

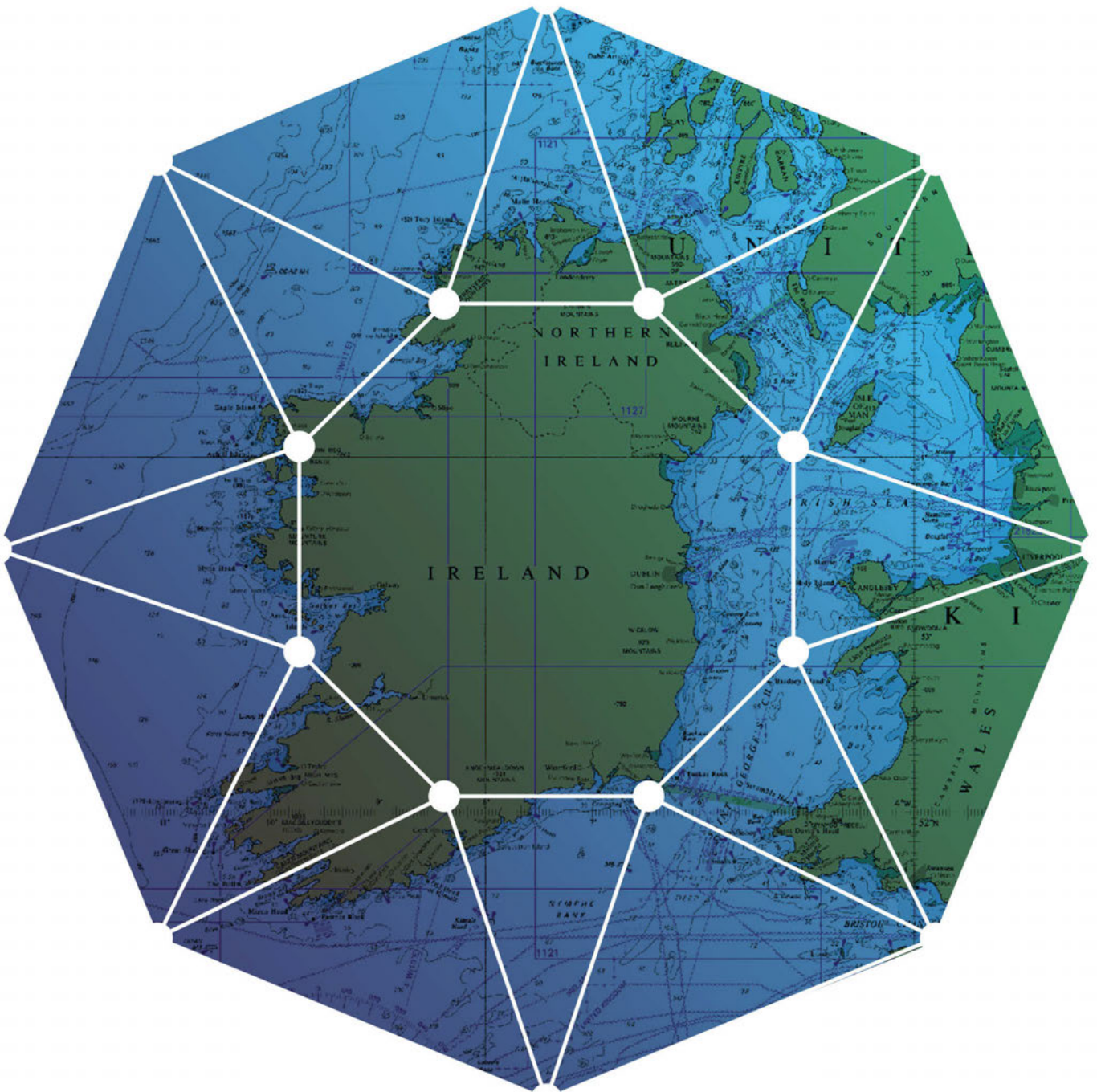


Commissioners of  
**IRISH LIGHTS** | Navigation  
and Maritime  
Services

# Annual Report and Accounts

Year Ended 31 March 2022

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**MISSION STATEMENT  
- SAFE NAVIGATION  
AT SEA:**

To be a leading and innovative provider of reliable, efficient and cost effective navigation and maritime services for the safety of all.



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# 1. Chairman's Summary

I am pleased to present the Commissioners of Irish Lights Annual Report and Accounts for the 12 months ended March 2022. This was the second successive year of managing in a challenging Covid-19 environment. Nevertheless it was also a year where Irish Lights continued to excel in providing Aids to Navigation (AtoN) and Maritime Services to the highest international standards against a backdrop of increasing levels of marine activity around the Island of Ireland.

IL performed well across its five strategic focus areas during the year, including the provision of general aids to navigation, superintendence of local aids to navigation, commercial and added value services along with tourism and heritage. In terms of financial performance, we operated well within sanctioned budget and the annual funding and efficiency targets agreed with United Kingdom (UK) Department for Transport (DfT) and Irish Department of Transport (DoT).

Regarding the delivery of general AtoN around the coast, we continued to focus on ensuring reliability, while enhancing services to deliver more value and reduce environmental impact.

During the year, we set out a road map for eNavigation, which recognises the trend towards increasing harmonisation of data collection, integration, exchange and presentation to enhance safe navigation. Against a background of emerging national and international developments the roadmap sets out how our existing project commitments are building internal technical and operational capability to enable us to deliver tangible improvements in our services to stakeholders on an ongoing basis.

The year under review was defined by a resurgence in shipping and port traffic as the Covid-19 related restrictions introduced by the Government were gradually reduced throughout the year. The Brexit transition period ended on 31st December 2020 and was followed by a significant increase in direct traffic between Ireland and continental Europe

as many traders chose to avoid possible delays on the traditional UK Landbridge route to Europe. As a result Roll on Roll off (RoRo) traffic on direct routes between Irish and mainland European ports rose by 94% and RoRo traffic on routes between Ireland and ports in Great Britain declined by 22%. This change in shipping transport patterns was closely monitored by Irish Lights during the year to ensure ongoing safe navigation.

The new National Marine Planning Framework (NMPF) and Maritime Area Planning Bill were launched by Taoiseach Micheál Martin in Irish Lights in July 2021. Subsequently, the Maritime Area Planning Act 2021 was signed into law on 23 Dec 2021. The Act represents the biggest reform of marine governance since the foundation of the State and provides a legal and administrative framework to support and balance

“ The Brexit transition period ended on 31st December 2020 and was followed by a significant increase in direct traffic between Ireland and continental Europe as many traders chose to avoid possible delays on the traditional UK Landbridge route to Europe.





offshore wind energy potential and other developments with the need to protect our marine environment. Irish Lights is a statutory consultee under the act and will provide advice and input with respect to safe navigation. Irish Lights is participating in the Marine Spatial Planning Advisory Group set up by the Department of Housing Local Government and Heritage. We are also participating in the Offshore Renewable Energy Development II Plan Advisory Group and acting as technical advisors to the Department of Communications, Climate Action and Environment on Lights and Marking of Offshore Wind Turbines under the North Seas Energy Co-ordination Group which has been set up to support the development of the offshore grid and renewable energy.

During the year the Irish and UK Governments signed the Convention on the International Organisation for Marine Aids to Navigation in Paris. This convention recognises the role of IALA (International Association of Marine Aids to Navigation and Lighthouse Authorities) and will further strengthen the role of IALA and its members in helping to manage safe navigation around the globe.

Irish Lights continued to support the UK and Irish governments in the implementation of the SOLAS (Safety of Life at Sea) Convention, ensuring that IALA recommendations and guidelines are fully implemented with respect to aids to navigation. In particular, Irish Lights worked with the DfT and Maritime Coastguard Agency to ensure the successful UK IMO III Code Audit, with respect to AtoN in Northern Ireland.

Throughout the year Irish Lights continued to work closely with our GLA (General Lighthouse Authority) partners Trinity House and Northern Lighthouse Board and our shared research unit GRAD (GLA Research and Development Directorate). This partnership brings many strategic synergies and practical operational benefits in the provision of an integrated safety service to the mariner. Our work also supports the wider government objectives as expressed in the Irish Maritime Directorate Strategy 2021-25 and the UK's Maritime 2050.

On behalf of the Board of Irish Lights, I would like to thank the UK DfT and the Irish DoT along with Trinity House (TH) and Northern Lighthouse Board (NLB) for their continued support during the year. I would also like to express my deep appreciation to Irish Lights employees and management who, during very challenging times, continue to demonstrate their skills and commitment in delivering an exemplary safety service to the Mariner.

**Kieran Crowley**  
Chairman 23 September 2022





*Inishowen lighthouse at dusk (Photo: Andrew Collins)*



## 2. Performance Report

### Chief Executive Review

#### Introduction

I am pleased to report that Irish Lights as the GLA for all of the Island of Ireland has delivered an aids to navigation service that is reliable, efficient and cost-effective. We have exceeded the IALA aids to navigation availability standards and delivered on our key performance objectives across the five strategic focus areas.

With respect to the provision of general aids to navigation around coast, over the year we exceeded the IALA aids to navigation availability international standards. The standard requires that total downtime for major aids to navigation must be less than 17.5 hours in the year, which is a challenging target for maintenance teams, given the location of our navigation aids in some of the most exposed locations around the coast. In terms of our local aids to navigations service, we met our target of inspecting 1,618 local aids and carried out 92% of intended audits. We found that major discrepancies have increased to 20% a 6% increase on 2020/21. Resulting issues are under active management by

Irish Lights and the appropriate Local Lighthouse Authorities (LLA).

Irish Lights regulates the lighting of structures and the marking of dangers by third parties by way of its statutory sanction /consenting process. This activity is increasing with 75 permissions approved in 2021-22 for new Local AtoN, 21 amendments to existing aids and 10 disestablishments across ports harbours, offshore renewable energy and aquaculture sectors. In addition, as a statutory consultee under the Foreshore Act, we reviewed and responded to 29 aquaculture site applications. We continue to actively engage with the Offshore Energy sector regarding the assessment of potential offshore wind sites and the use of scientific monitoring buoys.

In terms of value added services, during the year Irish Lights commenced a one year trail with Met Eireann to establish the feasibility of utilising our buoy infrastructure as part of a new National Flood Monitoring Programme. Work is ongoing with Met Eireann and the Marine Institute to establish quality

control assurance. Throughout 2021-22, we continued to co-operate with a range of stakeholders to support the implementation of the National Search and Rescue Plan with Granuaile actively participating in planning and training exercises and incident review. We continued to work actively with Failte Ireland, Udaras na Gaeltachta, Local Authorities and local communities to develop the Great Lighthouses of Ireland tourism initiative. This year saw the addition of another new site, Blacksod Lighthouse in Co. Mayo which sees the network of lighthouse tourism sites grow to 14 in Ireland, north and south.

The classification of Irish Lights as an essential service by the UK and Irish Governments ensured that Irish Lights could continue its work during Covid-19 pandemic with relatively little disruption. Despite the success of the vaccination program, as the pandemic continued into its second year global supply chain and follow on component availability eventually had an impact on the Irish Lights work programmes resulting in delays in closing out some of our capital works on the Coast and in Dun



Laoghaire. Nevertheless, Irish Lights did successfully conclude key works at Cardy Rocks and substantial progress was made on the capital projects on the three Rathlin Island Lighthouses along with a successful Dry-Dock of the Granuaile and completion and essential upgrade of the schottel speed control system on the Ship.

The increase in total costs was mainly driven by capital works and this was partially offset by increased commercial income as Covid-19 restrictions eased. Overall financial results are in line with expectations and Irish Lights operated within sanction budget during the year.

It was a challenging year and the flexibility, dedication and professionalism of our staff is consistently highlighted in feedback from our Stakeholders. Our team at Irish Lights continues to adapt to changing circumstances and they are to be highly commended and I want to thank them for their individual and collective contribution over the course of the year. I also want to thank the DfT and DoT and our partners in Trinity House and NLB for all their support throughout the year.

Finally, I would like to express my thanks to the Board of Irish Lights for their leadership and unstinting support throughout this challenging time.

**“ Our team at Irish Lights continues to adapt to changing circumstances and they are to be highly commended and I want to thank them for their individual and collective contribution over the course of the year.**

## 2.1 Strategy of the Organisation

### Our Mission – Safe Navigation at Sea

To be the leading and innovative provider of reliable, efficient and cost effective navigation and maritime services for the safety of all

### Our Vision – Next Generation Maritime Services

To protect lives, property, trade and the environment by delivering next generation maritime services at the interface of navigation, technology, engineering and data management.

### Business Strategies

Maritime transport is the most important means of connecting Ireland to international markets accounting for more than 90% of Ireland’s international

trade in volume terms. Facilitating this commerce, along with fishing, leisure and coastal tourism activities, the fixed and floating AtoN provided by Irish Lights are a critical national safety infrastructure for the maritime sector.

Safe navigation is our business and the development and delivery of our services now and into the future is reflected in the Irish Lights strategy “Safe Seas – Connected Coasts” which covers the period 2018-23.

The strategy is structured around five key focus areas and will see Irish deliver on six ambitious outcomes covering, safety of all, international leadership, technology and innovation, collaboration and partnership, supporting the development of the wider maritime economy and safeguarding the past while positioning for the next generation of maritime services.





## 2.2 Operational Performance

### Key Developments during the year

Progress against our strategy is reflected in our operational performance as set out below.



#### FOCUS AREA 1 – PROVISION OF GENERAL AIDS TO NAVIGATION

##### Implementation of new Technologies to improve service delivery, reduce costs and improve environmental impact

The AtoN performance in Appendix A shows that all categories of AtoN have performed to better than the IALA International Standards. This is a core operational target for Irish Lights.

Irish Lights continued its capital programme upgrading and consolidating its AtoN infrastructure during the year with capital works completed at Cardy Rocks, which saw the Beacon altered from a Port Hand Mark to an East Cardinal Mark and a new light established. Despite supply chain difficulties with components sourced in the Far East considerable progress was made on the Lighthouse capital upgrade projects at Rathlin East, Rathlin West and Rue Point. When complete these works will utilise a low energy Light source while retaining the heritage lenses in place.

Reinvestment took place on the ILV Granuaile including an interim Dry-Dock and an upgrade of the Schottel Speed controls system. These projects are intended to maintain the Ship in good working order to the end of operational life. The National Development Plan 2021-2030 was published in October 2021 and includes provision for the Granuaile replacement project as investment priority under Maritime Services Programme. During the year preliminary research was undertaken in advance of the Granuaile replacement project commencement and Irish Lights will draw heavily on the learnings from the two Ship replacement projects currently under way in both TH and NLB.

A total of 18 buoys were refurbished during the year 2020/21 of which 15 were deployed by ILV Granuaile. Of these 18 buoys, 11 were statutory and 7 were contract. One of the statutory buoys was a polyethylene buoy deployed at Strangford Lough, Co. Down, as part of our plastic buoy trial. The contract buoys were provided for the Marine Institute, Port of Larne, DAERA (NI) and Mid & E. Antrim Borough Council in line with long-term contracts held by Irish Lights. Blackball and Helvick buoys off Youghal and Dungarvan respectively were fitted with Automatic Identification System (AIS) to allow them to be monitored remotely.

As part of its statutory functions, with a view to ensuring navigation safety, Irish Lights assessed new Ship Wreck risks including fishing vessel *Ellie Adamh* which suffered engine failure in high winds and rough seas off the SW coast and sank in 80m of water approximately 5 nautical miles from Dursey Island close to Kenmare Bay. The Yacht *Giuliana* sank 50 nautical miles of Kilmore Quay in 90m of water. Navigation Risk assessments were completed at both locations and the wrecks were judged not to be a danger to navigation. Together with the Irish Coast Guard Irish Lights monitored SV *Arruno* recovered by Atlantic Towage under salvage contract close to Kinsale rigs and towed to Crosshaven. The Vessel had been abandoned off Newfoundland in June 2021 after taking on water.

The new Irish Lights eNavigation roadmap will align our operational plans with emerging technologies and help identify the capabilities that Irish Lights will seek to build in a rolling 5 year timeframe to support advancing eNavigation developments. A practical example of the work in this area includes the ongoing trail with the Irish Navy and GRAD to conduct measurement of European Geostationary Navigation Overlay Service (EGNOS) correction signals at the North Western extent of the Irish 200nm Exclusive Economic Zone. This project will run to the end of 2022. Early work for Irish Lights in the eNavigation area will centre on digital communications and data management. The LLA portal currently in development will use geospatial data to better present information to our Stakeholders and Irish Lights is using an open source data access program to share data with third parties.

