made against specific doubtful debtors with additional provision against other trade debts when there is objective evidence that NSAI or NSAI Inc. will not be able to collect all amounts owed. All movements in the provision for doubtful debts are recognised in the Statement of Income and Expenditure and Retained Revenue Reserves.

## Operating leases

Rental expenditure under operating leases is recognised in the Statement of Income and Expenditure and Retained Revenue Reserves over the life of the lease. Expenditure is recognised on a straight-line basis over the lease period, except where there are rental increases linked to the expected rate of inflation, in which case these increases are recognised when incurred. Any lease incentives received are recognised over the life of the lease.

## Employee benefits

### (a) Short-term Benefits

Short term benefits such as holiday pay are recognised as an expense in the year, and benefits that are accrued at year-end are included in the Payables figure in the Statement of Financial Position.

### (b) Retirement Benefits

The Statement of Income and Expenditure and Retained Revenue Reserves, Statement of Comprehensive Income and Statement of Financial Position recognise pension transactions, movements and balances in accordance with the requirements of Section 28 of FRS 102: Employee Benefits.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)**NSAI Superannuation Scheme**

NSAI operates a defined benefit pension scheme which is funded annually on a pay as you go basis from monies available to it, including monies provided by the Department of Enterprise, Trade and Employment and from contributions deducted from staff salaries.

Retirement benefit costs reflect pension benefits earned by employees, and are shown net of staff pension contributions which are retained by the NSAI. An amount corresponding to the retirement charge is recognised as income to the extent that it is recoverable, and offset by grants received in the year to discharge pension payments.

Actuarial gains or losses arising from changes in actuarial assumptions and from experience surpluses and deficits are recognised in the Statement of Comprehensive Income for the year in which they occur and a corresponding adjustment is recognised in the amount recoverable from the Department of Enterprise, Trade and Employment.

Retirement benefit obligations represent the present value of future pension payments earned by staff to date. Deferred retirement benefit funding represents the corresponding asset to be recovered in future periods from the Department of Enterprise, Trade and Employment.

**Single Public Service Pension Scheme**

NSAI also operates the Single Public Service Pension Scheme ("Single Scheme"), which is a defined benefit scheme for pensionable public servants appointed on or after 1 January 2013. Single Scheme members' contributions are paid over to the Department of Public Expenditure and Reform (DPER). Employers contributions remittance to DPER commenced on 1 January 2019.

**Additional Superannuation Contribution**

From 1 January 2019 onwards, members of public service defined benefit pension schemes pay an additional superannuation contribution (ASC) arising from the Public Service Stability Agreement (2018- 2020) and the Public Service Pay and Pensions Act 2017. ASC has replaced the pension-related deduction (PRD) which ceased at the end of 2018. While PRD was a temporary emergency measure, ASC is a permanent contribution in respect of pensionable remuneration. The deduction is collected and remitted to the Department of Enterprise, Trade and Employment. (see Note 3)

**Critical accounting judgements and estimates**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the year end and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements have had the most significant effect on amounts recognised in the financial statements.

**(a) Impairment of property, plant and equipment**

Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

**(b) Retirement benefit obligation**

The assumptions underlying the actuarial valuations for which the amounts recognised in the financial statements are determined (including discount rates, rates of increase in future compensation levels, mortality rates and healthcare cost trend rates) are updated annually based on current economic conditions, and for any relevant changes to the terms and conditions of the pension and post-retirement plans.

The assumptions can be affected by:

- i. the discount rate, changes in the rate of return on high-quality corporate bonds
- ii. future compensation levels, future labour market conditions
- iii. health care cost trend rates, the rate of medical cost inflation in the relevant regions.

## 2. Income

	Notes	2020 €	2019 €
Certification fees		18,475,941	20,954,503
Sale of standards		1,140,067	1,080,435
Other income		215,235	284,927
Bank interest		1,028	1,870
		<b>19,832,271</b>	22,321,735
Net deferred retirement benefit funding	12(c)	2,133,000	2,840,000
		<b>21,965,271</b>	25,161,735

The reduction in Certification income in 2020 reflects the impact of the COVID-19 pandemic on both Irish and US operations. Services were pivoted to a remote working environment with virtual audits conducted where possible and permissible under auditing regulations. Reduced site audits were performed in accordance with COVID-19 guidelines during periods where restrictions were eased.

