

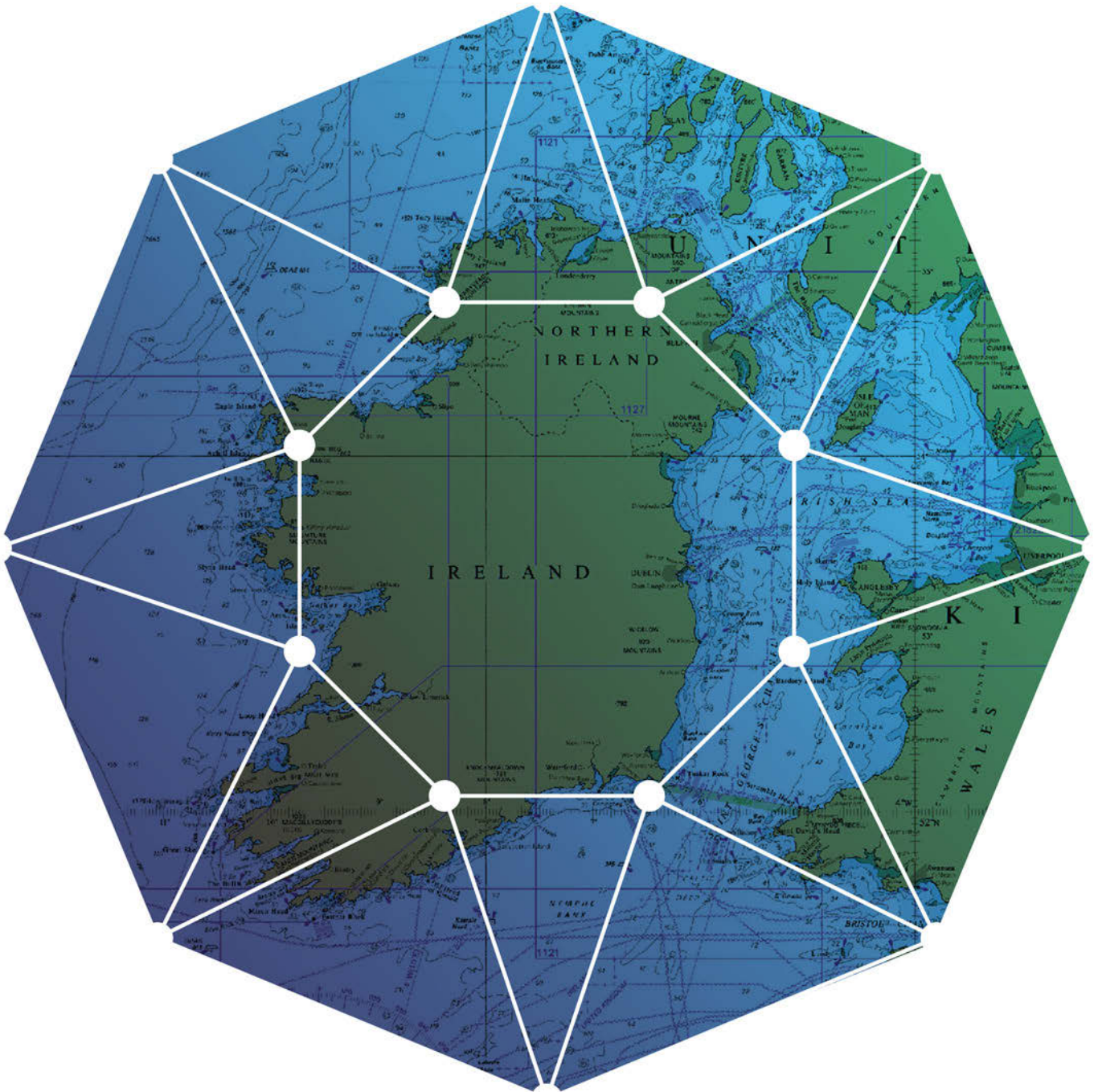


Commissioners of  
**IRISH LIGHTS** | Navigation  
and Maritime  
Services

# Annual Report and Accounts

Year Ended 31 March 2021

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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.