The III Code is a legally binding code for the implementation of key IMO conventions including SOLAS. A successfully mandatory III Code Implementation Audit was completed in the UK with Irish Lights covering the seas in Northern Ireland. The same IMO audit will take place in Ireland in November 2023 with planning and training currently underway.



## FOCUS AREA 2 – LOCAL AIDS & OTHER NAVIGATION SERVICES

### Deliver an efficient and proactive local AtoN service to third parties

Irish Light completed 100% of planned inspections of Local Aids to Navigation (LAtoN) and 92% of LLA audits this year. There are over 3,200 local AtoN within ports and harbours around the island of Ireland managed by 56 LLAs. These mark safe channels of passage, aquaculture sites and other marine activities.

Irish Lights, working with LLAs also processed applications for 75 new permanent LAtoN, disestablishment of 10 LAtoN and approved amendments to 21 existing LAtoN. Irish Lights additionally sanctioned 36 temporary LAtoN. Offshore investigations within the Renewable Sector, resulted in the number of statutory sanctions for data collection buoys increasing to 20 this year.

In the Aquaculture Sector Irish Lights processed four Statutory Sanction applications for LAtoN. Irish Lights, as a statutory consultee, reviewed and responded to 69 aquaculture site applications, twice the number responded to in 2020/21.

Irish Lights received five requests for consultations connected with the development of offshore renewables as part of our role as a consultee under the Foreshore Act and responded to 25 additional consultations in respect to other works covered under the Foreshore Act. Irish Lights continues to assist Kinsale Energy regarding the navigation considerations relating to the marking and lighting of the offshore platforms during their decommissioning phase and eventual disestablishment as the project comes to an end in 2022.

As part of its statutory superintendence of LLAs Irish Lights is continuously seeking ways to assist LLAs to carry out their duties in the provision of inshore LAtoN. During the year work continued on the development of an AtoN Management specific training syllabus. The aim of this course will be to improve marine and technical knowledge associated with the safe, efficient and effective management of Local Aids to Navigation.

Additionally, Irish Lights has completed the development phase of the new LLA online portal. The portal is now in the pilot phase (selected user trial) and provides Geographical Information System (GIS) functionality allowing the user to visualise and manage their LAtoN, all set against an electronic navigational chart display supplied under licence by the UK Hydrographic Office. The portal also allows users to track online the progress of Statutory Sanction Applications. User feedback from the trial phase will be incorporated into the full release of the LLA online portal planned for quarter 3, 2022/23.

With a view to improving the efficiency of our inspection activities our LLA team have updated their Irish Aviation Authority (IAA) drone training in line with new European Union (EU) legislation which came into force at the beginning of 2022. We are now entering phase two of the project as we increase our flying hours and explore other organisational drone uses.





## FOCUS AREA 3 – COMMERCIAL SERVICES

### Ship Charter / Buoy Services / Commercial Property / Technology and Data Services / Consultancy Advice and Training

Commercial activity was challenging again in 2021/22 given the backdrop of the ongoing Covid-19 pandemic. Overall income came in at €1.0m, an improvement of €0.4m on the previous year. Our commercial strategy remained focused on revenue generation from available reserve capacity with any net income generated helping to reduce our net operational cost.

Access to Granuaile was limited due to strict social distancing measures for the most part of the year however Irish Lights did manage to deliver 9 days contract charters. Buoy maintenance and property equipment hosting performed well during the year with some significant contracts secured including an 8 year buoy contract with the Port of Larne.

There was strong engagement with the offshore renewable energy sector with a number of third party equipment hosting contracts secured with some key international industry players such as Statkraft and RWE Renewables. These contracts highlight how Irish Lights can leverage its assets and expertise to provide competitive and reliable services to commercial clients.





## FOCUS AREA 4 - VALUE ADDED SERVICES

### Irish Lights Met and Costal Data Services / Navigation Advice / Risk Assessment/ Marking of Zones / Support for Modelling in Ports and Harbours / Surveying and Charting

The Irish Lights MetOcean service now has over 21,158 followers on Twitter. Irish Lights has installed 4 wave sensors provided by Met Éireann on to Irish Lights navigation buoys, the data from these buoys will be used by Met Éireann's Flood Forecasting Division to develop coastal predictive modelling systems for tidal, storm surge and wave forecasting for Ireland. The acquisition of near-real-time data will prove beneficial to the Flood Forecasting Division before, during and after coastal flood events. This meteorological and hydrographic information provided by Irish Lights will support stakeholders to make impact-based decisions and take actions that protect against the loss of life and to mitigate against damage to property and the environment.

Irish Lights is also collaborating with Met Éireann and the Marine Institute to develop quality control for wave data in Ireland aligning to the Quality Assurance/Quality Control of Real-Time Oceanographic Data Manual for Real-Time Quality Control of In-Situ Surface Wave Data. Analysis of the 4 buoys using collocated equipment is currently underway with very promising initial results.

National Incident Response: As part of the national incident Response Irish Lights continued to participate in exercises with other State Agencies to strengthen Ireland's capability to respond to a major maritime ship casualty. Exercise "Blue Kingdom" was conducted in September 2022 in conjunction with the Irish Coast Guard and was designed to prepare for a ship casualty involving an oil spill of the coast of county Kerry. The ILV Granuaile also participated as on-scene coordinator in a multi-agency exercise called "Beal Inse" in Dingle Bay in June.

Critical Entities Resilience (CER) Directive: Irish Lights submitted a response on the consultation for the proposed CER Directive highlighting the importance of Maritime AtoN as a critical national infrastructure and how Irish Lights fulfils the State's obligation under SOLAS and the requirements for supporting infrastructure (ILV Granuaile) to enable this work. The submission highlighted the vulnerability of GNSS and the need to enhance understanding of the importance of GNSS to Ireland for critical national infrastructure and key economic sectors. In addition, Irish Lights highlighted the importance of EGNOS provision and the need for continued access to shared EU services through programmes such as Galileo and EGNOS particularly given that these systems will take on an increasing importance with the development of Maritime Autonomous Surface Ships.

Apart from the major project to decommission the Kinsale rigs and associated infrastructure, there is a general trend of reduced advisory services required from the Oil and Gas sector since the Irish Government decision to stop issuing new exploratory licences. However this reduction is being replaced with ever increasing consultation related to offshore wind farm developments primarily in the Irish Sea for example the 62 turbines planned for the Arklow Bank.

During the year Irish Lights was a technical advisor to the Department of Communications, Climate Action and Environment on Lights and Marking of Offshore Wind Turbines under the North Seas Energy Co-ordination Group which has been set up to support the development of the offshore grid and renewable energy. In addition, Irish Lights participated in the Offshore Renewable energy Development Plan II (OREDPII) working group which is tasked with setting out the Irish Government long-term plan to take advantage of a potential of at least 30GW of Offshore Renewable Energy including floating wind potential in Ireland's deeper waters in the Atlantic post-2030. Irish Lights also worked closely with the Northern Ireland Department of Agriculture, Environment and Rural Affairs on the development of new Marine Licencing regulations.





## FOCUS AREA 5 – TOURISM HERITAGE AND COMMUNITY ENGAGEMENT

### Great Lighthouses of Ireland / Surplus Heritage Property / Storage and Display of Irish Lights Artefacts / Archive Project

Irish Lights ambition to support coastal communities and drive economic benefit for all stakeholders has been recognised and applauded as Great Lighthouses of Ireland continues to be regarded as a valued tourism experience and public, private and community partnership. Comprised of a mix of local authorities, community groups and government agencies, its efforts and strategic priorities are aligned with Government policy in areas such as tourism, heritage, rural development and outdoor activity development on the island of Ireland, North and South. Great Lighthouses of Ireland now collectively offers fourteen lighthouse experiences in breath-taking coastal locations around the Island of Ireland and continues to be an effective platform to protect and promote our built heritage.

2021/22 was a challenging year for Great Lighthouses of Ireland as the tourism sector continued to be significantly impacted by Covid-19 related start/stop openings and closures. Following the roll out of vaccinations sites opened over the summer with strong domestic demand for day trips and self-catering staycation experiences. A strong focus on consumer digital engagement via online promotions

were successful in increasing website views by 24%. Followers continued to grow across all social media platforms, with a loyal core group who contribute and engage on an ongoing basis.

All efforts to grow brand awareness, consumer campaigns and run events required careful consideration as during these challenging times partners capacity and commitment varied. Great Lighthouses of Ireland was successful again in securing a place at Meithal 2022 Fáilte Ireland's largest International Travel Trade Fair. The brand partnership expanded in 2021 with the addition of Blacksod Lighthouse opening as a new visitor attraction. Irish Lights and the community group at Blacksod Co. Mayo along with a partnership with Mayo County Council signed a new lease, unlocking the potential at this iconic site on the North West coast. This strategic development is part of a wider investment in the community group by Udaras Na Gaeltachta of €2.5 million through the Rural Regeneration Development Fund.

Given the current environment, local visitors from the Republic of Ireland and Northern Ireland segments present

the biggest market opportunity and will therefore be a priority. Once confidence in international travel is restored, we can look forward to extending our target market to reach and attract visitors from the rest of the UK, followed by Germany & France, firmly promoting a link with coastal communities and experiences which have a high appeal for visitors.

The Irish Lights archive project continued to focus on the top historically most important collections within the archive. With the high level of public interest in Irish Lights Heritage a key focus during the year was sharing the catalogued and digitised content of the archive through outreach and collaboration. Researching and developing content for lectures, papers and online exhibitions during the year Irish Lights contributed to the Irish Governments Decade of Centenaries Commemorations, the Dublin Festival of Histories and Radio Telefís Éireann's (RTE) Century Ireland Website. Heritage stories are now available to view by the public on the redesigned heritage section of the Irish Lights Website. Irish Lights has commenced a collaborative project with University College Dublin (UCD) to share the interesting War and Raid collection on the UCD digital Library platform.



Clare county council opening of Loophead visitor centre



# GREAT LIGHTHOUSES OF IRELAND

## Strategy Enablers/ other reporting metrics

### Organisational Change

There has been a great uptake by employees and in terms of training and development for 21/22 – 67 employees undertook formal technical and developmental training participating in 52 accredited courses. Irish Lights rolled out two customised programmes including an 'Irish Lights Leadership and Values Programme' focused on embedding the Irish Lights Values. Additionally an 'Irish Lights People Manager Programme' had a focus on the Irish Lights' core competencies and strategic thinking. Both programmes were the result of many months of work, partnership with UCD Smurfit Executive Development, in designing programme content that was anchored in Irish Lights Values and Competencies. The partnership approach, bringing with it the benefit of Smurfit Executive Development's know-how, ensured that our bespoke programmes offered a quality learning experience, with learnings that resonate and can be applied in the day to day job.

### Health and Safety Review

Our commitment to the safety and well-being of everyone working in and visiting Irish Lights is resolute. Our employees are our most important asset and ensuring they remain healthy and do not suffer an injury or ill health while carrying out their work is the corner stone of our health and safety strategy and is our core health and safety objective. This objective also extends to visitors and contractors working on Irish Lights' behalf. It is not a matter of putting safety before business but striving to do our business safely.

2021/22 was another busy year as our essential work on the coast continued with limited disruption to activities due to Covid-19 restrictions. On the health and safety front a lot was achieved, most particularly in relation to accident prevention where the concentrated focus and effort over the past number of years continues to deliver positive dividends. On the accident front there were four accidents on duty with a loss of

120 days. Eight of the months in 2021/22 have been accident free. Safety training continues to play an important role in how we manage health and safety and, while Covid-19 did impact on our ability to deliver on our safety training programme during 2021/22, we still managed to train 218 people over 247 days. An ambitious training programme has been put in place for 2022/23 which will include an element of catch up training for that not delivered in 2021/22.

### Information and Communications Technology

Cyber security remained a key focus throughout 2021/22 to reflect the ever changing and increasing threat landscape with ongoing emphasis on employee education and awareness training. The firewall infrastructure on-board Granuaile and in Dun Laoghaire was upgraded and a new Wi-Fi architecture installed. Irish Lights actively participated in an IALA workshop on Cyber Security Incident Response in relation to Aids to Navigation.



A new Monitoring and Traffic Analysis integrated solution was installed and commissioned which provides an insight into the operational status of the aids to navigation and their various technical components (including lights, batteries, generators and communications links). The new system enables the decommissioning of legacy monitoring systems and the phased replacement and integration of other coastal network infrastructure. The DGPS (Differential Global Positioning Service) service which provided augmented GPS (positional accuracy) was discontinued on March 31<sup>st</sup> 2022 as the standard GPS system technology has improved and the satellite network constellation has been modernised. GPS positional accuracy meets the International Maritime Organisation requirement for accuracy around the coast of the UK and Ireland for marine navigation. A proof of concept "Safety on the Water" mobile app was developed with various stakeholders to integrate multiple data sources (including MetOcean data from our buoy and lighthouse network) to provide users with a range of relevant information to enhance the decision making process in relation to planning and undertaking various activities at sea and around the coast. The learnings and technical output from this pilot project will be included in a Department of Transport funded project to develop and release a fully supported mobile app. The work management system was expanded to improve data collection and automate various business processes pertaining to LAtoN inspections.

A major multiyear digital transformation project commenced to improve information delivery, increase opportunities to collaborate in a more effective way and improve and automate processes and workflows to deliver greater efficiencies and/or smarter ways of working. The solution is based on the Microsoft 365 cloud platform and will incorporate a new document management solution.

### **Tri-GLA Co-operation**

The General Lighthouse Authority 'Joint Strategic Board' (JSB) oversees and co-ordinates strategic activities which are of value and benefit to all three organisations. During the year Mr Mark Barr of Irish Lights Chaired the JSB. In 2020/21, the JSB focused on the 21/22 Corporate Planning round, continued Tri-GLA procurement post Brexit, sustainability targets and challenges, an alternative measure to RPI-X and the Vessel replacement projects in Trinity House and Northern Lighthouse Board. Additionally, the JSB recognised the importance of sharing lessons learned from managing during the Covid-19 pandemic and adopting improved ways of working into the future.

The JSB provided continued oversight of the activities from the shared GLAs Research team GRAD. Work is progressing on the update of the tri-GLA shared strategy documents – "Navigating the Future 2035 and GLA Marine Navigation Plan 2022 – 2035. GRAD has been leading on two offshore wind energy change projects, EQUIPMENT -looking at the impact on systems of navigation and communications technologies and CUMULATIVE - looking at the cumulative impact of Offshore Wind projects in UK waters, assessing the risks to safe navigation and identifying mitigations as the limit of capacity is approached.

The JSB welcomed the signing of IALA Intergovernmental Convention by the UK and Irish Governments which will further strengthen the role of IALA in safe navigation around the globe.

Across the three GLA there is ongoing day to day collaboration in relation to ship cover and risk response, aircraft services, insurance, research & development, procurement, cyber risk, technical support and safety. This close inter GLA working delivers improved services and response times for our users and value for our funding stakeholders. The day to day nature of this activity is critical to Irish Lights' effectiveness.

## 2.3 Sustainability Reporting

The Climate Action and Low Carbon Development (Amendment) Act 2021 establishes a legally binding framework with clear targets and commitments set in law, and ensure the necessary structures and processes are embedded on a statutory basis to ensure we achieve our national, EU and international climate goals and obligations in the near and long term.

Irish Lights seeks to develop its environment management policies in a manner fully consistent with Government initiatives and public opinion.

Currently, the national targets are

- (i) to achieve an energy reduction of 50% in 2030 relative to our baseline year of 2009
- (ii) to achieve a greenhouse gas emissions reduction of 51% by 2030 relative to our average emissions of 2016-18.

In relation to our operations in the United Kingdom, Irish Lights takes cognisance of the UK Government's 'Greening Government Commitments 2021-25'. While some of the specific targets of these Commitments vary from those noted above, the general initiatives in the two jurisdictions share common themes.

### **Irish Lights Sustainability Programme**

The Irish Lights Sustainability Programme is currently in development and will serve as an overarching framework to coordinate the efforts which are already under way and new projects to be implemented in terms of climate action and environmental protection. It is due for completion in October.