## 3. Administration and general expenses

	Notes	2020 €	2019 €
Pay	3(a)	14,468,960	13,103,183
Board members remuneration and expenses	14	51,437	71,662
Travelling expenses	3(b)	422,795	1,432,445
Subcontractors	3(c)	4,426,847	6,111,643
External Service Delivery		302,971	696,570
Consultancy	3(d)	119,094	187,662
Rents, rates, repairs and maintenance		1,567,975	1,724,438
Other operating expenses	3(e)	2,147,247	2,373,838
Profit on disposal of property, plant and equipment		(14,347)	(1,842)
Subscriptions to organisations		780,402	731,882
Depreciation	6	678,628	619,636
		<b>24,952,009</b>	27,051,117

The reduction in costs reflects the impact of the COVID-19 pandemic across several areas of expenditure. The substantive expenditure reductions represent reduced certification activities, the impact of travel restrictions and cost savings initiatives.

(a) Pay	Notes	2020 €	2019 €
Wages and salaries		13,249,600	11,992,075
Overtime		51,690	62,152
Allowances		96,926	84,672
Social welfare costs		1,082,546	968,748
Superannuation costs		(11,802)	(5,094)
		<b>14,468,960</b>	13,103,183

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

Additional superannuation contributions of €428,059 (2019: €462,215) have been deducted from salaries and paid to the Department of Enterprise, Trade and Employment.

Single Public Service Pension Scheme deductions of €149,907 (2019: €107,493) have been deducted from employees' salaries and paid to the Department of Public Expenditure and Reform.

There were no termination payments issued in 2020.

The number of persons employed (whole time equivalent) at 31 December 2020 was 180. (2019: 180).

**(b) Travelling Expenses:**

NSAI's head office is located at Swift Square, Santry and has regional offices and centres throughout Ireland. It also has a subsidiary office in Nashua, New Hampshire, USA. Travel outside of Ireland for all staff based in Ireland is considered International travel. For Staff based in the USA, travel within the USA is regarded as Domestic travel, travel outside the USA is regarded as International travel. The total costs incurred re Domestic travel and subsistence in 2020 was €343,525 (2019 : €1,116,646). The total costs incurred re International travel and subsistence in 2020 was €79,270 (2019 : €315,799)

**(c) Subcontractors**

Subcontractors costs relate to the use of specialist experts engaged in the delivery of NSAI income generating activities.

**(d) Consultancy**

Consultancy costs include the cost of external advice to management and exclude outsourced 'business-as-usual' functions.

	<b>2020</b>	<b>2019</b>
	<b>€</b>	<b>€</b>
Human Resources & Pensions	<b>18,430</b>	43,586
Legal advice	<b>74,318</b>	107,993
Finance/Actuarial	<b>3,950</b>	7,100
Other	<b>22,396</b>	28,983
	<b>119,094</b>	187,662

**(e) Other Operating Expenses**

	<b>2020</b>	<b>2019</b>
	<b>€</b>	<b>€</b>
Advertising, Marketing and PR	<b>209,233</b>	365,474
ICT Costs	<b>561,816</b>	563,300
Communication, Printing & Publications	<b>404,634</b>	431,879
Finance Costs	<b>278,656</b>	163,659
Insurance	<b>337,433</b>	259,629
Staff Development	<b>158,486</b>	301,498
Recruitment costs	<b>10,275</b>	32,910
Audit Fee - C&AG	<b>26,950</b>	24,500
Audit Fee - Internal Audit fees	<b>17,875</b>	36,656
Other Operating Expenses	<b>141,889</b>	194,333
	<b>2,147,247</b>	2,373,838

**(f) Hospitality expenditure:**

Hospitality expenditure in 2020 was €6,484 (2019 : €22,210) consisting of client hospitality €2,055 (2019 : €10,583) and employee engagement/staff welfare €4,429 (2019 : €11,627). Employee engagement/staff welfare includes a contribution to staff social club events and staff team building exercises.