# Table of Contents

**02** 1. Chairman's Summary

**05** 2. Performance Report  
– Chief Executive Review

- 2.1 Strategy of the Organisation
- 2.2 Operating Performance
- 2.3 Sustainability Reporting
- 2.4 Financial Performance

**18** 3. Accountability Report

- 3.1 Corporate Governance Report
  - 3.1.1 Directors Report
  - 3.1.2 Statement of Accounting Officer Responsibilities
  - 3.1.3 Governance Statement
- 3.2 Remuneration and Staff Report
- 3.3 Parliamentary Accountability Disclosures

**Financial Statements**

- 30** Statement of Comprehensive Net Income for the year ended 31 March 2021
- 31** Statement of Financial Position as at 31 March 2021
- 32** Statement of Cash Flows for the year ended 31 March 2021
- 33** Statement of Changes in Reserves for the year ended 31 March 2021
- 34** Notes to the accounts for the year ended 31 March 2021
- 54** Appendix A – Aids to Navigation Performance metrics
- 56** Appendix B – Statutory Background and Charitable Status
- 57** Appendix C – Acronyms and Abbreviations





# 1. Chairman's Summary

I am pleased to present the 2020/21 Annual Report and Accounts for Irish Lights. It has been a strange and challenging year for us all, as we came to terms with living with COVID-19. As a designated essential service by the Irish and UK Governments Irish Lights has continued to deliver a reliable service to the mariner and our stakeholders throughout the various levels of restrictions. Throughout the pandemic, our primary focus has been on ensuring the safety of our staff and the continuity of our essential Aids to Navigation services.

At the start of the year, operational plans and budgets were revised to accommodate delays arising from public health restrictions. In terms of financial performance, Irish Lights operated well within sanctioned budget and the annual funding and efficiency targets agreed with UK Department for Transport and Irish Department of Transport. Light dues were down 2% at the end of the year, recovering from initial Brexit and Covid impacts. Commercial income was down by 44% arising from Covid imposed restrictions and this was offset by contained costs as some work was deferred to next year.

Changes to work practices on the coast, at sea and ashore, ensured that all essential maintenance was completed and capital works remained on track with projects completed at Straw Island and Muglins. Preparatory work was also completed for upcoming capital projects at three Northern Ireland Lighthouse Stations. In addition, a total of 27 buoys were refurbished and deployed at sea. We continue to meet the International availability standards for the provision of Aids to Navigation (AtoN).

Irish Lights provides audit, inspection and advisory services to 60 Local Lighthouse Authorities who oversee the 3,200 local aids around our coast. Our local aids inspections and audits continued throughout the year with 100% of planned inspections and audits completed. Reflecting strong levels of investment and maritime activity around the coast, Irish Lights responded to 10 requests for consultation from the offshore renewables sector, and another 12 related to works covered under the

Foreshore Act. In addition, as part of our statutory remit, we sanctioned 157 new permanent aids, 91 disestablishments and 55 amendments to aids to navigation.

We continued to support the UK and Irish governments in the implementation of the SOLAS (Safety of Life at Sea) Convention, ensuring that IALA (International Association of Marine Aids to Navigation and Lighthouse Authorities) recommendations and guidelines are fully implemented with respect to aids to navigation. Throughout the year, we were actively engaged with our GLA (General Lighthouse Authority) partners Trinity House and Northern Lighthouse Board through our shared research unit GRAD (GLA Research and Development Directorate) in the international debate on the future of safe navigation. We continue to plan our services to reflect the emergence of eNavigation and the convergence with electronic data services and communications with a range of innovative projects in progress.

**“ Throughout the pandemic, our primary focus has been on ensuring the safety of our staff and the continuity of our essential Aids to Navigation services.**

The use of data and digitisation will shape the future of the maritime sector and we continue to put technology at the heart of our strategy.

We continued to work closely throughout the year with colleagues in the Department of Transport (Ire) and the Department for Transport (UK) to deliver services to support wider government objectives as expressed in the Irish Maritime Directorate Strategy 2021-25 and the UK's Maritime 2050. This included direct input to the National Search and Rescue Plan, the Government Taskforce on National Emergency Planning, Irish Sea Working Group, UK Safety of Navigation Committee, Marine Safety Initiatives, the UK MASS (Maritime Autonomous Surface Ships) Regulatory Working Group, the National Consultative Committee on Maritime Oil and HNS (Hazardous and Noxious Substances) Spill Contingency and III Code Audit preparations in the UK and Ireland.