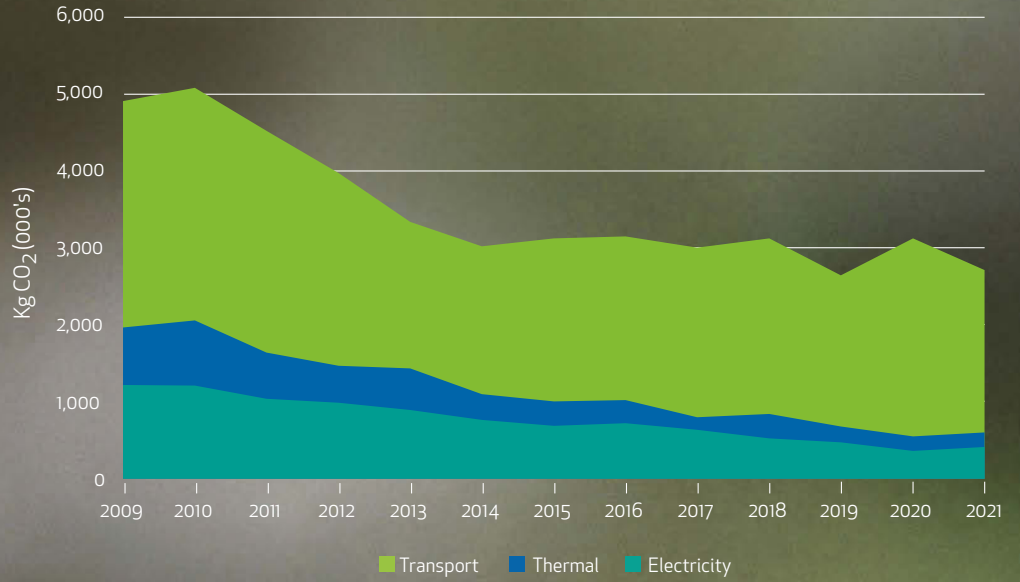
We have recently engaged an external consultancy to complete an environmental compliance audit of our activities to ensure that our operations are up to date with the most recent environmental legislative requirements and guidance. This review will set a baseline for us and identify where we need to improve in relation to the environmental themes of emissions, waste management, use of materials, water discharge, noise and biodiversity.



### Irish Lights Energy & CO2 Emissions

Irish Lights has been recording its energy usage through the Sustainable Energy Authority of Ireland (SEAI) Monitoring & Reporting Database since 2014 with data entered back to our baseline year of 2009. As may be seen in the graph on the right, our energy consumption has reduced by 41.9%. The bulk of our energy usage (73.6%) is attributable to transport of which approx. 90% is accounted for by the diesel usage of ILV Granuaile.

CO<sub>2</sub> Emissions Since Baseline





## GROSS EMISSIONS

						Baseline
<b>Scope 1 Direct Emissions</b> (sources owned or controlled)		2021	2020	2019	2018	2009
Transport	Tonnes CO2	2,109	2,580	1,964	2,278	2,946
Thermal	Tonnes CO2	190	184	209	320	747
<b>Scope 2 Indirect Emissions</b> (energy supplied by another party)						
Electricity	Tonnes CO2	411	363	470	525	1,219

## RELATED ENERGY CONSUMPTION

						Baseline
<b>Scope 1 Direct Emissions</b> (sources owned or controlled)		2021	2020	2019	2018	2009
Transport	MWh	8,815	10,775	8,212	9,520	12,325
Thermal	MWh	906	873	981	1,424	3,197
<b>Scope 2 Indirect Emissions</b> (energy supplied by another party)						
Electricity	MWh	2,251	2,236	2,664	2,701	5,081

The figures in the tables above are based on information extracted from the Sustainable Energy Authority of Ireland Monitoring & Reporting Database and are shown in calendar years and exclude costs associated with Commercial activity

## FINANCIAL INDICATORS

					Baseline
<b>Energy expenditure</b>	2021/22 €'000	2020/21 €'000	2019/20 €'000	2018/19 €'000	2009/10 €'000
Electricity - Head Office	104	102	109	106	137
Electricity - Coastal Stations	111	82	97	88	108
Gas - Head Office	32	30	23	23	39
Oil/ Coal - Coastal Stations	31	17	28	41	93
Ship MGO	368	279	330	387	348

The financial indicators in the table above are based on the financial year 01 April to 31 March and exclude costs associated with Commercial activity

## Specific Actions that have been or are currently being under taken

**Mitigating Climate Change: Working towards Net Zero by 2050:** All fluorescent fittings in our administration building were replaced by energy efficient Light Emitting Diode (LED) light fittings which will result in an annual reduction in CO2 emissions of 18T. A planning application has been submitted for the fitting of a solar array on our workshop roof which will produce 32.5MWh of electricity annually and save 16.5T of CO2 emissions annually.

**Minimising Waste and Promoting Resource Efficiency:** New 3 compartment bins are being introduced in Dun Laoghaire Head Quarters to promote correct segregation of waste.

**Reducing our Water Use:** The feasibility of rain water harvesting from the workshop roof is to be investigated. This water may be used for power washing in the buoy refurbishment process.

**Reducing Environmental Impacts from ICT and Digital:** A project is commencing to replace the air conditioning system in the primary data centre with a free-air or hybrid system.

## 2.4 Financial Performance Overview

The key financial highlights for the year include:

- There was an overall net accounting deficit of €0.9m for the year in Irish Lights Statement of Comprehensive Net Income (SoCNI), compared with a deficit of €1.8m last year.
- Running costs increased by 5.2% since last year, partly as a result of inflation of 6.7% during the year.
- Gross commercial income increased to €1.2m, up 30% on last year mainly as a result of increased buoy and property income. Charter income has improved from last year however activity remained low due to on-going Covid-19 restrictions.
- Irish Lights net costs were within the UK DfT financial sanction limits for the year.
- Republic of Ireland (RoI) self-financing targets were achieved including RoI Light dues income of €7.6m (up 8.8% over 2020/21). This increase was as a result of a substantial rebound in activity following the lifting of Covid restrictions across the globe.

### Financial Results

#### Highlights

The financial summary for the year to 31 March 2022, contained in these Accounts and Notes, shows an overall net accounting deficit on the SoCNI of €0.9m (2020/21 – deficit of €1.8m). The movements in the asset valuations are reflected in the financial results with year on year gains and losses primarily attributable to “non-cash” revaluations and related depreciation charges.

Staff Costs (before capitalisation of labour) have increased by 1.2% since last year. The increase is a combination of pay increases under national pay agreements and the full year cost of filling vacant positions. Other Expenditure costs have increased by 6.4%. This is primarily as a result of activity levels on the coast returning to normal following the easing of Covid-19 restrictions and inflation driven cost increases.

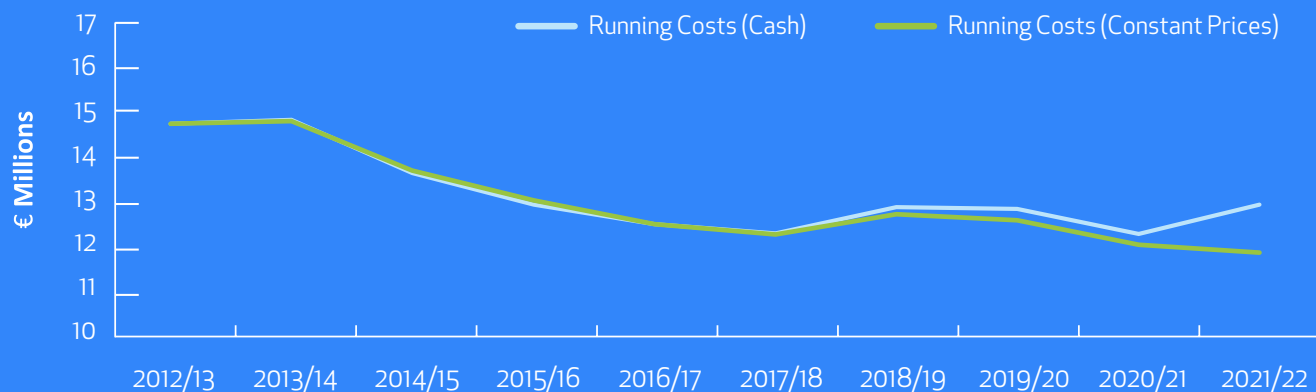
The completion of the Granuaile Intermediate Dry Dock and Schottel Speed & Control system upgrade resulted in an increase of €0.7m in capital expenditure. Covid-19 related supply chain challenges impacted some of the planned coastal capital projects resulting in works partially delayed until 2022/23.

Commercial Income is up on last year. The increase of 33% is due to a significant one-off buoy build contract and release of bad debt provision relating to property income from previous years.

#### Cost Effectiveness

The performance indicator used to measure cost effectiveness is “Running Costs – Cash and Constant Prices.” This indicator measures the annual cash running costs of Irish Lights on a year-by-year basis together with the running costs at constant prices (adjusted for RoI consumer price index). For consistency purposes these costs include the marginal costs relating to commercial activities and exclude employer pension contributions which commenced in 2014/15. The results are set out in the following table and graph show an increase in actual running costs of 5.2% along with a decrease of 1.4% in constant price terms for 2021/22 as compared to 2020/21. Over the ten years to March 2022 Irish Lights running costs have decreased by 19% in real terms.

## Running Costs in Cash and Constant Prices (Gross)



	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Running Costs (€'000)	14,770	14,857	13,690	12,991	12,564	12,362	12,939	12,898	12,348	12,992
Variance (%)		0.6%	-7.9%	-5.1%	-3.3%	-1.6%	4.7%	-0.3%	-4.3%	5.2%
Running Costs (Constant Prices €'000)	14,770	14,829	13,742	13,089	12,564	12,339	12,783	12,684	12,109	11,937
Variance (%)		0.4%	-7.3%	-4.7%	-4.0%	-1.8%	3.6%	-1.1%	-4.3%	-1.4%
Rol Consumer Price Index	100.0	100.2	99.6	99.2	100.0	100.2	101.2	102.0	102.0	108.8

The running costs figures exclude costs recovered through Government Grant Aid and Employer Pension Contributions but include costs associated with commercial income activity and pay associated with Capital Projects that was capitalised during the year.



Roches point lighthouse (Photo: John Finn)



## Source of Finance

Irish Lights is financed from advances made by the UK DfT from the General Lighthouse Fund (GLF). The GLF advances, based on the annual cash requirements of Irish Lights, finance Irish Lights' net expenditure and are credited to the SoCNI.

The sources of finance include light dues paid in Ireland, a contribution from the GLF to cover operations in Northern Ireland, commercial income and an Irish Government contribution. For the financial year 2021/22 the Irish Government contribution was €5.7m (2020/21 - €5.4m).

## Light Dues

The UK and Ireland operate a common light dues charging zone. This means that light dues certificates issued in one zone are recognised in the other jurisdiction. Charges are capped at 40,000 tonnes with a maximum of nine certificates in any one year. The rates are set by the respective Ministers and currently stand (22/23) at 60 cent per tonne in Ireland and 41.0 pence per tonne in the UK.

Following the reduction in Irish Lights Dues in 20/21 primarily due to Covid-19 there was a substantial rebound of 8.8% in 21/22 to €7.6m. The largest category of increase was on Dry-Bulk, Ro-Ro and Container traffic. There was a surge in demand for direct EU capacity, which was driven by a reduction in the use of the UK land bridge, as many importers and exporters chose to avoid the impacts of new customs arrangements required

for goods traded between Great Britain and the EU Single Market. Light Dues income in Northern Ireland was €1.3m in 2021/22 compared with €1.2m last year. Overall, UK Light Dues were up 6% on the previous year and this is largely due to the increase in the UK light dues rate to 38.5p per net tonne in 21/22.

The light dues collected in Ireland and Northern Ireland are forwarded to the GLF. Light dues collected by the three General Lighthouse Authorities Trinity House, The Northern Lighthouse Board and Irish Lights are included as income in the GLF Annual Report and Accounts and do not form part of these accounts.

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### Yvonne Shields O'Connor

Chief Executive and Accounting Officer  
23 September 2022



The National Marine Planning Framework and Maritime Area Planning Bill was launched in Irish Lights' Dun Laoghaire headquarters by An Taoiseach, Micheál Martin, TD on Thursday 1st July 2021. Back row: Minister of State at the Department of Public Expenditure and Reform, Ossian Smyth, Minister for Housing, Local Government and Heritage, Darragh O'Brien, TD, Minister for Transport, Eamon Ryan, TD and Minister of State with responsibility for Local Government and Planning, Peter Burke, TD. Front row: Yvonne Shields O'Connor, CEO, Irish Lights, An Taoiseach, Micheál Martin, TD, Kieran Crowley, Chairman, Irish Lights.

# 3. Accountability Report

## 3.1 Corporate Governance Report

Irish Lights is committed to maintaining the highest standards of corporate governance in accordance with the DfT Framework Document for the General Lighthouse Authorities. Irish Lights has also reviewed the Irish Code of Practice for the Governance of State Bodies (August 2016 and updates) and the UK Code on Corporate Governance in Central Government Departments (April 2017 and updates) and arrangements are in place to ensure that governance structures and internal controls encompass the main principles of these codes and where relevant specific guidelines are adapted for implementation. The cornerstones and highlights of Irish Lights' Governance include;

- An independent non-executive Board of Commissioners.
- The Audit and Risk Committee which operates in line with the HM Treasury Audit and risk assurance committee handbook.
- A Risk Management Framework which is formally reviewed by the Board, Executive and Senior Managers on a biannual basis and in practice is considered as part of the control of all key projects and activities.
- Irish Lights Corporate Governance Manual.
- A Tri-GLA Triennial Risk Management Review undertaken by the three GLAs in 2021.
- Internal Audits undertaken by the Government Internal Audit Agency (GIAA). In 2021/22 audits covered Corporate Risk Management, Navigation Assessment, Local AtoN Superintendence and Key Financial Controls. Overall the internal auditor provided a 'substantial' opinion on Irish Lights.

- External Audit by the National Audit Office (NAO) who independently review the Irish Lights Annual Report and Accounts as part of their audit of the consolidated GLF Annual Report and Accounts and report on their findings to the Audit and Risk Committee.
- There is an annual Corporate Plan budgetary approval process managed by the DfT followed by monthly management accounting reporting and analysis.
- The Annual Management Assurance Return, reviewed by the Audit and Risk Committee and submitted to the UK DfT.

to run the day to day activities of the organisation.

The Board met on seven occasions during the year. Certain matters were considered at all meetings including the Chief Executive's operational report, finance report, AtoN performance reports, capital projects, requests for statutory sanctions and where applicable reports from Board sub-committees and the Tri-GLA JSB. The Board approved updates to key policies and monitored special projects including the new E-Nav Roadmap, GRAD developments and the initiation of the Ship replacement project along with progress against the new strategy "Safe Seas – Connected Coasts" covering the period 2018-2023. The Board also reviewed and agreed the Corporate Plan 2022-27 and the 2020-21 Annual Report and Accounts. External developments related to Brexit, Tri-GLA helicopter contract, cyber threat and COVID-19 were kept under constant review. In March 2022 the Board completed a detailed risk horizon scanning workshop to assess Irish Lights longer term exposure to risks and opportunities.

### 3.1.1 Directors Report

**The Board of Irish Lights** is comprised of:

- Up to twelve co-opted Commissioners.
- The Lord Mayor of the city of Dublin plus three Councillors of the City of Dublin (ex officio Commissioners).
- The Chief Executive in her capacity as Accounting Officer is a member of the Board with no voting rights.

The Executive Management Team attends the Board meetings.