**(g) Employee benefits breakdown:**

Employee's short-term benefits in excess of €60,000 are categorised into the following bands:

Range of total employee benefits	No. employees 2020	No. employees 2019
€60,000 - €69,999	32	21
€70,000 - €79,999	12	13
€80,000 - €89,999	22	30
€90,000 - €99,999	14	7
€100,000 - €109,999	6	6
€110,000 - €119,999	5	2
€120,000 - €129,999		
€130,000 - €139,999		
€140,000 - €149,999		1
€150,000 - €159,999	1	

Figures do not include NSAI Inc details as they are employed by NSAI Inc and not NSAI.

**4. Oireachtas grant**

	2020 €	2019 €
Grant for administration and general expenses	5,798,000	5,853,685

The Oireachtas Grant is issued by The Department of Enterprise, Trade and Employment and includes an amount of €500,000 (2019: €500,000) in relation to capital purchases in the year. Funding is from Vote 32, Subhead A.6.

**5. Capital account**

	2020 Group €	2020 NSAI €	2019 Group €	2019 NSAI €
At 1 January	3,639,432	3,602,534	3,443,395	3,382,553
Movements on property, plant & equipment	100,543	99,245	194,593	219,981
Transfer to Income and Expenditure and Retained Revenue Reserves	100,543	99,245	194,593	219,981
Currency translation adjustment	(756)		1,444	
<b>At 31 December</b>	<b>3,739,219</b>	<b>3,701,779</b>	<b>3,639,432</b>	<b>3,602,534</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 6. Property, plant &amp; equipment

Group	Equipment, Fixtures & fittings €	Computer equipment €	Land & buildings €	Motor vehicles €	Total €
<b>Cost:</b>					
At 1 January 2020	5,502,000	5,021,561	4,367,820	350,183	15,241,564
Additions	299,382	432,497	20,660	26,632	779,171
Disposals		(3,782)		(14,824)	(18,606)
Translation adjustment	(1,883)	(21,374)	(6,257)		(29,514)
<b>At 31 December 2020</b>	<b>5,799,499</b>	<b>5,428,902</b>	<b>4,382,223</b>	<b>361,991</b>	<b>15,972,615</b>
<b>Depreciation:</b>					
At 1 January 2020	4,716,340	4,423,000	2,137,761	325,031	11,602,132
Charge for the year	262,096	330,468	76,986	9,078	678,628
Disposals		(3,782)		(14,824)	(18,606)
Translation adjustment	(1,908)	(20,516)	(6,334)		(28,758)
<b>At 31 December 2020</b>	<b>4,976,528</b>	<b>4,729,170</b>	<b>2,208,413</b>	<b>319,285</b>	<b>12,233,396</b>
<b>Net book value:</b>					
At 1 January 2020	785,660	598,561	2,230,059	25,152	3,639,432
Net movement for year	37,286	102,029	(56,326)	17,554	100,543
Translation adjustment	25	(858)	77		(756)
<b>At 31 December 2020</b>	<b>822,971</b>	<b>699,732</b>	<b>2,173,810</b>	<b>42,706</b>	<b>3,739,219</b>
<b>NSAI</b>	<b>Equipment, Fixtures &amp; fittings €</b>	<b>Computer equipment €</b>	<b>Land &amp; buildings €</b>	<b>Motor vehicles €</b>	<b>Total €</b>
<b>Cost:</b>					
At 1 January 2020	5,478,965	4,760,068	4,291,329	350,183	14,880,545
Additions	295,877	399,941	20,660	26,632	743,110
Disposals		(3,782)		(14,824)	(18,606)
<b>At 31 December 2020</b>	<b>5,774,842</b>	<b>5,156,227</b>	<b>4,311,989</b>	<b>361,991</b>	<b>15,605,049</b>
<b>Depreciation:</b>					
At 1 January 2020	4,695,023	4,187,556	2,070,401	325,031	11,278,011
Charge for the year	260,012	306,997	67,778	9,078	643,865
Disposals		(3,782)		(14,824)	(18,606)
<b>At 31 December 2020</b>	<b>4,955,035</b>	<b>4,490,771</b>	<b>2,138,179</b>	<b>319,285</b>	<b>11,903,270</b>
<b>Net book value:</b>					
At 1 January 2020	783,942	572,512	2,220,928	25,152	3,602,534
Net movement for year	35,865	92,944	(47,118)	17,554	99,245
<b>At 31 December 2020</b>	<b>819,807</b>	<b>665,456</b>	<b>2,173,810</b>	<b>42,706</b>	<b>3,701,779</b>