We also made significant inputs to the National Marine Planning Framework advising on relevant areas of safe navigation and the associated Maritime Area Planning Bill. In Northern Ireland we inputted to new marine licensing regulations and at international level we supported the North Seas Energy Co-ordination Group to examine issues related to lights and marking of offshore wind turbines.

Irish Lights leadership and support for the Great Lighthouses of Ireland brand partnership remains an important vehicle for promoting the sustainable use and sensitive development of our built heritage. Our archive project continues to progress and represents an incredibly rich source of maritime history which will ultimately be available for research and tourism developments.

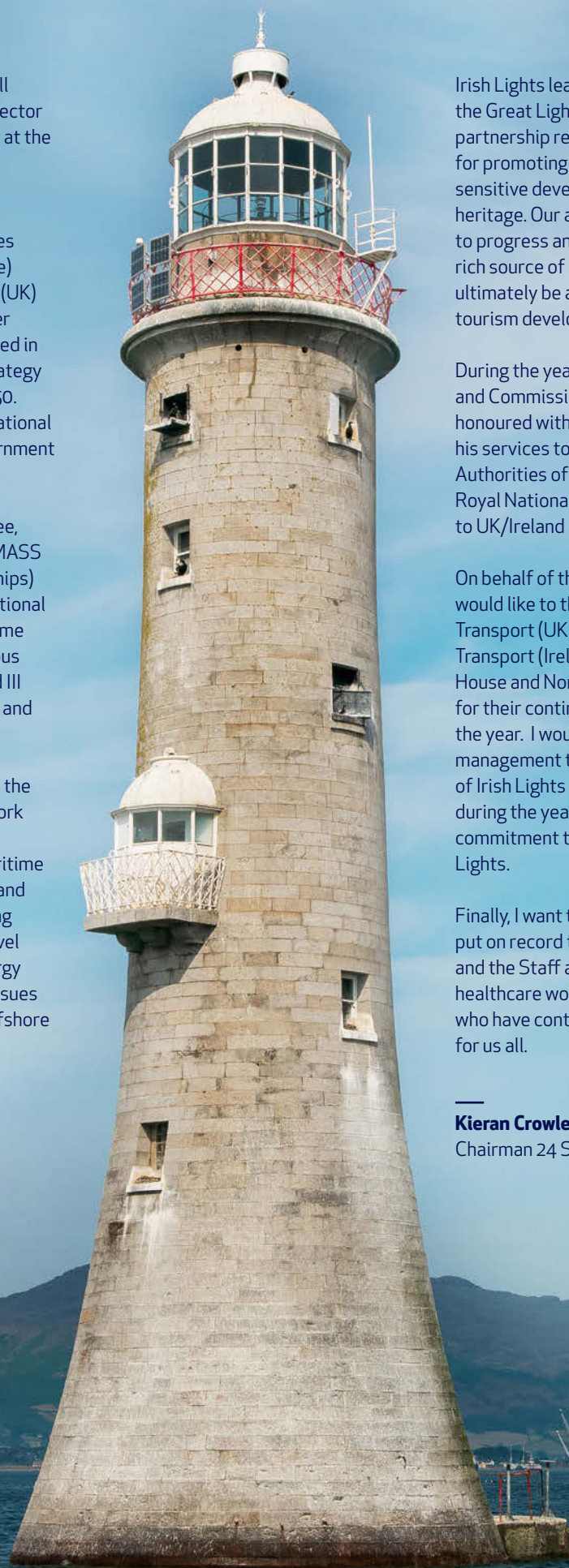
During the year, our former Chairman and Commissioner, Mr John Coyle, was honoured with an OBE in recognition of his services to the General Lighthouse Authorities of the UK and Ireland, the Royal National Lifeboat Institution, and to UK/Ireland relations.