Irish Lights considers all Commissioners to be non-executive, independent Directors. A Register of Interests that includes details of relevant company directorships or other significant interests held by Board members is maintained. The Board Chairman was satisfied that these did not conflict with the duties and responsibilities of Board members as non-executive Directors of the Commissioners of Irish Lights during 2021-22. The Board has appointed a Chief Executive and Management Team

**Membership of the Board during 2021/22 was as follows:**

**Co-opted Commissioners**

Kieran Crowley (Chairman & Office Bearer)  
 Mark Barr (Vice Chairman & Officer Bearer)  
 Michael Maclaran (retired 13<sup>th</sup> July 2021)  
 David Delamer  
 Donal O'Mahony  
 Andrew Jones  
 Dan Maher  
 Adam Grennan  
 Olive Hill  
 Sally Montgomery

**Ex-officio Commissioners (Representatives of Dublin City Council)**

Councillor Dermot Lacey  
 Councillor Danny Byrne  
 Councillor Donna Cooney

**Executive Board Members**

Yvonne Shields O'Connor (Chief Executive)

**Board Membership and Committee Structures**

Attendance at scheduled meetings of the Board and its committees in the financial year ended 31 March 2022

**Board Membership and Committee Structures**

Attendance at scheduled meetings of the Board and its committees in the financial year ended 31 March 2022

Name	Board #	Audit & Risk Committee	Remuneration Committee	Nominations Committee	Corporate Management Committee
<b>Commissioners:</b>					
Kieran Crowley (Chairman)	7/7(C)	-	0/0 (C)	0/0 (C)	1/1
Mark Barr (V Chair)	7/7	-	0/0	0/0	-
David Delamer	6/7	-	0/0	0/0	1/1
Michael Maclaran	2/2	-	-	0/0	-
Donal O'Mahony	5/7	2/3	-	-	1/1(C)*
Adam Grennan	6/7	-	-	-	-
Dan Maher	4/7	3/3	-	-	-
Olive Hill	7/7	2/3	-	-	1/1
Andrew Jones	6/7	3/3 (C)*	-	-	-
Sally Montgomery	7/7	-	-	-	1/1
Councillor Dermot Lacy	7/7	-	-	-	-
Councillor Danny Byrne	4/7	-	-	-	-
Councillor Donna Cooney	4/7	-	-	-	-
Yvonne Shields O'Connor	7/7	3/3	0/0	0/0	1/1

\*Note (C) denotes Chairman of Committee

# Note, other than the Chief Executive Ms Shields O'Connor, who is a full time employee, no other Board Member receives remuneration for their services. In aggregate, expenses paid to and behalf of Board Members in respect of their duties were €2,937 (2020/21 €642). These expenses primarily relate to travel, subsistence and accommodation.



**The following committees of the Board are established to co-ordinate key activities:**

**a) Audit and Risk Committee Review**

The Audit and Risk Committee is established to advise the Board and the Chief Executive Officer / Accounting Officer on issues relating to management controls, the financial stewardship of the funds at the Board's disposal, risk, compliance and corporate governance issues and the systems of internal control. The Committee also meets with the Group Head of Internal Audit of the GIAA and the NAO to review the Annual reports and Accounts and to discuss any observations raised by the Auditors in their Report to those Charged with Governance.

The Irish Lights Audit and Risk Committee met on three occasions in the year ended 31 March 2022. The

main activities for the year included the review of the 2020/21 Annual Report and Accounts and the recommendation that they be formally approved by the Board; reviewed the Irish Lights risk register; reviewed the Annual Management Assurance Return to the UK DfT and considered the reports provided by both the Internal and External Auditors. The Committee also reviewed the Business Continuity Maintenance programme, General Data Protection Regulation (GDPR) status update, the internal audit programme, Charities Regulator annual returns and Compliance form return, the new auditing standard ISA (UK) 570 "Going Concern", the internal audit procedure with GIAA, and the Executive Summary of the GLA Triennial Risk Report 2021.

**b) Remuneration Committee**

The Remuneration Committee did not meet in 2021-22.

**c) Nominations Committee**

The Nominations Committee is responsible for the appointment of elected members of the Board of Irish Lights. The Nominations Committee did not meet in 2021-22.

**d) The Inspecting Committee**

The Inspecting Committee is an advisory committee to the Board with responsibility for reviewing the practical implementation of Board policy around the coast. The Committee, comprising of six members of the Board, completed a detailed inspection of Lighthouse stations and other AtoN infrastructure on the North Coast of Ireland in September 2021.



Helicopter operations Blacksod (Photo: Andrew Collins)

## e) The Corporate Management Committee

The Corporate Management Committee met on 1<sup>st</sup> October 2021 and considered the Corporate Plan covering the period 2022 to 2027 with a focus on year three business targets within the five year strategy ‘Strategy Safe Seas – Connected Coasts’. The budget to achieve targets for 2022-23 was reviewed and recommended to the Board for approval.

## f) Tri-GLA JSB

The JSB supports the co-ordination of tri-GLA activity and ensures that improvements and efficiencies in Tri-GLA performance are achieved. The JSB met on two occasions in May and in November 2021. Key issues discussed included, Covid-19 Pandemic, Tri-GLA monitoring, helicopter activity in relation to cross border helicopter operations post-Brexit, Global Navigation Satellite System (GNSS) vulnerability, DGPS, GLA efficiencies, Corporate Plans, Brexit, cyber security, RPI-x replacement measure (in the context of GLF efficiencies), autonomous vessels, new vessel procurement and Tri-GLA research and development.

## Board Effectiveness

The Irish Lights Board comprises individuals with deep knowledge and experience in core and diverse sectors of relevance to the activities of the organisation. Keeping up to date with key organisational, technical, policy and stakeholder requirements and developments is essential for the Board in terms of maintaining and enhancing effectiveness.

In line with its corporate governance guidelines, the Board of Irish Lights completes an appraisal of its performance every year. This consists of a self-assessment questionnaire which is completed by all Board members for the period April 2021 – March 2022. The review covered the following topics strategy and implementation, risk and crisis management, corporate ethics, monitoring organisation performance, management evaluation, communicating with stakeholders, board dynamics and contributions.

A separate self-assessment checklist was completed by members of the Audit and Risk Committee and covered areas recommended by HM treasury.

## Office and Advisers

### Principal Office

Harbour Road, Dun Laoghaire, Co Dublin

### External Auditors<sup>1</sup>

Comptroller and Auditor General  
National Audit Office  
157 Buckingham Palace Road  
Victoria, London, SW1W 9SP

### Internal Auditors

Government Internal Audit Agency (GIAA)  
Zone 2/16, Great Minster House,  
33 Horseferry Road,  
London, SW1P 4DR

### Bankers

Bank of Ireland  
39 St. Stephen's Green East  
Dublin 2

Bank of Ireland  
P.O. Box 13  
Donegal Place, Belfast BT1 5BX

### Solicitors

Mullany Walsh Maxwells  
19 Herbert Place, Dublin 2

O'Reilly Stewart  
Courtside House  
75-77 May Street  
Belfast, BT1 3JL

Philip Lee LLP  
7/8 Wilton Terrace, Dublin 2

<sup>1</sup> It should be noted that the NAO review the Irish Lights Annual Report and Accounts as part of their audit of the consolidated General Lighthouse Fund Annual Report and Accounts. However, they do not provide an audit opinion on the Irish Lights Annual Accounts.

## 3.1.2 Statement of Accounting Officer's Responsibilities

Under section 218 (1) of the Merchant Shipping Act 1995 the Secretary of State for Transport, with the consent of HM Treasury, has directed Irish Lights to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Irish Lights and of income and expenditure, cash flows and changes in equity for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual (FRoM) and in particular to:

- Observe the Accounts Direction issued by the Secretary of State for Transport including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- Make judgements and estimates on a reasonable basis;
- State whether applicable accounting standards as set out in the FRoM have been followed, and disclose and explain any material departures in the accounts;
- Prepare the accounts on a going concern basis.

The Accounting Officer of the UK DfT has designated the Chief Executive as Accounting Officer of Irish Lights. The responsibilities of the Accounting Officer include accountability for the regularity of the funds allocated to Irish Lights and keeping proper records and accounts in its capacity as a GLA. As far as we are aware there is no relevant information of which the auditors are unaware. All steps have been taken to ensure that all relevant information has been made available to the auditors.

The Accounting Officer is required to confirm that the annual report and accounts as a whole is fair, balanced and understandable and that she takes personal responsibility for the annual report and accounts and the judgments required for determining that they are fair, balanced and understandable.

### 3.1.3 Governance Statement

#### Overview

The Board has in place specific arrangements to comply with the requirements set out by the UK DfT Framework Document for the GLAs, dated 29 June 2017. This Framework Document sets out the relationship between the Secretary of State for Transport (via the UK DfT) and the GLA in matters of business and finance and aims to provide a clear understanding of their respective duties, statutory and Accounting Officers responsibilities under relevant legislation.

#### Risk Management

##### Accounting Officer Responsibility for Risk Management

The Chief Executive, as accounting officer is responsible for safeguarding the GLA funds and assets for which she is personally responsible, in accordance with the principles set out in HM Treasury's Managing Public Money.

##### Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Irish Lights policies, strategy, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Irish Lights for the year ended 31 March 2022 and up to the date of approval of the Annual Report and Accounts.

#### Risk Management Policy

Irish Lights has a risk management framework in place covering risk policy (2021), a corporate risk register and a system of Management and Board review. The policy focuses on embedding a culture of risk awareness and responsibility, identifying and documenting risks and uncertainties, taking balanced and considered action to mitigate problems and capitalise on opportunities and ensuring business decisions at all levels are informed by an understanding of risks and opportunities.

#### Risk Management and Monitoring

The culture of Irish Lights is one of close management and control of risks. The Director of Corporate Services is the risk management champion for the organisation. Every risk has an owner and co-owner responsible for the management of that risk. The process of embedding the risk management approach into the organisation has included:

- Development and regular review of the Risk Register with the involvement of Directors and key Managers.
- Internal audit deriving their audit plan from risks listed on the register.
- Risk proofing the annual Corporate Plan.
- An identifiable risk appetite whereby risks are considered on a risk by risk basis and in general for most risks facing Irish Lights our appetite would be considered 'averse'.
- Each risk is considered in terms of the probability of the risk event occurring and the impact of the occurrence and whether it should be treated, tolerated, transferred or terminated.
- Irish Lights in conjunction with the other two GLAs produced a Triennial Risk Management Review in 2021 which contains the business risks, risk management policy, and strategy for the GLAs.

During the year the Board completed a detailed risk horizon scanning exercise to access the longer term risk exposure to Irish Lights.

#### External Input to Navigation Risk Management

External stakeholders are involved in a continuing dialogue on risks. This involves User Committees and general consultation with marine sector representatives. Irish Lights continues to facilitate a User Committee structure and now holds separate annual meetings with AtoN User and AtoN Provider groups. Indications continue to show that this approach is improving the extent and quality of user engagement.

#### Changes to Risk Profile

The significant key changes to the risk profile of Irish Lights during the year ended 31 March 2022 were:

- *Covid-19 Pandemic.* Corona virus developments continued to be monitored in line with UK and Irish Government guidelines during the year. Irish Lights being a designated essential service provider continued and fulfilled its statutory duties pertaining to safe navigation. Since the start of the pandemic essential work has continued at our coastal stations and aboard the ILV Granuaile. The majority of office based employees worked from home following safe work guidelines. The economic risks impacted on commercial income and as the pandemic continued it also impacted on supply and logistical delays.
- *Continued Tri-GLA Procurement Post Brexit.* Irish Lights has benefited financially from procurement collaboration with Trinity House and the Northern Lighthouse Board. Changing procurement regulation post Brexit in the UK has increased the risk that Tri-GLA procurement may not be able to continue when the current frameworks come to an end.



- *Supply shortages and cost increases:* Due to the outbreak of war in the Ukraine supply chain issues are being monitored and addressed where possible. Oil prices have risen dramatically and will have a significant impact on our fuel costs/budget for the Granuaile going forward. Other commodity prices and general inflation will be driver of running cost increase in the immediate future.
- *Cyber Security.* Irish Lights continues to focus on the every changing cyber threat landscape and proactively conducts and addresses findings from a range of controls including vulnerability scanning, internal and external penetration tests and the employee awareness and education initiatives.

**Management Assurance Return (MAR)**

The MAR sets out various statements relating to assurance activities, business delivery, financial management, staff management and other matters of significance. Also the MAR returns are a key part of the governance framework within the UK DfT. The UK DfT Group Audit Committee view these returns as a primary source of assurance and it supports the Department’s Accounting Officer in making his annual Governance Statement in the Department’s Annual Report and Accounts. Following a review by the Audit and Risk Committee the Irish Lights MAR was approved by the Chief Executive and submitted to the UK DfT on 31 March 2022.

**Head of Internal Audit Opinion**

On the basis of the evidence obtained during 2021/22, the Head of Internal Audit has provided an overall ‘Substantial’ assurance rating on the adequacy and effectiveness of the Irish Lights’ arrangements for corporate governance, risk management, and control processes. This is the same rating as provided last year and, in his opinion, there are no significant weaknesses that fall within the scope of issues that should be reported in the Governance Statement.

Four audits were conducted over 2021/22: Superintendence of Local Aids to Navigation, Navigation Assessment, Key Financial Controls and Risk Management.

Although the audits highlighted areas where improvements can be made, overall corporate governance and risk management processes are strong at Irish Lights and ensure generally effective controls to manage the risks facing Irish Lights.

**Review of Systems of Internal Control**

Acting in the role of Accounting Officer, I have responsibility for reviewing the effectiveness of the systems of internal control and governance. My review of the effectiveness of the systems of internal control and governance is informed by the work of the internal auditors, Audit and Risk Committee, Directors and Senior Managers within Irish Lights who have responsibility for the development and maintenance of the internal control and governance framework, and comments made by the external auditors in their Report to those Charged with Governance.

**General Data Protection Regulation (GDPR)**

There were no reportable data breaches during the year.

**Significant Internal Control Issues**

There have been no significant internal control or governance problems in the year ended 31 March 2022.

Therefore I can report that corporate governance and risk management within Irish Lights remains robust and effective, and complies with Managing Public Money (HM Treasury May 2021), the Framework Document for the GLAs (June 2017) and the general principles set out in HM Treasury’s Code of Good Practice for Corporate Governance in Central Government Departments (April 2017), as far as is appropriate.

## 3.2 Remuneration and Staff Report

### Staff Costs

Staff costs comprise:	2021/22 Total €'000	Permanently Employed Staff €'000	Others €'000	2020/21 Total €'000
Wages and Salaries	7,246	6,746	500	7,150
Social Security Costs	517	499	18	518
	7,763	7,245	518	7,668
Redundancy Costs	110	110	-	-
Less Capitalised Costs <sup>1</sup>	(231)	(231)	-	(99)
	7,642	7,124	518	7,569
Employer Pension Contribution Costs	1,772	1,750	22	1,798
Third Party Pension Costs	-	-	-	-
	1,772	1,750	22	1,798
<b>Total</b>	<b>9,414</b>	<b>8,874</b>	<b>540</b>	<b>9,367</b>

<sup>1</sup>Capital Irish Lights staff costs are included in the valuation of Fixed Asset additions.

### Reporting of Civil Service and other compensation schemes – exit packages

Redundancy costs are paid in accordance with the provisions of the Civil Service Compensation Scheme, a statutory scheme made under the UK Superannuation Act 1972 / Irish statutory redundancy entitlements. Exit costs are accounted for in full in the year of departure (2 employees).

Irish Lights is required to disclose the relationship between the remuneration of the highest-paid Executive in the organisation and the 25<sup>th</sup> percentile, median and 75<sup>th</sup> percentile remuneration of the organisation's workforce. In 2021/22, no employees received remuneration in excess of the highest-paid Executive. The total remuneration including taxable benefits paid to Chief Executive and other key management was €636,904 (2020/21 €655,267<sup>2</sup>).

<sup>2</sup> Includes the salary of the employee that left in October 2021 and the employee that joined in October 2021

Year - 31 March 2022	25th Percentile Pay Ratio	Median Pay Ratio	75th Percentile Pay Ratio
Band of Highest paid Executive Total Remuneration (€000's)	<b>150-155</b>	<b>150-155</b>	<b>150-155</b>
Employee Remuneration €	28,395	47,475	59,085
Ratio	5.4	3.2	2.6

Year - 31 March 2021	25th Percentile Pay Ratio	Median Pay Ratio	75th Percentile Pay Ratio
Band of Highest paid Executive Total Remuneration (€000's)	<b>145-150</b>	<b>145-150</b>	<b>145-150</b>
Employee Remuneration €	27,614	46,975	55,573
Ratio	5.3	3.2	2.7

### Percentage change in remuneration from the previous year:

Highest paid director: +0.50%

Employees of the entity as a whole: +0.31%

The above % movements reflect the 1% or €500 (whichever is the higher) pay increase implemented on 1 October 2021 as well as pay scale increments and changes in the level of variable pay such as coast allowance, overtime and casual hourly pay from year to year.