## 7. Property

NSAI occupies premises at a number of locations. The head office is located at 1 Swift Square, Santry, Dublin 9. These premises are leased, the lease was entered into in January 2008 for a period of 20 years. There was a rent review completed in 2018. The next 5 year rent review is due to be undertaken in January 2023 covering the period 1 January 2023 to December 2027.

NSAI has Regional Offices in Limerick and the USA. The Limerick office is located at Plassey Park Road, National Technology Park, Castletroy, Co Limerick, these premises are owned by NSAI. The regional office in the USA is located at 20 Trafalgar Square, Nashua, NH 03063, USA, these premises are leased, the lease was entered into in September 2015 for a period of 5 years and was extended for a further 5 years in 2020.

The NSAI National Metrology Laboratory is located at Glasnevin, Dublin 9, these premises are owned by NSAI. The NSAI has a number of Legal Metrology Service Regional Centres. These centres are located at Cork, Limerick, Dublin, Sligo, Dundalk, Waterford and Galway. All of these premises are owned by NSAI.

## 8. Receivables

	<b>2020</b> <b>Group</b> €	<b>2020</b> <b>NSAI</b> €	<b>2019</b> <b>Group</b> €	<b>2019</b> <b>NSAI</b> €
Trade receivables	<b>3,316,721</b>	<b>2,353,475</b>	4,037,129	2,261,206
Accrued income	<b>920,429</b>	<b>834,592</b>	1,317,102	1,095,314
Prepayments	<b>1,015,944</b>	<b>933,171</b>	965,937	896,701
	<b>5,253,094</b>	<b>4,121,238</b>	6,320,168	4,253,221

All receivables are due within one year. All trade receivables are due within the Authority's normal terms.

Trade receivables are shown net of impairment in respect of doubtful debts.

The movement in impairment in respect of doubtful debts is as follows:

	<b>2020</b> <b>Group</b> €	<b>2020</b> <b>NSAI</b> €	<b>2019</b> <b>Group</b> €	<b>2019</b> <b>NSAI</b> €
Balance at 1 January	<b>536,389</b>	<b>374,616</b>	534,920	346,150
Utilised in the year	-	-	-	-
Provision adjustment	<b>145,041</b>	<b>118,507</b>	1,469	28,466
<b>Balance at 31 December</b>	<b>681,430</b>	<b>493,123</b>	536,389	374,616

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

**9. Payables (falling due < 1 year)**

	<b>2020</b> <b>Group</b> <b>€</b>	<b>2020</b> <b>NSAI</b> <b>€</b>	<b>2019</b> <b>Group</b> <b>€</b>	<b>2019</b> <b>NSAI</b> <b>€</b>
Trade payables	<b>178,130</b>	<b>156,564</b>	33,467	27,843
Other payables and accruals	<b>1,185,819</b>	<b>1,058,453</b>	1,252,608	1,057,286
Deferred income	<b>672,517</b>	<b>672,517</b>	504,178	504,178
Taxation, social insurance and VAT	<b>318,883</b>	<b>318,883</b>	313,345	313,345
Intercompany		<b>4,184,614</b>		3,578,054
	<b>2,355,349</b>	<b>6,391,031</b>	2,103,598	5,480,706

**10. Operating lease commitments**

Payments made under Operating Leases on Buildings charged in the financial statements amounted to €871,879 (2019: €871,459). Total future minimum lease payments under non-cancellable operating leases are as follows:

	<b>2020</b> <b>Group</b> <b>€</b>	<b>2020</b> <b>NSAI</b> <b>€</b>	<b>2019</b> <b>Group</b> <b>€</b>	<b>2019</b> <b>NSAI</b> <b>€</b>
Within one year	<b>891,370</b>	<b>811,315</b>	850,748	811,315
Between two to five years	<b>3,499,324</b>	<b>3,245,260</b>	3,245,260	3,245,260
After five years	<b>1,622,630</b>	<b>1,622,630</b>	2,433,945	2,433,945
	<b>6,013,324</b>	<b>5,679,205</b>	6,529,953	6,490,520

**11. Taxation**

The Authority is exempt from taxation on its income.

## 12. Retirement benefit costs

### (a) Analysis of total retirement benefit costs charged to the Consolidated Statement of Income and Expenditure and Retained Revenue Reserves

	2020 €	2019 €
Current service costs – NSAI Scheme	2,304,000	2,833,000
Interest on retirement benefit scheme liabilities – NSAI Scheme	1,241,000	1,614,000
NSAI Scheme – Employee contributions	(386,071)	(406,793)
Current service costs - Single Public Service Pension Scheme	564,000	326,000
Interest on retirement benefit scheme liabilities - Single Public Service Pension Scheme	14,000	11,000
Adjustment for Current Service Cost and Interest on the SPSPS	(578,000)	(337,000)
Single Public Service Pension Scheme - Employer Contribution	451,704	322,481
	<b>3,610,633</b>	<b>4,362,688</b>

### (b) Movement in net retirement benefit obligations during the financial year

	2020 €	2019 €
Net retirement benefit obligation at 1 January	114,881,000	89,050,000
Current service costs – NSAI Scheme	2,304,000	2,339,000
Interest costs – NSAI Scheme	1,241,000	1,614,000
Current service costs - SPSPS Scheme	564,000	269,000
Interest costs - SPSPS Scheme	14,000	11,000
Actuarial loss	9,881,000	22,654,000
Plans participants contributions	577,000	551,000
Pensions paid in the year	(1,412,000)	(1,607,000)
<b>Net retirement benefit obligation at 31 December</b>	<b>128,050,000</b>	<b>114,881,000</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)**(c) Deferred funding for retirement benefits**

NSAI recognises these amounts as an asset corresponding to the unfunded deferred liability for pensions on the basis of a set of assumptions and a number of past events. These events include the statutory basis for the establishment of the superannuation schemes, and the policy and practice currently in place in relation to funding public service pensions including contributions by employees and the annual estimates process. NSAI has no evidence that the policy referred to above will not continue to meet such sums in accordance with current practice.

The net deferred funding for retirement benefits recognised in the Consolidated Statement of Income and Expenditure and Retained Revenue Reserves was as follows:

	<b>2020</b>	<b>2019</b>
	<b>€</b>	<b>€</b>
Funding recoverable in respect of current year retirement benefit costs	<b>4,123,000</b>	4,784,000
Adjustment in respect of the Single Public Service Pension Scheme	<b>(578,000)</b>	(337,000)
State grant applied to pay retirement benefits	<b>(1,412,000)</b>	(1,607,000)
	<b>2,133,000</b>	2,840,000

The deferred funding asset for retirement benefits at 31 December 2020 amounts to €128.05m (2019: €114.8m).

**(d) History of defined benefit obligation**

	<b>2020</b>	<b>2019</b>
	<b>€</b>	<b>€</b>
Defined benefit obligations	<b>128,050,000</b>	114,881,000
Experience loss on defined benefit scheme liabilities	<b>(1,056,000)</b>	(12,134,000)
Percentage of scheme liabilities	<b>(0.8%)</b>	(10.6%)

**(e) General description of the schemes****NSAI Superannuation Scheme**

The retirement benefit scheme is a defined benefit final salary pension arrangement with benefits and contributions defined by reference to current "model" public sector scheme regulations. The scheme provides a pension (eightieths per year of service), a gratuity or lump sum (three eightieths per year of service) and spouse's and children's pensions. Normal retirement age under this scheme is a member's 65th birthday, and pre 2004 members have an entitlement to retire without actuarial reduction from age 60. Pensions in payment (and deferment) normally increase in line with general public sector salary inflation.