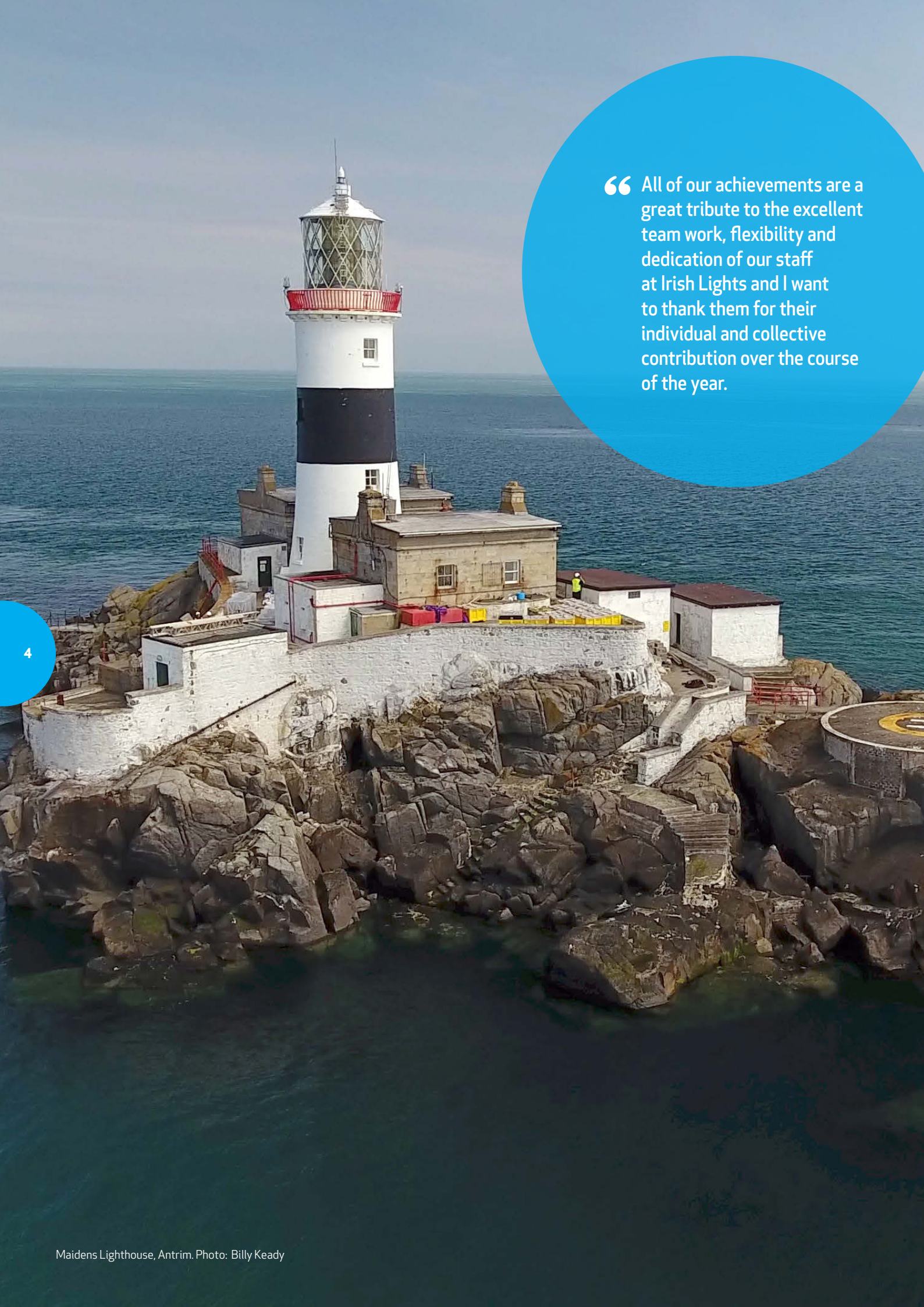
On behalf of the Board of Irish Lights, I would like to thank the Department for Transport (UK) and the Department of Transport (Ireland) along with Trinity House and Northern Lighthouse Board for their continued support during the year. I would also like to thank the management team and all the staff of Irish Lights for their contribution during the year and their continued commitment to the success of Irish Lights.

Finally, I want to take this opportunity to put on record the gratitude of the Board and the Staff at Irish Lights to the key healthcare workers across all sectors who have continued to work tirelessly for us all.

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**Kieran Crowley**  
Chairman 24 September 2021





“ All of our achievements are a great tribute to the excellent team work, flexibility and dedication of our staff at Irish Lights and I want to thank them for their individual and collective contribution over the course of the year.



## 2. Performance Report

### Chief Executive Review

#### Introduction

I am pleased to report that throughout the year Irish Lights has delivered an aids to navigation service that is reliable, efficient and cost-effective. We have exceeded the IALA aids to navigation availability standards, operated well within our sanctioned budgets and delivered on most of our key performance objectives across the five focus areas of our Strategy, Safe Seas – Connected Coasts 2018-2024.