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

<b>Benefit Band</b>	<b>Number of Employees 2021/22</b>	<b>Number of Employees 2020/21</b>
€60,000 - €69,999	15	10
€70,000 - €79,999	5	5
€80,000 - €89,999	4	5
€90,000 - €99,999	6	5
€100,000 - €109,999	2	1
€110,000 - €119,999	1	2
€120,000 - €129,999	2	2
€130,000 - €139,999	2	1
€140,000 - €149,999	-	-
€150,000 - €159,999	1	1

**Civil Service Pensions**

On 1 April 2014 Irish Lights' pension liability was transferred into the UK Principal Civil Service Pension Scheme (PCSPS). From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or Alpha Scheme.

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. The PCSPS is a multi-employer defined benefit scheme in which the Commissioners for Irish Lights are unable to identify its share of the underlying assets and liabilities. Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation ([www.civilservice-pensions.gov.uk](http://www.civilservice-pensions.gov.uk)).

The PCSPS has four sections: 3 providing benefits on a final salary basis (Classic, Premium or Classic Plus) with a normal pension age of 60; and one providing benefits on a whole career basis (Nuvos) with a normal pension age of 65. The Alpha Scheme provides benefits on a career average basis with a normal pension age equal to the member's State Pension Age. Pensions payable under Classic, Premium, Classic Plus, Nuvos and Alpha Schemes are increased annually in line with UK Pensions Increase legislation. Further details about the Civil Service pension arrangements can be found at the website: ([www.civilservicepensionscheme.org.uk](http://www.civilservicepensionscheme.org.uk))

Irish Lights Northern Ireland based employees can opt to open a partnership pension account (PPA), a stakeholder pension with an employer contribution. Employees based in the RoI can opt to open a Personal Retirement Savings Account (PRSA) also with an employer contribution.

**Employer Pension Contributions Costs**

Employer contributions are payable to the PCSPS at one of four rates in the range 26.6% to 30.3% (2019/20: 26.6% to 30.3%) of pensionable pay, based on salary bands. The scheme's Actuary reviews employer contributions every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2021/22 to be paid when the member retires and not the benefits paid during this period to existing pensioners. Employee contributions are salary-related and are in the range 4.6% to 8.05% (2020/21: 4.6% to 8.05%) of pensionable earnings.

	<b>2021/22 €'000</b>	<b>2019/20 €'000</b>
Employer contributions cost	1,772	1,798



## Staff Report

### Average number of persons employed

The average number of whole time equivalent persons employed during the year was as follows:

	2021/22 Total	Permanently Employed staff	Others	2019/20 Total
Directly employed	120	111	9	121
Staff engaged on capital projects	4	4	-	2
<b>Total</b>	<b>124</b>	<b>115</b>	<b>9</b>	<b>123</b>

### Diversity Information

The number of Board members together with people employed on 31 March, including full-time, part-time, permanent and temporary employees:

	2021/22 Male	2021/22 Female	2021/22 Total	2020/21 Male	2020/21 Female	2020/21 Total
Board Members	9	3	<b>12</b>	10	3	<b>13</b>
Chief Executive & Directors	3	2	<b>5</b>	3	2	<b>5</b>
Managers	8	4	<b>12</b>	9	4	<b>13</b>
Employees	118	20	<b>138</b>	120	18	<b>138</b>

### Equal Opportunities

Irish Lights is an equal opportunity employer and at every stage of recruitment, employee transfer and promotion, carefully ensures that the selection processes used in no way give any preferences on the basis of gender, marital status, family status, sexual orientation, religion, age, disability, race or membership of the traveller community.

### Disabled Employees

Irish Lights policy towards the employment of disabled people is that, in general, disablement in itself is not a barrier to recruitment or advancement; but the nature of the duties of some occupations, such as lighthouse maintenance, for health and safety reasons imposes some limitations.

### Sickness Absence

During 2021/22 the percentage number of work days lost due to sickness was 4.46% (2020/21 was 2.63%). Total days lost due to sickness amounted to 1,205 days (2020/21: 729 days). The average number of days lost per employee was 10.76 (2020/21: 6.39). Of the total amount of work days lost 71% were due to long term absences (i.e. 20 days and above).

### Expenditure on Consultancy

During the year €73K (2020/21 €33K) was spent on Consultancy Services in relation to the provision to management of objective advice relating to strategy, structure, management or operations of the organisation, in pursuit of its purposes and objectives.

### Off Payroll Engagements

There were no off payroll engagements during the year.

### 3.3 Parliamentary Accountability Disclosures

#### Explanation regarding the Audit of the General Lighthouse Fund and Irish Lights

The accounting records of Irish Lights are examined by the NAO on behalf of the UK Comptroller and Auditor General prior to consolidation in the accounts of the GLF. The GLF Accounts are formally certified by the UK Comptroller and Auditor General under the terms of Section 211 of the Merchant Shipping Act 1995 and Section 3 of the Exchequer and Audit Departments Act 1921, as amended by the National Audit Act 1983. There is no provision for a separate audit certificate to be appended to the individual authorities. This means that an audit opinion is not expressed upon them.

#### Losses and special payments

There are no losses or special payments that are required to be disclosed per HM Treasury Guidance.

#### Regularity of expenditure

The Commissioners of Irish lights have complied with the regularity of expenditure requirements as set out in HM Treasury Guidance.

#### Contingent Liabilities:

##### Protection and Indemnity

The Authority's marine protection and indemnity risks are insured through The Standard Club (Europe) Limited which is a member of the International Group of Protection and Indemnity Clubs.

The Club has adopted a conservative underwriting policy and concentrates on insuring vessels operating in European inland waterways, harbours and coastal trades.

The mutual method of insuring these risks includes a re-insurance programme and the payments (Supplementary Calls)

to cover any claims which cannot be met from funds available. The Standard Club has closed the years up to and including 2018/19 and there will be no Supplementary Call for these years. The Club have advised Irish Lights that it does not anticipate Supplementary Calls for the years 2019/20, 2020/21 and 2021/22. As a result, Irish Lights has made no provision in the Accounts for any unbudgeted and supplementary calls for any of the 3 policy years. However, in common with all members of International Group Clubs, the organisation could be liable for additional premium.

#### Yvonne Shields O'Connor

Chief Executive and Accounting Officer  
23 September 2022



Pictured at the launch of the second series of Great Lighthouses of Ireland on 21st April 2022 in association with InProduction TV, Telegael and RTÉ were David Hare, Producer and Director, InProductionTV, Yvonne Shields O'Connor, CEO, Irish Lights and Kieran Crowley, Chairman, Irish Lights.







Commissioners of  
**IRISH LIGHTS** | Navigation  
and Maritime  
Services

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# FINANCIAL STATEMENTS

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YEAR ENDED 31 MARCH 2022

## Statement of Comprehensive Net Income for year ended 31 March 2022

	Notes	2021/22 €'000	2020/21 €'000
<b>Income</b>			
Advances from General Lighthouse Fund		15,466	14,618
Other Income	2	1,154	890
		<b>16,620</b>	<b>15,508</b>
<b>Expenditure</b>			
Staff Costs	3	7,642	7,569
Pension Costs	3	1,772	1,798
Depreciation (Owned)	7	2,033	2,154
Depreciation (Leased)	8	408	368
Amortisation	9	60	57
Loss/(Reversal of Loss) on Revaluation of Property, Plant & Equipment	6	667	707
Other Expenditures	4	4,828	4,536
		<b>17,410</b>	<b>17,189</b>
		<b>(790)</b>	<b>(1,681)</b>
<b>Net Income / (Expenditure)</b>			
Interest	5	(50)	(51)
Revaluation of Investment Properties Gain / (Loss)	10	(16)	(29)
		<b>(856)</b>	<b>(1,761)</b>
<b>Net (Deficit)/Income after interest</b>			
<b>Statement of Other Comprehensive Net Income</b>			
Asset Revaluations Gain / (Loss)	6	2,785	346
		<b>1,929</b>	<b>(1,415)</b>
<b>Total Comprehensive Income / (Expenditure)</b>			

All results derive from continuing operations  
The accounting policies and notes on pages 36 to 55 form part of these accounts

## Statement of Financial Position as at 31 March 2022

	Notes	2021/22 €'000	2020/21 €'000
<b>Non-current assets:</b>			
Property, plant and equipment (Owned)	7	46,933	45,229
Property, plant and equipment (Leased)	8	3,182	3,528
Intangible Assets	9	233	184
Investment Assets	10	1,890	1,906
Heritage Assets	12	339	-
<b>Total non-current assets</b>		<b>52,577</b>	<b>50,847</b>
<b>Current Assets:</b>			
Assets classified as held for sale	11	296	293
Inventories	13	590	605
Trade and other receivables	14	630	658
Cash and cash equivalents	15	555	500
<b>Total current assets</b>		<b>2,071</b>	<b>2,056</b>
<b>Total assets</b>		<b>54,648</b>	<b>52,903</b>
<b>Current Liabilities:</b>			
Trade and other payables	16	(3,691)	(3,467)
Provisions: Current Element	19	(393)	(437)
<b>Total current liabilities</b>		<b>(4,084)</b>	<b>(3,904)</b>
<b>Non-current assets plus/less net current assets/liabilities</b>		<b>50,564</b>	<b>48,999</b>
<b>Non-current liabilities:</b>			
Provisions	19	(188)	(204)
Other payables	16	(3,366)	(3,714)
<b>Total non-current liabilities</b>		<b>(3,554)</b>	<b>(3,918)</b>
<b>Assets less liabilities</b>		<b>47,010</b>	<b>45,081</b>
<b>Reserves:</b>			
Accumulated Reserve		20,674	21,036
Revaluation Reserve		26,336	24,045
<b>Total</b>		<b>47,010</b>	<b>45,081</b>

Yvonne Shields O'Connor  
Chief Executive and Accounting Officer  
23 September 2022



## Statement of Cash Flows for the year ended 31 March 2022

	Notes	2021/22 €'000	2020/21 €'000
<b>Cash flows from operating activities:</b>			
Net Surplus/ (Deficit) after interest		(856)	(1,761)
(Profit)/Loss on disposal of property, plant and equipment and intangible assets		16	18
Depreciation (Owned)	7	2,033	2,154
Depreciation (Leased)	8	419	398
Amortisation	9	60	57
Asset Revaluation:			
- (Reversal of Loss)/ Loss on Revaluation of Property, plant and equipment	6	667	707
- (Upward)/ Downward valuation on Investment Assets	6	16	29
(Increase)/Decrease in trade and other receivables		28	39
(Increase)/Decrease in inventories		15	(198)
Increase/(Decrease) in trade payables		205	171
Use of provisions		(60)	(56)
<b>Net cash inflow /(outflow) from operating activities</b>		<b>2,543</b>	<b>1,558</b>
<b>Cash flow from investing activities:</b>			
Purchase of property, plant and equipment	7	(1,977)	(1,240)
Purchase of intangible assets	9	(109)	(41)
Purchase of investment assets		-	-
Proceeds from disposal of non-financial assets		1	139
<b>Net cash outflow from investing activities</b>		<b>(2,085)</b>	<b>(1,142)</b>
<b>Cash flows from financing activities</b>			
Capital element of payments in respect of finance leases		(403)	(382)
<b>Net cash flow from financing activities</b>		<b>(403)</b>	<b>(382)</b>
Net cash flow from all activities		<b>55</b>	<b>34</b>
Net Increase/(Decrease) in cash and cash equivalents in the period	15	<b>55</b>	<b>34</b>
Cash and cash equivalents at the beginning of the period	15	500	466
Cash and cash equivalents at the end of the period	15	555	500

## Statement of Changes in Reserves for the year ended 31 March 2022

	Accumulated Reserve €'000	Revaluation Reserve €'000	Total Reserve €'000
<b>Balance at 1 April 2020</b>	<b>21,811</b>	<b>24,685</b>	<b>46,496</b>
Transfers between reserves	511	(511)	-
Retained (Deficit)/ Surplus (SoCNI)	(1,761)	-	(1,761)
Asset Revaluations	-	346	346
Release of Reserve on Asset Disposal	149	(149)	-
Release of Reserve on asset reclassification	326	(326)	-
<b>Balance at 31 March 2021</b>	<b>21,036</b>	<b>24,045</b>	<b>45,081</b>
Transfers between reserves	493	(493)	-
Retained (Deficit)/ Surplus (SoCNI)	(856)	0	(856)
Asset Revaluations	-	2,785	2,785
Release of Reserve on Asset Disposal	1	(1)	-
<b>Balance at 31 March 2022</b>	<b>20,674</b>	<b>26,336</b>	<b>47,010</b>



Straw Island lighthouse (Photo: Andrew Collins)

# Notes to the Accounts for the Year Ended 31 March 2022

## Key Accounting Issues

### Basis for preparation of Accounts

These Accounts are prepared by Irish Lights in respect of its function as the GLA for the whole island of Ireland and its adjacent seas and islands in accordance with a directive made by the UK DfT under the powers of the Secretary of State contained in Section 664 of the Merchant Shipping Act 1894 and Section 218 of the Merchant Shipping Act 1995.

These Accounts are subsequently consolidated to form part of the GLF Accounts.

## 1. Accounting Policies

### a) Accounting Convention

These accounts have been prepared in accordance with the 2020/21 UK FReM issued by HM Treasury. The accounting policies contained in the FReM follow International Accounting Standards (IAS) as adopted or interpreted for the public sector. Where the FReM permits a choice of accounting policy, the accounting policy which has been judged to be the most appropriate to the particular circumstances of the GLF for the purpose of giving a true and fair view has been selected. The GLFs accounting policies have been applied consistently in dealing with items considered material in relation to the accounts. In addition, the GLAs accounts have been prepared in accordance with the accounts direction issued by the Secretary of State for Transport.

For the purposes of local publication of the Annual Report and Accounts in Ireland, Irish Lights has departed from the UK Government FReM with regard to executive remuneration reporting and has followed the Irish recommended reporting protocol.

### b) Going Concern

The Statement of Financial Position at 31 March 2022 shows net assets of €47,010K (31 March 2021 €45,081K).

The UK DfT has approved the sanction of the cash required to meet Irish Lights costs as set out in its Corporate Plan for 2021/22 and there is no reason to believe that the UK DfTs approval will not be forthcoming for future years. The Board has considered the current and future position of Irish Lights and have concluded that the going concern basis for the preparation of these Financial Statements is appropriate.

### c) Intangible Assets

Computer Software has been capitalised and is amortised on a straight-line basis over the estimated useful economic operating life of between 3 to 5 years of the asset. Intangible Assets are shown at cost less amortisation. Intangible licences have been capitalised at cost and are amortised over the life of the licence. Amortisation is on an annual basis and is commenced in the financial year after original purchase or when the asset is brought into use and is continued up to the end of the financial year in which the sale or disposal takes place. Assets in the course of construction are not amortised. If an intangible asset cannot be revalued because there is no active market for assets of that type the intangible assets are carried at cost less any accumulated amortisation and impairment losses.

### d) Non-Current Assets and Depreciation

#### Capitalisation

Non-current assets are recognised where the economic life of the item of property plant and equipment exceeds one year; the cost of the item can be reliably measured; and the original cost is greater than €8,000. Assets are recognised initially at cost, which comprises purchase price, any costs of bringing assets to the location and condition necessary for them to be capable of operating in the manner intended, and initial estimates of the costs of dismantling and removing the assets where an obligation to dismantle or remove the assets arises from their acquisition or usage.

Subsequent costs of day-to-day servicing are expensed as incurred. Where regular major inspections of assets are required for their continuing operation, the costs of such inspections are capitalised and the carrying value of the previous inspection is derecognised, for example Dry Dock and Repair of ships. Expenditure on renewal of structures is capitalised when the planned maintenance spend enhances or replaces the service potential of the structure. All routine maintenance expenditure is charged to the SoCNI.

Internal staff costs that can be attributed directly to the construction of an asset, including renewals of structures are capitalised.

Operating software, without which related hardware cannot operate, is capitalised, with the value of the related hardware, as property, plant and equipment. Application software, which is not an integral part of the related hardware, is capitalised separately as an intangible non-current asset.

Any gains or losses on the eventual disposal of property, plant and equipment are recognised in the SoCNI when the asset is decommissioned. Gains are not classed as revenue.