**Single Public Service Pension Scheme**

The Single Public Service Pension Scheme ("Single Scheme") commenced with effect from 1 January 2013. All new entrants to pensionable public service employment on or after 1 January 2013 are members of the Single Pensions Scheme. The Single Pension Scheme is based on a career averaging model. This means that retirement benefits are based on a % of pensionable earnings throughout the member's public service career as a member of the Scheme.

**(f) Schemes valuation**

The valuation used for FRS 102 disclosures has been based on a full actuarial valuation performed in February 2020 by a qualified independent actuary, taking account of the requirements of the FRS in order to assess the scheme liabilities at 31 December 2020.

The principal actuarial assumptions were as follows:

	<b>2020</b>	<b>2019</b>
Rate of increase in salaries	<b>2.40%</b>	2.40%
Rate of increase in retirement benefits in payment	<b>1.90%</b>	1.90%
Discount rate	<b>0.75%</b>	1.10%
Inflation rate	<b>1.40%</b>	1.40%

**(g) Mortality**

Average future life expectancy according to the mortality tables used to determine the pension liabilities.

	<b>2020</b>	<b>2019</b>
Male aged 65	<b>21.7</b>	21.5
Female aged 65	<b>24.1</b>	24

**13. NSAI Inc**

NSAI Inc. was established in New Hampshire, USA on July 1, 1997 as a not for profit corporation wholly-owned by the NSAI for the purpose of distribution and dissemination of information on current and proposed Irish and EU standards, the provision of technical reviews and evaluation of products, processes and practices and certification for conformity to EU, Irish and International standards. The balances and transactions of NSAI Inc. have been included in these financial statements.

The consolidated surplus for the year includes a surplus from the operations of NSAI Inc. of €670,674 (2019: €687,916). See Note 13(a) for an outline of financial details.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)**(a) Outline of the NSAI Inc financial details are as follows:**

<b>Statement of Income and Expenditure</b>	<b>2020</b>	<b>2019</b>
	<b>€</b>	<b>€</b>
<b>Income</b>		
Certification fees	<b>5,889,710</b>	7,726,288
<b>Expenditure</b>		
Pay and superannuation costs	<b>2,318,193</b>	2,170,341
Travelling expenses	<b>75,389</b>	315,800
Subcontractors	<b>2,284,462</b>	3,790,410
Consultancy	<b>19,528</b>	26,934
Rents, rates, repairs and maintenance	<b>74,234</b>	87,051
Other operating expenses	<b>316,669</b>	441,629
Subscriptions to organisations	<b>185,558</b>	157,618
Depreciation	<b>34,763</b>	40,935
Net intercompany (re-charge)/charge	<b>(89,760)</b>	7,654
	<b>5,219,036</b>	7,038,372
<b>Operating surplus for the year</b>	<b>670,674</b>	687,916

The reduction in Certification income in 2020 reflects the impact of the COVID-19 pandemic. Services were pivoted to a remote working environment with virtual audits conducted where possible and permissible under auditing regulations. Reduced site audits were performed in accordance with COVID-19 guidelines during periods where restrictions were eased

The reduction in costs reflects the impact of the COVID-19 pandemic across several areas of expenditure. The substantive expenditure reductions represent reduced certification activities, the impact of travel restrictions and cost savings initiatives.

<b>Statement of Financial Position</b>	<b>2020</b>	<b>2019</b>
	<b>€</b>	<b>€</b>
<b>Non - current assets</b>		
Property, plant and equipment	<b>37,441</b>	36,898
<b>Current assets</b>		
Receivables	<b>1,131,856</b>	2,066,947
Cash & cash equivalents	<b>1,348,094</b>	945,190
Intercompany	<b>4,184,614</b>	3,578,054
	<b>6,664,564</b>	6,590,191
<b>Current liabilities (falling due &lt; 1 year)</b>		
Payables	<b>148,934</b>	200,949
<b>Net current assets</b>	<b>6,515,630</b>	6,389,242
<b>Net Assets</b>	<b>6,553,071</b>	6,426,140
<b>Represented by:</b>		
Capital account	<b>37,441</b>	36,898
Retained revenue reserves	<b>6,515,630</b>	6,389,242
	<b>6,553,071</b>	6,426,140