Like all organisations COVID-19 impacted our plans and approach to work activities. However, the classification of Irish Lights as an essential service by the UK and Irish Governments was critical to facilitating the maintenance of our core AtoN service to the Mariner.

Irish Lights quickly developed a COVID-19 response plan to ensure the continuity of our aids to navigation service while taking public health guidance into account. Our Ship operations continued in full and coastal operations were restricted to essential maintenance and capital works. The Buoy Yard activity progressed without

any interruption and our pre-existing business continuity plans ensured that our Office based staff could work effectively from home.

The biggest impact of COVID-19 for Irish Lights was on our commercial income which resulted in a significant reduction in commercial income compared to the previous year. In particular it was not feasible to charter the Granuaile due to the high risk of an infection coming on Board. Similarly, with movement restrictions and lockdowns, income from the Great Lighthouses of Ireland was substantially reduced. Reduced income necessitated an adjustment to our operational plans and work programmes with the result that some work had to be deferred into 2021-22.

Brexit also presented challenges to the operation of our single helicopter contract with Trinity House and Northern Lighthouse Board as the regulatory framework for cabotage only became clear when EU/UK Agreement was finalised. Contingent arrangements had to be put in place in quarter 4 to allow continued Helicopter operational support while regulatory formalities

were agreed for the UK based Tri GLA Helicopter provider to continue to operate in Ireland.

Overall given the difficult challenges the organisation faced during the year I am very pleased with our performance and delivery against our strategic and operational objectives. All of our achievements are a great tribute to the excellent team work, flexibility and dedication of our staff at Irish Lights 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.

## 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.

“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.





## 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 Straw Island and Mughlins (Dalkey) Lighthouses. Having carefully considered architectural conservation and industrial archaeological heritage at five Northern Ireland sites, Irish Lights was granted Listed Building Consent by Causeway Coast & Glens Borough Council for the proposed upgrade works at Rathlin East, Rathlin West and Rue Point. These works had to be deferred due to movement restrictions but when they commence they will utilise a low energy Light source while retaining the heritage lenses in place.

Similar reinvestment took place on the ILV Granuaile including installation of a new Water Ballast Filtration system bringing the Granuaile in line with the International Convention for the Control and Management of Ships Ballast Water & Sediments to meet with the D-2 Standard on LR Classed Ships. Upgrades to the Thruster Drive Invertors and new Engine oil filtration systems have been retrofitted to prolong the life of the five on board engines and reduce lubrication oil waste. The Ships two workboats were also refitted that will see them continue to perform to the end of Ship life.

A number of key information communications and technology (ICT) strategy delivery systems (Vessel Traffic Analysis and Monitoring of our lighthouse and buoy infrastructure) were introduced during 2020/21. Infrastructure upgrade projects included a new Wi-Fi in Dun Laoghaire and capital replacement of the virtual server network that underpins the ICT infrastructure.

A total of 27 buoys were refurbished and deployed during the year 2020/21. Of these, 20 were statutory buoys, 2 were contract buoys, 1 was a wreck marker buoy for Waterford Port and the remaining 4 were weather monitoring buoys for the UK Met Office. In line with our target of upgrading our Buoy stock with lower maintenance technology and equipment 7 of these buoys were fitted with self-contained lanterns. As part of the AIS roll-out project, 2 more buoys were deployed transmitting AIS with a further 4 deployed with AIS for Irish Lights monitoring purposes only. As part of our continued trialling of plastic buoys Irish Lights has now deployed 10 polyethylene buoys ranging from 3 small buoys in the relatively sheltered area of the Rusk Channel (Co. Wexford) to 2 larger buoys at the more exposed sites of South Rock (near Tuskar Rock) and Tail of Beal at the mouth of the Shannon.

As part of its statutory functions, with a view to ensuring navigation safety, Irish Lights assessed new Ship Wreck risks including FV Kayleigh which sank in deep water off Mizen Head, the FV Village Queen sunk in Galway Bay and the FV Aztec which sunk near Duncannon in County Wexford. Together with the Irish Coast Guard and Cork County Council Irish Lights continued to monitor the MV Alta wreck which was abandoned and went aground in 2019 on a rocky foreshore adjacent to Ballyandreen Bay, Ballycotton.