## Valuation

After recognition, the item of Property, plant and equipment is carried at Fair Value in accordance with IAS 16 and the current FReM.

The assets are expressed at their current value at regular valuation or through the application of Modified Historic Cost Accounting.

For assets of low value and/or with a useful life of 5 years or less, depreciated historic cost (DHC) is considered as a proxy for fair value.

Asset Class	Valuation Method	Valued by
Non Specialised Land & Buildings	Fair Value, using Existing Use Valuation principles	Royal Institution of Chartered Surveyors (RICS) Valuation Statement (UKVS) 1.1 Professional valuation every 5 years. Value plus indices in Intervening years.
Specialised Property	Fair Value using Depreciated Replacement Cost principles (DRC)	RICS Valuation Statement (UKVS) 1.1 Professional valuation every 5 years. Value plus indices in Intervening years.
Non Operational Property*	Market Value	Specified as Obsolete, Assets Held for Sale or Investment Assets. Professional valuation annually.
Tenders and Ancillary Craft	Fair Value	Professional valuation annually.
Buoys	Fair Value	Internally using MV of recent purchases, then on an annual basis using MV of recent purchases, or recognised indices, as appropriate.
Beacons	Fair Value	RICS Valuation Statement (UKVS) 1.1 (valued at DRC if specialised and defined as such under the RICS Red Book) valuation every 5 years, Value plus indices in intervening years.
Plant, Machinery & IT Equipment - Low Value or short life	Depreciated Historic Cost	N/A
Plant & Machinery – Not included above.	Fair Value	RICS Valuation Statement (UKVS) 4.1 & 4.3 Professional valuation as base cost, plus indices annually thereafter/ Professional valuation annually.
Plant and Machinery at Lighthouses	Fair Value using DRC principles	UKVS 1.1 (valued at DRC if specialised and defined as such under the RICS Red Book) Professional valuation every 5 years, Value plus indices in intervening years.
Heritage Assets	Market Value/ Valuation for Insurance Purposes	Professionally valued by O'Reilly's Auction Rooms 1948 Ltd.

\*Non Operational in this context relates to property that is not required for Irish Lights to carry out its statutory function.

Where assets are re-valued through professional valuation or through the use of indices, the accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount restated to the re-valued amount of the asset. If the assets carrying amount is increased as a result of revaluation, the increase is recognised in other comprehensive income and accumulated in equity in the Revaluation Reserve. However, the increase shall be recognised in the SoCNI to the extent that it reverses a revaluation decrease of that class of asset previously recognised in profit and loss. If the assets carrying amount is decreased as a result of revaluation, the decrease is recognised in the SoCNI. However, the decrease shall be recognised in other comprehensive income to the extent of any credit balance existing in the revaluation reserve. The decrease recognised in other comprehensive income reduces the amount held in the revaluation reserve in respect of that asset.



**Depreciation**

Depreciation is calculated on an annual basis and is commenced in the financial year after original purchase or when the asset is brought into use and is continued up to the end of the financial year in which the sale or disposal takes place. Assets in the course of construction are not depreciated.

Depreciation is charged on a straight line basis having regard to the estimated operating lives as follows:

Categories	Depreciation Lives
<b>Land and Buildings</b>	
Land	Not Depreciated
Lighthouses (Building Structure)	25-100 years
Other Buildings	50 years
<b>Tenders and Ancillary Craft</b>	
Tenders	25 years
Tenders (Dry Dock and Repair)	2.5 years
Workboats	Up to 25 years
<b>Buoys and Beacons</b>	
Steel Buoys	Up to 50 years
Beacons	Up to 100 years
Plastic Buoys	10 years
Solarisation Costs	10 years
<b>Plant and Machinery</b>	
Lighthouses	15-25 years
Automation equipment	15-25 years
Racons & Radio Beacons	15 years
Depots and Workshops	10 years
Office Equipment	Up to 10 years
Vehicles	5-15 years
Computers – Major systems	5 years
Computers – Other	3 years
AIS Equipment	7-10 Years
DGPS Equipment	10 Years

## e) Leases

### Scope and classification

In accordance with International Financial Reporting Standards (IFRS) 16, contracts, or parts of a contract that convey the right to use an asset in exchange for consideration are accounted for as leases. The FReM expands the scope of IFRS 16 to include arrangements with nil consideration. Contracts for services are evaluated to determine whether they convey the right to control the use of an identified asset, as represented by rights both to obtain substantially all the economic benefits from that asset and to direct its use. In such cases, the relevant part is treated as a lease. Low-value items are excluded from lease treatment, defined as items costing less than €8,000 when new, provided they are not highly dependent on or integrated with other items. Contracts with a term shorter than twelve months are also excluded. The lease term comprises the non-cancellable period, together with any extension options it is reasonably certain will be exercised and any termination options it is reasonably certain will not be exercised.

### Initial recognition

At the commencement of a lease (or the IFRS 16 transition date, if later), the GLF recognises a Right of Use (RoU) asset and a lease liability. The lease liability is measured as the sum of payments, net of value added tax, for the remaining lease term (as defined above), discounted either by the rate implicit in the lease, or, where this cannot be determined, the incremental cost of government borrowing provided by HM Treasury. The payments included in the liability are those that are fixed or in-substance fixed, excluding charges arising, for example, from future rent reviews or changes in an index.

The RoU asset is measured at the value of the liability, adjusted for: any payments made before the commencement date; lease incentives received; incremental costs of obtaining the lease; and any disposal costs at the end of the lease. However, where the lease requires nominal consideration (a type of arrangement often described as a “peppercorn” lease), the asset is measured at its existing use value.

### Subsequent Measurement

RoU assets are subsequently measured using the fair value model. The GLF considers that the cost model is a reasonable proxy for the fair value model for leases of items other than land and property, and for leases of land and property with regular rent reviews. For other leases, the asset is carried at a revalued amount using professional valuation where it is practical to do so and material to the accounts. The liability is adjusted for the accrual of interest, repayments, reassessments and modifications. Reassessments and modifications are measured by re-discounting the revised cash flows; the impact is reflected in the liability and either in the asset valuation or expenditure.

### Lease Expenditure

Expenditure includes interest, straight-line depreciation, any asset impairments and any change in variable lease payments not included in the measurement of the liability during the period in which the triggering event occurred. Lease payments are debited against the liability. Rental payments for leases of low-value items or for those shorter than twelve months are expensed.

### Leases as the Lessor

Where the GLF acts as lessor, it assesses whether those leases are finance or operating leases. For finance leases, it derecognises the asset and recognises a receivable. Interest is accrued throughout the financial year and is recognised in income. For operating leases, rental income is recognised on a systematic basis, usually straight-line, over the lease term.

## Estimates and judgements

For embedded leases, the GLF determines the amounts to be recognised as the RoU asset and lease liability based on the stand-alone price of the lease component and the non-lease component or components. This determination reflects the prices for leases of the underlying asset, where these are observable; otherwise, it maximises the use of other observable data, including the fair values of similar assets, or prices of contracts for similar non-lease components. Some contracts cover both a lease of land which the lessee controls and rights of access through adjacent land which the lessee does not control. In more remote locations, where stand-alone prices are not readily observable, the GLF has elected to take the practical expedient of treating the entire contract as a lease.

The FReM requires that RoU assets held under “peppercorn” leases should be measured at existing use value. These leases include historic, long-term leases as well as more recent arrangements. The GLF has distinguished these from leases in which the consideration is low, but proportionate to the asset’s value (for example, the lease of a small area of land with few alternative uses). This distinction reflects, so far as possible, recent, observable market arrangements for comparable assets (for example, current rentals). When an existing use value is required for low value or peppercorn leases, this is calculated based on similar arrangements within the estate i.e. using current rentals for similar property as a proxy. If similar arrangements are not available a professional valuation is sought.

## f) Inventories

Inventories of consumables, engineering stores and fuel stocks on Granuaile are valued at weighted average cost. Provision is made for slow moving stock.

## g) Research and Development

Research and Development work is co-ordinated by GRAD. Direct expenditure incurred via this channel or any other research and development activity is charged to the Statement of Consolidated Income as incurred.



### h) Foreign Currency Transactions

Transactions in foreign currencies are recorded at an average rate ruling during the period in which the transaction occurred. All differences are taken to the Statement of Consolidated Income. At the year-end significant monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date (€1.00/£0.8450).

### i) Taxation

Irish Lights is an exempt body for the purposes of Corporation and Capital Taxation and as such no provision is made in these Accounts for these taxes.

### j) Provisions

Provisions are made for liabilities and charges in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets where, at the reporting date, a legal constructive liability (i.e. a present obligation from a past event) exists, the transfer of

economic benefits is probable and a reasonable estimate can be made.

### k) Government Grants

Government and European Union Grants are recognised in full in the SoCNI in the year in which they are received.

### l) Investment Properties

A small number of individual properties that are surplus to requirements at mainly Irish Lights operational sites are currently held for their income generation potential. These properties are treated in accordance with IAS 40: Accounting for Investment Properties and are accordingly valued to open market value each year.

### m) Financial Assets and Liabilities

Financial instruments are contractual arrangements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets are typically cash or rights to receive cash or equity

instruments in another entity. Financial liabilities are typically obligations to transfer cash. A contractual right to exchange financial assets or liabilities with other entities will also be a financial asset or liability, depending on whether the conditions are potentially favourable or adverse to the reporting entity.

### Financial assets

Loans, trade receivables and accrued income are covered by the financial instruments standards IFRS 9. Loans and receivables are recognised initially at fair value, plus transaction costs. Fair value is usually the contractual value. Thereafter, these assets are held at amortised cost. Credit loss allowances for trade receivables and similar arrangements are measured at the lifetime expected credit loss where material. No credit loss allowances are recognised for arrangements with other central government bodies.



Fastnet lighthouse Heli operations

### *Financial liabilities*

Financial liabilities are recognised initially at fair value and are subsequently measured at amortised cost using the effective interest rate. Where the effective interest rate is not materially different from the actual interest rate the actual interest rate is used instead. Financial liabilities are derecognised when extinguished.

### *Embedded derivatives*

Some hybrid contracts contain both a derivative and a non-derivative component. In such cases, the derivative component is termed an embedded derivative. Where the economic characteristics and risks of the embedded derivatives are not closely related to those of the host contract, and the host contract itself is not carried at fair value through profit or loss, the embedded derivative is split out and reported at fair value with gains and losses being recognised in the Income and Expenditure Account. As at 31 March 2022, Irish Lights had no contracts that contained embedded derivatives.

### *Determining fair value*

Fair value is defined as the amount for which an asset is settled or a liability extinguished, between knowledgeable parties, in an arm's length transaction. This is generally taken to be the transaction value, unless, where material, the fair value needs to reflect the time value of money, in which case the fair value would be calculated from discounted cash flows.

### **n) New Standards and Interpretations Adopted Early**

No new standards have been adopted during the year.

### **o) New Standards and Interpretations not yet adopted**

The standards listed below are not yet effective for the year ended 31 March 2022 and have not been applied in preparing these financial statements.

IFRS 17 Insurance Contracts requires a discounted cash flow approach to accounting for insurance contracts. Subject to adoption, it may become

effective for accounting periods commencing on, or after, 1 April 2025 and included in the 2025-26 FReM. The GLF considers that it has no contracts which meet the definition of insurance contracts.

The GLF does not consider that any other new, or revised standards, or interpretation will have a material impact.

### **p) Income**

In accordance with the Merchant Shipping Act 1995, the GLAs are permitted to sell reserve capacity. Income from these activities is recognised in the period contractual obligations are met in accordance with IFRS 15. The principal source of income for the GLF is Light Dues, a tax on ships entering the UK or the RoI. Revenue from Light Dues is recognised at the point a vessel arrives into port i.e. the vessel arrival is treated as the contractual/ taxable event as required by the FReM. In addition to RoI light Dues the GLF receives a contribution from the Irish Government towards the operational costs of Irish Lights in the RoI.

### **q) Estimates**

The key estimates in the accounts relate to asset valuations. A number of qualified surveyors are engaged to provide professional valuations of different elements of the asset base as disclosed in note 6. Specific estimation uncertainty arises in respect of the valuation of the lighthouse estate, the Depreciated Replacement Cost of which constitutes the largest element of the buildings category in note 7. Key assumptions are made in the following areas.

- For each lighthouse, the GLF selects a modern equivalent asset (MEA) based on the navigation requirement at the asset's location. This selection is based on a decision tree common to each of the GLAs which draws on key considerations for construction strategy such as whether a structure is onshore or offshore; and the degree of challenge posed by wave patterns

at the location. The analysis of available construction techniques draws on the professional expertise of suitable expert GLA staff and the options emerging from recent case studies into possible rebuild or refurbishment work following market engagement. The design of this decision tree is a matter of professional judgement since more prudent engineering assumptions will tend towards the selection of more expensive MEAs, risking overvaluation, while more aggressive engineering assumptions will tend towards less expensive ones, risking undervaluation through optimism bias. The GLF has followed the principal of neutrality in any judgements arising and considered the results of the decision tree based on a number of actual locations.

- Costing rates are determined for the gross replacement cost of each MEA, establishing a standard valuation to apply to each lighthouse in that category rather than costing each one individually. This portfolio approach is permitted by the FReM and RICS 'Red Book'. These are determined based on the most recent available data from case studies, with a consideration of indexation. Adjustment factors are applied based on location and physical characteristics of the site, to reflect the varying difficulty and cost of construction, e.g. for remote islands.
- As required by the FReM, a discount is made to the gross replacement cost to reflect the GLFs assessment of the proportion of each lighthouse's useful life which has been expended. Condition point estimates which drive the measurement of this discount are based on the available data in respect of asset condition (including age), combined with professional judgement which considers the type of construction for the asset in use.

## r) Pension Benefits

Past and present employees are covered by the provisions of the UK Civil Service Pension arrangements comprising the PCSPS and the Civil Servants and Others Pension Scheme also known as Alpha, introduced on 1 April 2015. Both are unfunded, defined benefit, contributory, public service occupational pension schemes. The PCSPS was originally set up under the UK Superannuation Act 1972. It comprises four pension arrangements known as Classic, Classic plus, Premium and Nuvos and is closed to new members.

PCSPS and Alpha are unfunded schemes and the cash required to meet the payment of pension benefits is paid from public funds provided by UK Parliament. Members contribute on a 'pay-as-you-go' basis, with these contributions (along with those made by employers) being credited to the Exchequer under arrangements governed by the aforementioned Acts. The contributions

due from employers and employees to fund future service liabilities are set by the Actuary at the four-yearly Scheme valuation. These have been adjusted to take account of the move to Alpha. Unlike many other schemes, the employer/employee split is not fixed. However, a cost-capping mechanism is in place to prevent the employer cost becoming disproportionate to the employee cost.

Employers are required to pay the additional cost of termination benefits beyond the normal PCSPS/Alpha benefits.

## s) Payment of Creditors' Policy

Irish Lights seeks to comply with the Prompt Payment of Accounts Act, 1997 and the Confederation of British Industry Prompt Payment Code and arrange payment of creditors' accounts by the due date in accordance with contract or other agreed terms of credit. Due dates are recorded when suppliers' invoices are entered on the Creditors' Ledger and

payments are automatically generated in accordance with that timescale. Exceptions to this general rule are as follows:

- Payment within a shorter period where a cash discount is available.
- Stage payments under contract or retention monies where payments are in accordance with the terms agreed beforehand.
- Where there is a genuine dispute in respect of the invoice concerned.

Complaints from suppliers in respect of this Policy should be sent in writing to the Director of Corporate Services who will investigate each case. The average credit taken from Trade Creditors during the year was 23 days (2020/21 25 days).



Inisheer lighthouse (Photo: Michelle Crowley)



## 2. Other Operating Income

	2021/22 €'000	2020/21 €'000
Property Rentals	715	614
Buoy Rentals	277	219
Tender Hire	141	8
Sundry Receipts	21	25
Grant Income	-	24
<b>Total</b>	<b>1,154</b>	<b>890</b>

## 3. Staff Costs

	2021/22 €'000	2020/21 €'000
<b>Staff costs comprise:</b>		
Wages and Salaries	7,246	7,150
Social Security Costs	517	518
	<b>7,763</b>	<b>7,668</b>
Redundancy Costs	110	-
Less Capitalised Costs	(231)	(99)
	<b>7,642</b>	<b>7,569</b>
Employer Pension Contribution Costs	1,772	1,798
	<b>1,772</b>	<b>1,798</b>
<b>Total</b>	<b>9,414</b>	<b>9,367</b>

The Chief Executive's remuneration including taxable benefits was €150,750 (2020/21 €150,000). No bonus has been paid.