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)**14. Board members – disclosure of transactions**

In the normal course of business, the NSAI may enter into contractual arrangements with undertakings in which NSAI Board Members are employed or otherwise interested. The NSAI adopted procedures in accordance with the guidelines issued by the Department of Public Expenditure and Reform in relation to the disclosure of interests by Board Members and these procedures have been adhered to by the NSAI during the year.

**(a) Directors remuneration – paid in 2020**

		<b>Note</b>	<b>2020 €</b>
Mr. J. Kennedy			11,929
Mr. R. Blackburn	Retired 14 April 2020		2,271
Ms. V. Bowens			7,668
Mr. P. Devereux			7,668
Mr. W. Egenton	Appointed 17 September 2020		2,124
Ms. E. Felten	Appointed 17 September 2020	(i)	0
Ms. A. Gleeson	Appointed 17 September 2020		2,124
Ms. A. Goggin		(i)	0
Mr. T. Landers	Retired 14 April 2020		2,271
Ms. M. McKeown		(i)	0
Dr. A. O'Boyle	Retired 14 April 2020		2,271
Ms. M O'Connell			7,668
Mr. B. Smith		(i)	0
Mr. C. Verdon	DETE Representative		0
Ms. G. Larkin	Chief Executive Officer		0

The total Directors remuneration for 2020 was €45,994 (2019: €61,300)

i) Remuneration not payable in accordance with OPOS principle.

**(b) Directors expenses**

The total Directors expenses paid directly to members in 2020 was €3,305 (2019: €10,651)

**(c) CEO salary**

The total remuneration paid to Ms. G. Larkin in 2020 was €158,932 (2019: €148,814). The CEO is a member of the single public service pension scheme. Ms. G. Larkin did not receive any performance related payments in 2020.

**(d) Key management remuneration**

All directors, board members, CEO and certain senior employees who have authority and responsibility for planning, directing and controlling the activities of the Authority are considered to be key management personnel. Total remuneration in respect of these individuals is €547,335 (2019: €549,508).



## 15. Related Party Disclosure

There are no related party transactions.

## 16. Financial Instruments

The analysis of the carrying amounts of the financial instruments of the Group and Company required under section 11 of FRS 102 is as follows:

	2020 Group €	2020 NSAI €	2019 Group €	2019 NSAI €
<b>Financial assets that are debt instruments measured at amortised cost</b>				
Trade receivables	3,316,721	2,353,475	4,037,129	2,261,206
Prepayments	1,015,944	933,171	965,937	896,700
Cash and cash equivalents	2,241,848	893,753	1,997,676	1,052,486
<b>Financial liabilities measured at amortised cost</b>				
Trade payables	178,130	156,564	33,467	27,843
Accruals and other payables	1,185,819	1,058,453	1,252,608	1,057,287

## 17. Subsequent events

NSAI is continuing to monitor the impact of the ongoing COVID-19 crisis and its impact on the Authorities operations and financial performance. Financial forecasts are prepared regularly, with monitoring of income, costs, and cashflows undertaken on a monthly basis. Measures have been taken to minimise the impact on income and control expenditure. Financial forecasts and cashflow projections are provided to the Audit and Risk Committee and the Board. Cashflow is reported to our parent Department monthly. It is expected that the Authority will be able to adapt and further develop responses to minimise the impact of COVID-19 and ensure financial stability.

## 18. Capital commitments

There were capital commitments of €288,098 at the year-end (2019: €152,428).

## 19. Approval of financial statements

The financial statements were approved by the Board on the 30th of April 2021.



# NSAI

---

**Head Office**  
1 Swift Square,  
Northwood, Santry,  
Dublin 9, Ireland  
D09 A0E4

**T** +353 1 807 3800

**F** +353 1 807 3838

**E** [info@nsai.ie](mailto:info@nsai.ie)

**NSAI.ie**