Looking forward to the development of future e-navigation services, Irish Lights is engaged in a project with GLA Research and Development) GRAD and the Irish Navy to conduct measurement of European Geostationary Navigation Overlay Service (EGNOS) correction signals at the North Western extent of the Irish 200nm Exclusive Economic Zone (EEZ). This pilot will test the augmentation of Galileo position, navigation & timing satellites for enhanced accuracy and signal integrity at sea. The required equipment has now been installed on an Irish Naval vessel with support from Irish Lights and the trial is expected to run to Sep 2022 with regular collection of data during the period.



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

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

There are over 3,200 local AtoN around the island of Ireland managed by 60 Local Lighthouse Authorities (LLAs). Local AtoN are situated close to Ports and Harbours and they also mark aquaculture and other marine developments. Irish Light completed 100% of planned inspections and audits this year. We have introduced a web-based tool for inspections and audits allowing for more efficient record keeping. In addition, Irish Lights is nearing completion of the delivery of a new Local Lighthouse Authorities (LLA) online portal.

This new Portal will provide GIS functionality allowing the user to more easily identify their LAtoN set against a geographical map display. The new portal will also streamline the process of applying for Statutory Sanction approval, allowing more visibility for the LLA on the status of their applications. The new portal has been designed to be more user friendly, allowing for quicker and easier reporting of outages by the LLA. Irish Lights has been working with IALA and the National Maritime College of Ireland to develop an LLA specific training

programme. The aim of this programme will be to improve marine and technical knowledge associated with the safe, efficient and effective provision of Local Aids to Navigation.

In the Aquaculture Sector Irish Lights processed applications for 110 new Local Aids to Navigation (LAtoN), the disestablishment of 83 LAtoN and the amendment to 26 existing LAtoN. This represents a significant increase in activity for this area as Irish Lights has been working closely with Bord Iascaigh Mhara (BIM) throughout the year to focus on improving the marking and lighting of licensed aquaculture sites around our shores. Irish Lights, as a statutory consultee, reviewed and responded to 29 aquaculture site applications.

Irish Lights, working with LLAs also processed applications for 47 new permanent LAtoN, disestablishment of 8 LAtoN and approved amendments to 29 existing LAtoN. Irish Lights additionally sanctioned 41 temporary LAtoN. Elevated interest in wind farm site investigations within the Offshore

Renewable Sector, resulted in the number of statutory sanctions for data collection buoys increasing to 14 this year. Irish Lights received 10 requests for consultations connected with the development of offshore renewables as part of our role as a consultee under the Foreshore Act. Irish Lights also responded to 12 additional consultations in respect to other works covered under the Foreshore Act. Additionally, Irish Lights also engaged with Kinsale Energy regarding the navigation considerations relating to the continued marking and lighting of the Gas Rigs throughout their decommissioning process which commenced in Q1 of 2021.

As part of our ambition to improve our support services the Irish Lights LLA team have trained and achieved Drone pilot licences from the Irish Aviation Authority and Irish Lights have also been approved as registered Drone Operator in the Republic and Ireland and Northern Ireland. The use of Drones are assisting Irish Lights with more efficient and safer inspections of Local Aids to navigations and we continue to investigate their use across our operations.



Drone Survey, St Johns Point Lighthouse, Co Donegal



### FOCUS AREA 3 – COMMERCIAL SERVICES

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

Our commercial strategy focuses on revenue generation from reserve capacity and full asset utilisation. Any net income generated is an important contributor to reducing our net operational cost.

Irish Lights could not risk losing the Granuaile as an operational asset had COVID-19 come on Board. Hence an early decision was made not to bid for charter work for the Ship.

This necessary decision meant that the 50% of our budget income that is generated from Ship charter work was not achievable during the year. Combined with reduced visitor numbers and related income at GLI sites overall income came in at €0.6m (Gross €0.7m) which was below budget of €1.5m and the prior year performance of €1.3m (Gross €1.5m). During the year Irish Lights extended rental payment credit terms to assist Tenants impacted by COVID-19.

Buoy maintenance and property equipment hosting performed well during the year and it was reassuring that a number of longer term equipment hosting contract were renewed during the year.