## 4. Other Expenditure

	2021/22 €'000	2020/21 €'000
Running Costs	4,766	4,262
Variable lease costs	46	256
Profit /Loss on disposal of non-financial assets	16	18
<b>Total</b>	<b>4,828</b>	<b>4,536</b>

Auditor's remuneration relates to the C&AG's review of Irish Lights transactions and balances contributing to his audit opinion on the GLF and is paid directly by the GLF. The proportion of the GLF fee that relates to Irish Lights for 2021/22 is €26.5K/ GBPE22.6K (2020/21: €25.3K/ GBPE22.6K).



## 5. Interest Payable

	2021/22 €'000	2020/21 €'000
Interest payable	50	51
<b>Total</b>	<b>50</b>	<b>51</b>

Note: Interest Payable is in respect of Right of Use Assets.

## 6. Asset Valuation Exercise

Following the reclassification of the GLAs as a Central Government Body, the UK DFT issued a new Accounts Direction in February 2013, requiring that Property, Plant and Equipment is valued at Fair Value as per IAS 16 and the FRM. As a result Irish Lights has carried out an extensive exercise to obtain valuations for all items of Property Plant and Equipment on the basis outlined in Note 1 (e) for the first time in 2012/13, a further full revaluation was carried out in 2017/18. During 2021/22 these valuations were professionally updated to 31 March 2022 with the assistance of the following Independent Experts, in accordance with the FRM, IAS 16 and IFRS 13:

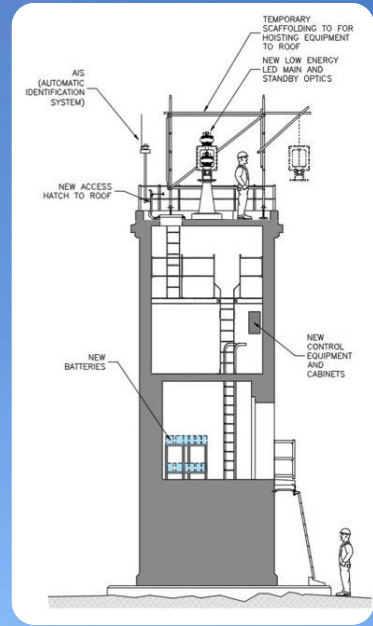
Asset	Valuer	Organisation
Land & Buildings including Beacons Rol	Susan Dunlea MIPAV (CV) TRV MMCEPI	Irish Valuations office
Lighthouse AtoN Plant Rol	Susan Dunlea MIPAV (CV) TRV MMCEPI	Irish Valuations office
Land & Buildings including Beacons NI	Mr Neil McCall MRICS	LPS Mapping and Valuation Services
Lighthouse AtoN Plant NI	Mr Neil McCall MRICS	LPS Mapping and Valuation Services
Plant & Machinery	Mr Robert McKay MSCSI MRICS	McKay Asset Valuers & Auctioneers
Ship	Mr Edward Molyneux	Braemar Seascope Valuations Limited
Heritage Assets	Mr M.D. Bernon MNAEA	O'Reilly's Auction Rooms

These valuations have been undertaken for capital accounting purposes in accordance with IFRS as interpreted and applied by current HM Treasury guidance to the UK public sector. The valuations accord with the requirements of the Royal Institution of Chartered Surveyors – Professional Standards 8th Edition (known as the Red Book) insofar as these are consistent with IFRS and Treasury guidance.

A summary of the revaluations is set out below:

	2021/22 €'000	2020/21 €'000
Profit/(Loss) on Property, plant and equipment valuations (via Statement Net Income)	(667)	(707)
Profit/(Loss) on Property, plant and equipment valuations (via Revaluation Reserves)	2,786	346
(Downward)/ Upward valuation on Investment Assets (Note 10)	(16)	(29)
	<b>2,103</b>	<b>(390)</b>

Revaluation Movements 2021/22	PPE Note 7 €'000	Intangible Assets Note 9 €'000	Investment Assets Note 10 €'000	Held for Resale Note 11 €'000	Heritage Assets Note 12 €'000	2021/22 Total €'000
Revaluation Movement - Cost	294	-	(16)	3	339	620
Revaluation Movement - Accumulated Depreciation	1,483	-	-	-	-	1,483
						<b>2,103</b>



## 7. Property, Plant and Equipment – current year

	Land	Buildings	Tenders & Ancillary Craft	Vessel	Buoys & Beacons	Plant, Equipment & Vehicles	ICT Equipment	Assets in Course of Construction	Total
<b>Cost €'000</b>									
<b>Balance at 1 April 2021</b>	<b>4,135</b>	<b>28,232</b>	<b>31</b>	<b>2,934</b>	<b>3,463</b>	<b>9,702</b>	<b>257</b>	<b>176</b>	<b>48,930</b>
Additions	-	-	-	1,061	138	152	-	626	1,977
Disposals	-	-	-	(203)	-	(161)	(34)	-	(398)
Impairments	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	67	-	(67)	-
Reclassifications	-	-	-	-	-	-	-	-	-
Revaluations	6	1,837	(2)	(2,017)	174	296	-	-	294
<b>Balance at 31 March 2022</b>	<b>4,141</b>	<b>30,069</b>	<b>29</b>	<b>1,775</b>	<b>3,775</b>	<b>10,056</b>	<b>223</b>	<b>735</b>	<b>50,803</b>
<b>Depreciation €'000</b>									
<b>Balance at 1 April 2021</b>	-	<b>6</b>	-	-	<b>214</b>	<b>3,349</b>	<b>132</b>	-	<b>3,701</b>
Charged in year	-	591	16	545	169	669	43	-	2,033
Disposals	-	-	-	(203)	-	(144)	(34)	-	(381)
Reclassifications	-	-	-	-	-	-	-	-	-
Revaluations	-	(591)	(16)	(342)	(111)	(423)	-	-	(1,483)
<b>Balance at 31 March 2022</b>	-	<b>6</b>	-	-	<b>272</b>	<b>3,451</b>	<b>141</b>	-	<b>3,870</b>
<b>Net Book Value 1 April 2021</b>	<b>4,135</b>	<b>28,226</b>	<b>31</b>	<b>2,934</b>	<b>3,249</b>	<b>6,353</b>	<b>125</b>	<b>176</b>	<b>45,229</b>
<b>Net Book Value 31 March 2022</b>	<b>4,141</b>	<b>30,063</b>	<b>29</b>	<b>1,775</b>	<b>3,503</b>	<b>6,605</b>	<b>82</b>	<b>735</b>	<b>46,933</b>

The Net Book Value of all assets is entirely in respect of owned assets. The above figures include land to the value of €410K (31 March 2021 - €410K) held on behalf of the Irish Government.



## 7. Property, Plant and Equipment – prior year

	Land	Buildings	Tenders & Ancillary Craft	Vessel	Buoys & Beacons	Plant, Equipment & Vehicles	ICT Equipment	Assets in Course of Construction	Total
<b>Cost €'000</b>									
<b>Balance at 1 April 2020</b>	<b>4,130</b>	<b>28,073</b>	<b>37</b>	<b>3,957</b>	<b>3,534</b>	<b>9,874</b>	<b>325</b>	<b>772</b>	<b>50,702</b>
Additions	-	46	-	536	-	476	50	132	1,240
Disposals	-	-	-	-	-	(166)	(118)	-	(284)
Impairments	-	-	-	-	-	-	-	-	-
Transfers	-	511	-	140	-	77	-	(728)	-
Reclassifications	-	(370)	-	-	-	-	-	-	(370)
Revaluations	5	(28)	(6)	(1,699)	(71)	(559)	-	-	(2,358)
<b>Balance at 31 March 2021</b>	<b>4,135</b>	<b>28,232</b>	<b>31</b>	<b>2,934</b>	<b>3,463</b>	<b>9,702</b>	<b>257</b>	<b>176</b>	<b>48,930</b>
<b>Depreciation €'000</b>									
<b>Balance at 1 April 2020</b>	-	<b>6</b>	-	-	<b>156</b>	<b>3,431</b>	<b>213</b>	-	<b>3,806</b>
Charged in year	-	568	13	778	168	590	37	-	2,154
Disposals	-	-	-	-	-	(155)	(118)	-	(273)
Reclassifications	-	-	-	-	-	-	-	-	-
Revaluations	-	(568)	(13)	(778)	(110)	(517)	-	-	(1,986)
<b>Balance at 31 March 2021</b>	-	<b>6</b>	-	-	<b>214</b>	<b>3,349</b>	<b>132</b>	-	<b>3,701</b>
<b>Net Book Value 1 April 2020</b>	<b>4,130</b>	<b>28,067</b>	<b>37</b>	<b>3,957</b>	<b>3,378</b>	<b>6,443</b>	<b>112</b>	<b>772</b>	<b>46,896</b>
<b>Net Book Value 31 March 2021</b>	<b>4,135</b>	<b>28,226</b>	<b>31</b>	<b>2,934</b>	<b>3,249</b>	<b>6,353</b>	<b>125</b>	<b>176</b>	<b>45,229</b>

The Net Book Value of all assets is entirely in respect of owned assets. The above figures include land to the value of €410K (31 March 2020 - €410K) held on behalf of the Irish Government.

## 8. Right of Use Assets

Cost €'000	Land	Plant & Equipment	Total
<b>Balance at 1 April 2021</b>	<b>1,765</b>	<b>2,568</b>	<b>4,333</b>
Lease Reassessment	-	73	73
<b>Balance at 31 March 2022</b>	<b>1,765</b>	<b>2,641</b>	<b>4,406</b>
<b>Depreciation €'000</b>			
<b>Balance at 1 April 2021</b>	<b>58</b>	<b>747</b>	<b>805</b>
Charged in year*	29	390	419
<b>Balance at 31 March 2022</b>	<b>87</b>	<b>1,137</b>	<b>1,224</b>
Net Book Value at 1 April 2021	1,707	1,821	3,528
<b>Net Book Value at 31 March 2022</b>	<b>1,678</b>	<b>1,504</b>	<b>3,182</b>

There are no lease commitments which have not yet commenced.

Plant & Machinery includes tri-GLA helicopter leasing to the extent that the leasing costs are fixed.

There is just one RoU asset included under the heading of Land above which is the long-term lease of a section of seabed adjacent to the Irish Lights headquarters in Dun Laoghaire. There is quayside structure erected on this section of seabed.

All contractual options to extend leases beyond their initial contract periods have been included in the above figures.

\* Leased asset depreciation in the SoCNI is less €11K in respect of helicopter depreciation charged to capital under Property, Plant & Equipment (PPE)

### Right of Use Assets – prior year

Cost €'000	Land	Plant & Equipment	Total
<b>Balance at 1 April 2020</b>	<b>1,765</b>	<b>1,365</b>	<b>3,130</b>
Lease Reassessment	-	1,203	1,203
<b>Balance at 31 March 2021</b>	<b>1,765</b>	<b>2,568</b>	<b>4,333</b>
<b>Depreciation €'000</b>			
<b>Balance at 1 April 2020</b>	<b>29</b>	<b>378</b>	<b>407</b>
Charged in year*	29	369	398
<b>Balance at 31 March 2021</b>	<b>58</b>	<b>747</b>	<b>805</b>
Net Book Value at 1 April 2020	1,736	987	2,723
<b>Net Book Value at 31 March 2021</b>	<b>1,707</b>	<b>1,821</b>	<b>3,528</b>

There are no lease commitments which have not yet commenced.

Plant & Machinery includes tri-GLA helicopter leasing to the extent that the leasing costs are fixed.

There is just one RoU asset included under the heading of Land above which is the long-term lease of a section of seabed adjacent to the Irish Lights headquarters in Dun Laoghaire. There is quayside structure erected on this section of seabed.

All contractual options to extend leases beyond their initial contract periods have been included in the above figures.

\* Leased asset depreciation in the SoCNI is less €30K in respect of helicopter depreciation charged to capital under PPE

## 9. Intangible Assets- current year

<b>Cost €'000</b>	<b>Assets in Construction</b>	<b>Computer Software</b>	<b>Total</b>
<b>Balance at 1 April 2021</b>	<b>32</b>	<b>514</b>	<b>546</b>
Additions	(12)	121	109
Disposals	-	-	-
Transfers	(20)	20	-
<b>Balance at 31 March 2022</b>	<b>-</b>	<b>655</b>	<b>655</b>
<b>Amortisation €'000</b>			
<b>Balance at 1 April 2021</b>	<b>-</b>	<b>362</b>	<b>362</b>
Charged in year	-	60	60
Disposals	-	-	-
<b>Balance at 31 March 2022</b>	<b>-</b>	<b>422</b>	<b>422</b>
Net Book Value at 1 April 2021	32	152	184
<b>Net Book Value at 31 March 2022</b>	<b>-</b>	<b>233</b>	<b>233</b>

## Intangible Assets – prior year

<b>Cost €'000</b>	<b>Assets in Construction</b>	<b>Computer Software</b>	<b>Total</b>
<b>Balance at 1 April 2020</b>	<b>-</b>	<b>505</b>	<b>505</b>
Additions	32	9	41
Disposals	-	-	-
Transfers	-	-	-
<b>Balance at 31 March 2021</b>	<b>32</b>	<b>514</b>	<b>546</b>
<b>Amortisation €'000</b>			
<b>Balance at 1 April 2020</b>	<b>-</b>	<b>305</b>	<b>305</b>
Charged in year	-	57	57
Disposals	-	-	-
<b>Balance at 31 March 2021</b>	<b>-</b>	<b>362</b>	<b>362</b>
Net Book Value at 1 April 2020	-	200	200
<b>Net Book Value at 31 March 2021</b>	<b>32</b>	<b>152</b>	<b>184</b>



## 10. Investment Assets

	2021/22 €'000	2020/21 €'000
<b>Opening Balance</b>	<b>1,906</b>	<b>1,565</b>
Additions	-	-
Reclassifications	-	370
Revaluations	(16)	(29)
<b>Total</b>	<b>1,890</b>	<b>1,906</b>

## 11. Assets Held for Resale

	2021/22 €'000	2020/21 €'000
<b>Opening Balance</b>	<b>293</b>	<b>428</b>
Disposals	-	(146)
Revaluations	3	11
<b>Total</b>	<b>296</b>	<b>293</b>

At 31 March 2022 there were a number of assets associated with AtoN that are in the process of being transferred to Local Light Authorities. As these transfers were all planned to happen within a 12 month period of the year end it was deemed appropriate that these assets would be reclassified as assets Held for Resale in accordance with IFRS 5. As these assets are being transferred for zero consideration they have been impaired to their net realisable value of zero.

## 12. Heritage Assets

	2021/22 €'000	2020/21 €'000
<b>Opening Balance</b>	<b>-</b>	<b>-</b>
Initial Recognition	339	-
<b>Total</b>	<b>339</b>	<b>-</b>

As part of an Irish Lights Archive and Heritage project various Artefacts and Artworks have been identified and catalogued. In 2021/22 these collections were professionally valued at €339K and are now being recognised as Heritage Assets on our Statement of Financial Position. This created a revaluation reserve movement of €339K.

## 13. Inventories

	2021/22 €'000	2020/21 €'000
Inventories of consumable stores and fuel	590	605
<b>Total</b>	<b>590</b>	<b>605</b>

## 14. Trade receivables and other current assets

	2021/22 €'000	2020/21 €'000
<b>Amount falling due within one year:</b>		
Trade Receivables	95	96
VAT Recoverable	74	132
Other receivables	179	230
Prepayments and accrued income	282	200
	<b>630</b>	<b>658</b>

## 15. Cash and cash equivalents

	2021/22 €'000	2020/21 €'000
<b>Balance at 1 April 2021</b>	<b>500</b>	<b>466</b>
Net Change in cash and cash equivalents	55	34
<b>Balance at 31 March 2022</b>	<b>555</b>	<b>500</b>

The above figure includes cash to the value of €95K (31 March 2021 - €89K) held on behalf of the Irish Government.

The following balances at 31 March 2022 were held at:

	2021/22 €'000	2020/21 €'000
Commercial banks and cash in hand	555	500
<b>Balance at 31 March 2022</b>	<b>555</b>	<b>500</b>

## 16. Trade payables and other current liabilities

	2021/22 €'000	2020/21 €'000
<b>Amounts falling due within one year:</b>		
Other taxes and social security	284	283
Trade payables	633	608
Other payables	388	326
Inter GLA payables	79	239
Accruals and Deferred Income	1,881	1,608
Lease Liabilities	426	403
<b>Total</b>	<b>3,691</b>	<b>3,467</b>

## 16. Trade payables and other current liabilities (continued)

	2021/22 €'000	2020/21 €'000
<b>Amounts falling due after more than one year:</b>		
Other payables, accruals and deferred income	44	45
Value of asset held on behalf of the Irish Government	505	499
Lease Liabilities	2,817	3,170
<b>Total</b>	<b>3,366</b>	<b>3,714</b>

## 17. Commitments under Leases

These lease commitments in this note represent the lease liabilities relating to the two RoU assets described in note 8 above.

	2021/22 €'000	2020/21 €'000
<b>Movements in Lease Liabilities</b>		
<b>Opening Balance</b>	<b>3,573</b>	<b>2,752</b>
Interest	50	51
Repayments	(453)	(433)
Lease Reassessment	73	1,203
	<b>3,243</b>	<b>3,573</b>
<b>Lease liabilities as at 31 March 2022</b>		
Current	426	403
Non-current	2,817	3,170
	<b>3,243</b>	<b>3,573</b>
<b>Amounts falling due:</b>		
Not later than one year	426	403
Later than one year and not later than five years	1,180	1,516
Later than five years	1,637	1,654
	<b>3,243</b>	<b>3,573</b>

All contractual options to extend leases beyond their initial contract periods have been included in the above figures.



## 17. Commitments under Leases (continued)

	2021/22 €'000	2020/21 €'000
<b>Amounts recognised in expenditure:</b>		
Depreciation expense	419	398
Less Capitalised Depreciation Costs	(11)	(31)
Interest expense	50	51
Variable lease costs	46	256
Rental on leases of low-value assets	-	6
Rental of leases expiring within 12 months	-	-
	<b>504</b>	<b>680</b>
<b>Cash flows</b>		
Interest	50	51
Repayment of lease liability	403	382
	<b>453</b>	<b>433</b>
Income from subleasing right of use assets	-	-
<b>Note:</b> As at 31 March Irish Lights had no Finance Leases		
Lessor income from operating leases:		
Lease income	759	672
Income relating to variable lease payments that do not depend on an index or a rate	12	13
	<b>771</b>	<b>685</b>
<b>Maturity analysis of operating lease payments receivable</b>		
<b>Amounts due:</b>		
Within 1 year	541	564
Between 1 and 2 years	482	477
Between 2 and 3 years	428	452
Between 3 and 4 years	342	385
Between 4 and 5 years	293	268
After 5 years	1,918	1,742
	<b>4,004</b>	<b>3,888</b>

**Note:** For purpose of calculating the above lease receivables we have included a maximum of 25 years income as we believe this is a reasonable and prudent period to assume continuity of income

## 18. Capital Commitments

	2021/22 €'000	2019/20 €'000
Contracted capital commitments at 31 March 2022 not otherwise included in these financial statements		
Property, plant and equipment	271	266
<b>Total</b>	<b>271</b>	<b>266</b>

## 19. Provisions for Liabilities and Charges

	Remedial Works/ Responsible Withdrawal €'000	Other Provisions €'000	Total €'000
<b>Provisions at 1 April 2021</b>	<b>250</b>	<b>391</b>	<b>641</b>
Provided in year	229	8	237
Provisions not required and written back	(23)	-	(23)
Provisions utilised in the year	(89)	(185)	(274)
<b>Provisions at 31 March 2022</b>	<b>367</b>	<b>214</b>	<b>581</b>

### Analysis of expected timing of discounted flows

	Remedial Works/ Responsible Withdrawal €'000	Other Provisions €'000	Total €'000
Not later than one year	367	26	393
Later than one year and not later than five years	-	44	44
Later than five years	-	144	144
<b>Provisions at 31 March 2022</b>	<b>367</b>	<b>214</b>	<b>581</b>

## 20. Pension Commitments

### Merchant Navy Officers Pension Fund (MNOFF)

The GLAs were participating employers of the Merchant Navy Officers Pension Fund (MNOFF), a defined benefit scheme providing benefits based on final pensionable salary. As participating employers in the MNOFF, the GLAs are liable for any deficit contributions should the fund not be able to meet its future liabilities.

The GLAs have paid the deficit contributions which were due for payment on 30 June 2013 in respect of the 2012 valuation. A further actuarial valuation was carried out as at 31 March 2015, 31 March 2018 and 31 March 2021 which resulted in no further calls for deficit contributions. Any further liability will be restricted to additional contributions sought if 2012 contributions cannot be recovered from other employers (e.g. liquidated companies). Additional liability may arise as a result of new actuarial valuations in the future. The next valuation is due as at 31 March 2024.

## 21. Events after Reporting Period

There were no events after the reporting date that required disclosure.

## 22. Inter GLA Transactions

### Ships Agreement

There were no interventions under the Inter – GLA Ship Sharing Agreement (dated 1 April 2003) during 2021/22.

## 23. Related Parties

The GLF is administered by the UK DfT who sponsors the three GLAs. For governance purposes each is considered to be a Non Departmental Public Body (NDPB), however for financial purposes they are considered to be Public Bodies.

The Authorities and the UK DfT are regarded to be related parties. During the year the UK DfT approved advances from the GLF to Irish Lights. During 2021/22 Irish Lights has received advances of €14,466K (2020/21 €14,618K) from the General Lighthouse Fund. In addition DTTAS is considered to be a related party of Irish Lights. During the year no material transactions took place between Irish Lights and DTTAS. At the 31 March 2022 the balances outstanding with the GLAs were as follows:

	Balance due from Irish Lights	
	2021/22 €000's	2020/21 €000's
<b>GLA</b>		
Trinity House	9	1
Northern Lighthouse Board	70	238

	Balance due to Irish Lights	
	2021/22 €000's	2020/21 €000's
<b>GLA</b>		
Trinity House	-	-
Northern Lighthouse Board	-	-

To the best of our knowledge neither the Secretary of State for Transport, any key officials with responsibilities for the Fund nor any of the Authorities' Board members, key managerial employees nor other related parties has undertaken any material transactions with the Fund during the year.

## 24. Approval of Annual Report and Accounts

This Annual Report and Accounts was approved by the Board on 23 September 2022.

# Appendix A – Aids to Navigation Performance Metrics

## Resources

### AtoN Inventory

The total inventory of AtoN as at 31 March 2022 is as follows:

Type of Station	2021/22 Total	2021/22 Deployed	2020/21 Total	2020/21 Deployed
Lighthouses (Automated)	67	65	67	65
Lighted Beacons	6	6	5	5
Unlighted Beacons	14	14	15	15
Solar Lighted Buoys	179	140	177	134
Hauling Off/Mooring Buoys	6	1	6	1

Other AtoN provided by Irish Lights:

Type of Station	2021/22	2020/21
DGPS <sup>1</sup>	3	3
RACONs on Lighthouses	14	14
RACONs on Buoys	10	10
AIS on Buoys	65	63
AIS at Lighthouses	52	49
AIS Base Stations at other bases	7	7
Met/Hydro on Buoys	9	9
Met/Hydro on Lighthouses	2	2

<sup>1</sup> DGPS service was discontinued on the 31 March 2022

### AtoN availability statistics

Irish Lights core activity is fulfilling the statutory responsibility to provide safe passage for the mariner. AtoN availability statistics are a measure of Irish Lights' performance in maintaining AtoN and associated equipment. The GLAs report their availability statistics based on three year rolling averages and compare these figures with standards issued by IALA.

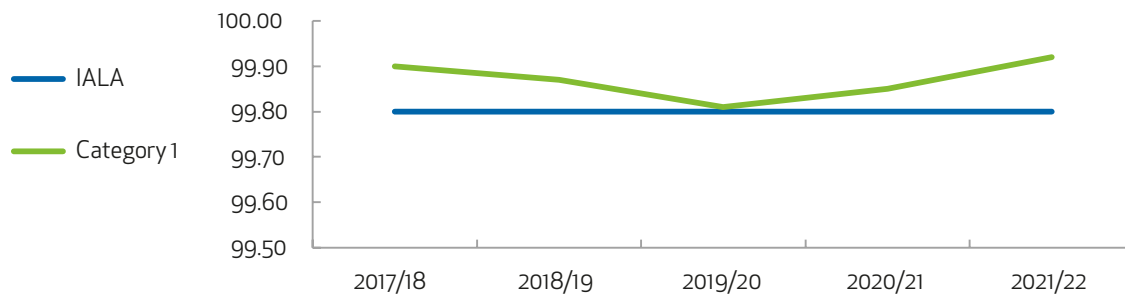
The AtoN reliability statistics for Irish Lights are presented in the following tables and graphs under the agreed three categories. Irish Lights has exceeded the recommended IALA minimum levels of availability for all categories of AtoN.



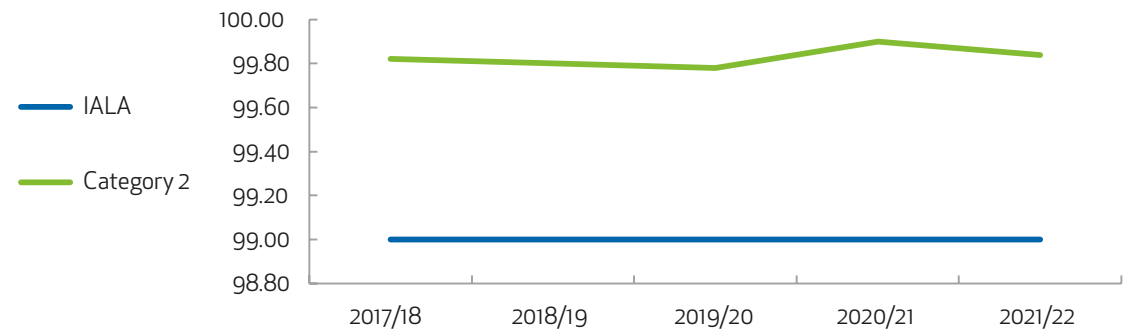
## AtoN Availability Compared To IALA Minima - 3 Year Rolling Averages

Category	IALA	2017/18		2018/19		2019/20		2020/21		2021/22	
	Minimum	Actual	Diff	Actual	Diff	Actual	Diff	Actual	Diff	Actual	Diff
1	99.8%	99.90	0.10	99.87	0.07	99.81	0.01	99.85	0.05	99.92	0.12
2	99.0%	99.82	0.82	99.80	0.80	99.78	0.78	99.90	0.90	99.84	0.84
3	97.0%	99.75	2.75	99.78	2.78	99.76	2.76	99.88	2.88	99.88	2.88

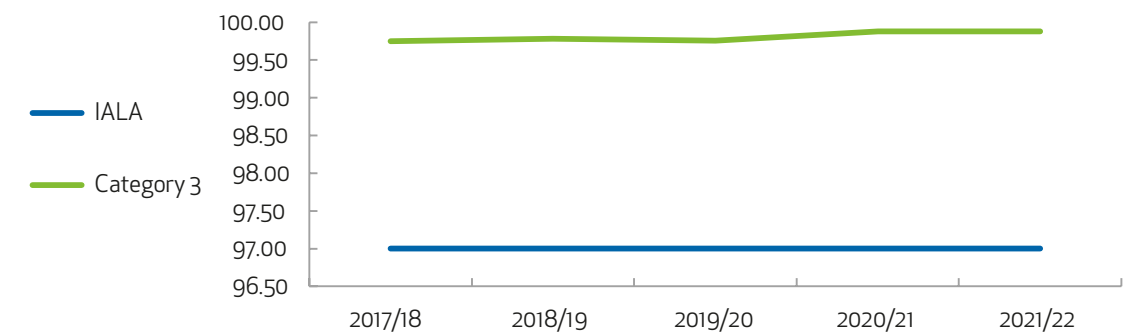
### Category 1



### Category 2



### Category 3



# Appendix B – Statutory Background and Charitable Status

## Statutory Background

Irish Lights is the General Lighthouse Authority for the island of Ireland and its adjacent seas and islands. Irish Lights, together with the Northern Lighthouse Board (Scotland & Isle of Man) and Trinity House (England & Wales) operates an integrated AtoN service throughout the coastal waters of Ireland and the United Kingdom. AtoN are provided to recognised standards set by the International Association of Marine Aids to Navigation and Lighthouse Authorities.

Irish Lights was established in that name by the Dublin Port Act 1867 but derives its origin and constitution from an Act of the Irish Parliament of 1786 for developing the Port of Dublin. Irish Lights has vested in it under Section 634 of the Merchant Shipping Act 1894 the responsibility for superintendence and management of all lighthouses and other AtoN in respect of Ireland and the adjacent seas and islands.

The Merchant Shipping Act 1995 Section 195 (1) empowers the Commissioners of Irish Lights with the same function for Northern Ireland and adjacent seas and islands.

Irish Lights also has authority for the marking and removal of wrecks for Ireland under the Merchant Shipping (Salvage and Wreck) Act 1993 Part IV. For Northern Ireland this authority is vested under the Merchant Shipping Act 1995 Section 253 (1).

The Revenue Commissioners, Customs and Excise Division are authorised by Irish Lights under Section 648 of the Merchant Shipping Act 1894 to collect light dues in Ireland. Continuous monitoring of vessel arrivals is undertaken to ensure compliance with light dues collection rules and payments. The Institute of Chartered Shipbrokers have this responsibility for Northern Ireland under Section 205 of the Merchant Shipping Act 1995.

The Merchant Shipping and Maritime Security Act 1997 gives the Commissioners of Irish Lights the powers to enter into contracts to exploit spare capacity within the UK and under the Merchant Shipping (CIL) Act 1997 which gives similar powers in respect of Ireland.

## Charitable Status

Irish Lights has a charitable exemption from the Revenue Commissioners (CHY No. 1979) and is registered with the Charities Regulatory Authority (Registered Charity No. 20002794).



Buoy maintenance on ILV Granuaile (Photo: Andrew Collins)

## Appendix C – List of Acronyms and Abbreviations

AIS	Automatic Identification System	IAA	Irish Aviation Authority	RICS	Royal Institute of Chartered Surveyors
AtoN	Aid to Navigation	IALA	International Association of Marine Aids to Navigation & Lighthouse Authorities	RoI	Republic of Ireland
CER	Critical Entities Resilience	IAS	International Accounting Standards	RoU	Right of Use
CETV	Cash Equivalent Transfer Values	IFRS	International Financial Reporting Standards	RTE	Radio Telefís Éireann
DfT	Department for Transport	JSB	Joint Strategic Board	SAR	Search and Rescue
DGPS	Differential Global Positioning System	LED	Light Emitting Diode	SEAI	Sustainable Energy Authority of Ireland
DHC	Depreciated Historic Cost	LAtoN	Local Aids to Navigation	SOLAS	International Convention for Safety of Life at Sea
DoT	Department of Irish Transport	LLA	Local Light Authority	SoCNI	Statement of Comprehensive Net Income
DRC	Depreciated Replacement Cost	MAR	Management Assurance Return	SoFP	Statement of Financial position
EGNOS	European Geostationary Navigation Overlay Service	MEA	Modern Equivalent Asset	TH	Trinity House
EU	European Union	MNOPF	Merchant Navy Officers Pension Fund	UCD	University College Dublin
FReM	Government Financial Reporting Manual	NAO	National Audit Office	UK	United Kingdom
GDPR	General Data Protection Regulation	NDPB	Non Departmental Public Body		
GIAA	Government Internal Audit Agency	NLB	Northern Lighthouse Board		
GIS	Geographical Information System	NMPF	National Marine Planning Framework		
GLA	General Lighthouse Authority	OREDP II	Offshore Renewable energy Development Plan II		
GLF	General Lighthouse Fund	PCSPS	Principal Civil Service Pension Scheme		
GNSS	Global Navigation Satellite System	PPA	Partnership Pension Account		
GRAD	GLA Research and Development	PPE	Property, Plant & Equipment		
		PRSA	Personal Retirement Savings Account		



Commissioners of  
**IRISH LIGHTS** | *Navigation  
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