Buoy Maintenance



## 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 16,900 followers on Twitter. MetOcean availability continued to improve during the year at 97% continuous and additional resources have been deployed to advance the automation of quality control for MetOcean data to INSPIRE standards. The data is now presented externally to Users via a web Portal and API and we implemented a test self-service system (ERDDAP) to facilitate the sharing of Irish Lights data with third parties primarily focusing on MetOcean and aids to navigation (AtoN) datasets.

Irish Lights is also working closely with Met Éireann on a pilot project to deploy wave sensors to assist with Coastal flood warning and climate change monitoring. The planned locations of these deployments are Ballybunnion buoy (Shannon Estuary), Finnis buoy (Galway Bay), South Hunter buoy (Larne) and one at the Splaugh buoy (Rosslare). Met Éireann's Flood Forecasting Division will use the near-real-time data from Irish Lights buoys to develop coastal predictive modelling systems for tidal, storm surge and wave forecasting for Ireland. Work also continued with Inland Fisheries Ireland using fish counting sensors on the North Arklow Buoy. 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. Irish Lights also worked closely with the Northern Ireland Department of Agriculture, Environment and Rural Affairs on the development of new Marine Licencing regulations.

In October 2020, Irish Lights Chief Executive Officer, Ms. Yvonne Shields O'Connor was appointed to Chair the National Search and Rescue Committee (SAR) which was established to oversee a major reform programme for SAR in Ireland. As a stakeholder supporting the National SAR Plan, Irish

Lights participated in the National SAR Consultative Committee, the SAR Health & Safety Forum and the SAR Aviation Forum. During the year training exercises involving the Granuaile were undertaken covering the Irish Sea with the Irish Coastguard, UK Secretary of States Representative and the Maritime and Coastguard Agency (MCA). In addition, Irish Lights participated in a Maritime Incident Risk Assessment and Response Exercise co-ordinated by the Government Task Force Working Group on Risk managed by the Office of Emergency Planning.



Irish Air Corp Training Exercise



## FOCUS AREA 5 – TOURISM HERITAGE AND COMMUNITY ENGAGEMENT

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

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. 2020/21 was a very difficult year for Great Lighthouses of Ireland as the tourism sector has been significantly impacted by COVID-19 related closures. Despite this, business was strong during the short summer season when social distancing restrictions were lifted. In general, very limited tower tours were delivered resulting in a dramatic drop in ticket sales. Conversely accommodation sites reported an increase in bookings given the consumer demand for remote self-catering product offerings.

Throughout this period there was a focused effort to support the brand partners shared ambition to reopen safely and best position for a recovery in 2021. Sustainable Tourism Development is a new strategic strand of activity and the Great Lighthouses of Ireland brand partners have agreed to work towards an international accreditation over the next two years.

Great Lighthouses of Ireland focused on digital brand promotion and secured a place at Meithal 2021 Fáilte Ireland's largest International Travel Trade Fair. This virtual event provided a platform for over 200+ International Travel Trade buyers from 20 countries at which the Great Lighthouses of Ireland full suite of experiences was represented. It was successful in promoting the GLI brand and stimulating market interest with the tourism trade in preparation for when people can travel again.

Irish Lights signed a new Lease at Loop Head Lighthouse to facilitate the development by Clare County Council of a more extensive visitor attraction offer at this very busy site. Additionally, Irish

Lights is working closely with Donegal County Council to include our property at Dunree as part of an overall investment by Fáilte Ireland to create 'Fort Dunree' as a World Class Tourism Attraction, which aims to attract 100,000 visitors per annum. Work has also commenced with Mayo County Council to include Blacksod Lighthouse as part of a larger investment project to redevelop the Eachliem Visitor centre experience.

The Irish Lights Archive project has continued to progress well with the top Collections now digitised, conserved and largely catalogued. To further enhance the preservation of the Archive Key Irish Lights implemented a local and cloud based secure backup solution for scanned documents, Lighthouse Journals and other scanned materials associated with the Irish Lights Archive project.

As the cataloguing progressed during the year the Archive continues to reveal fascinating insights into the personal lives of former staff and chronicles

technical innovation and large scale construction and shipbuilding projects, all set against a backdrop of events of national and international significance in the 19th and 20th centuries. The extensive Irish Lights Artefact collection is now also fully documented and ready for permanent display. Using output from the Archive, Irish Lights supported the development of interpretative centres at Valentia and Blacksod Lighthouses.

Over the summer months of 2020 Irish Lights partnered with 'Fighting Words' an organisation focussed on encouraging and developing creative writing skills for young and old. The output of this collaboration delivered thousands of wonderful submissions which were showcased in digital format on Great Lighthouse of Ireland website. In addition a selection of stories were illustrated by ADOBE and published in a book called The Lighthouse Storybook that went on sale at Christmas raising in excess of €10,000 for the Children in Hospital Ireland and the Northern Ireland Hospice charities.



Irish Lights GLI Champions on Tour at Hook Head (Prior to Covid)

“ Keeping the importance of safe working practices to the fore in all operations is paramount and this is achieved through employing a proactive and risk assessment based approach to safety management and through the continual development, promotion and improvement of our Safety Management Systems and ensuring that safety training and certification is maintained for all employees.

## Strategy Enablers / other reporting metrics

### Organisational Change

Over the past three years almost 25% of Irish Lights roles have been filled by new employees which has created a great blend of new talent with the existing highly skilled and experienced workforce. Staff development remains a core enabler of our strategy implementation and during the year Irish Lights appointed an Organisation Learning and Development specialist to drive forward initiatives and continuous improvement. The initial focus is on an Irish Lights Leadership Development Initiative comprising of two bespoke programmes, one on 'Irish Lights Leadership and Values' and another on the 'Irish Lights People Manager'. There has been a great uptake by employees and in terms of training and development for 20/21 – 82% of staff undertook formal technical and developmental training participating in 53 accredited courses.

### Health and Safety Review

Irish Lights' core health and safety objective is to ensure that none of its employees suffer an injury or ill health while carrying out their work and that they return home at the end of the day in at least as good health as when they arrived. Keeping the importance of safe working practices to the fore in all operations is paramount and this is achieved through employing a proactive and risk assessment based approach to safety management and through the continual development, promotion and improvement of our Safety Management Systems and ensuring that safety training and certification is maintained for all employees. It is not a matter of putting safety before business but striving to do our business safely.

Despite restrictions brought about due to COVID-19, 2020/21 was another busy year as our essential work on the coast continued with limited disruption to activities. 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 just two days lost representing our lowest numbers on record. On an equally positive note, ten of the months in 2020/21 were Zero Harm months which represents an increase of three over the 2019/20 figure. Safety training continues to play an important role in how we manage health and safety and, while COVID-19 had a significant impact on our ability to deliver on our safety training programme during 2020/21, we still managed to train 184 people over 139.5 days. An ambitious training programme has been put in place for 2021/22 which will include an element of catch up training for that not delivered in 2020/21.

### Information and Communications Technology

A key focus for the ICT Team in 2020/21 was enabling uninterrupted business continuity by facilitating and supporting employees to enable a seamless transition for to remote working/working from home because of the COVID-19 pandemic. Support and planning included mobilisation of additional hardware and provision of a video conferencing solution to maintain effective communications within Irish Lights and with external stakeholders. A new communications solution was implemented on-board ILV Granuaile to boost 3G/4G signal strength and range on-board the Granuaile.

Cyber security remained a key focus for the organisation throughout 2020/21 and a number of education and awareness initiatives and security measures were put in place to reflect the changing threat landscape and the additional

challenges arising from working from home. An external penetration test and audit of the operational technology on-board ILV Granuaile was conducted and documentation reviewed and updated to ensure compliance with the new IMO Resolution relating to Maritime Cyber Risk Management in Safety Management Systems.

### 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, sharing lessons learned from managing COVID-19 across the GLAs, oversight of the regulatory change challenges posed by Brexit in particular the impact on the Tri-GLA Helicopter contract and the Vessel replacement projects in Trinity House and Northern Lighthouse Board. The JSB provided continued oversight of efficiencies and ensuring value from the shared research and development activities undertaken by GRAD.

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) Bill 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 is working closely with the Department of Transport to review the measures we can take to help achieve the national target of a 51% reduction in transport emissions by 2030.

Irish Lights seeks to develop its environment management policies in a manner fully consistent with Government initiatives and public opinion. Having signed up to the Sustainable Energy Authority of Ireland (SEAI) public sector energy efficiency initiative to improve energy efficiency in the public sector by 33% by 2020, Irish Lights achieved an improvement of 35.5%.

### Irish Lights Sustainability Programme

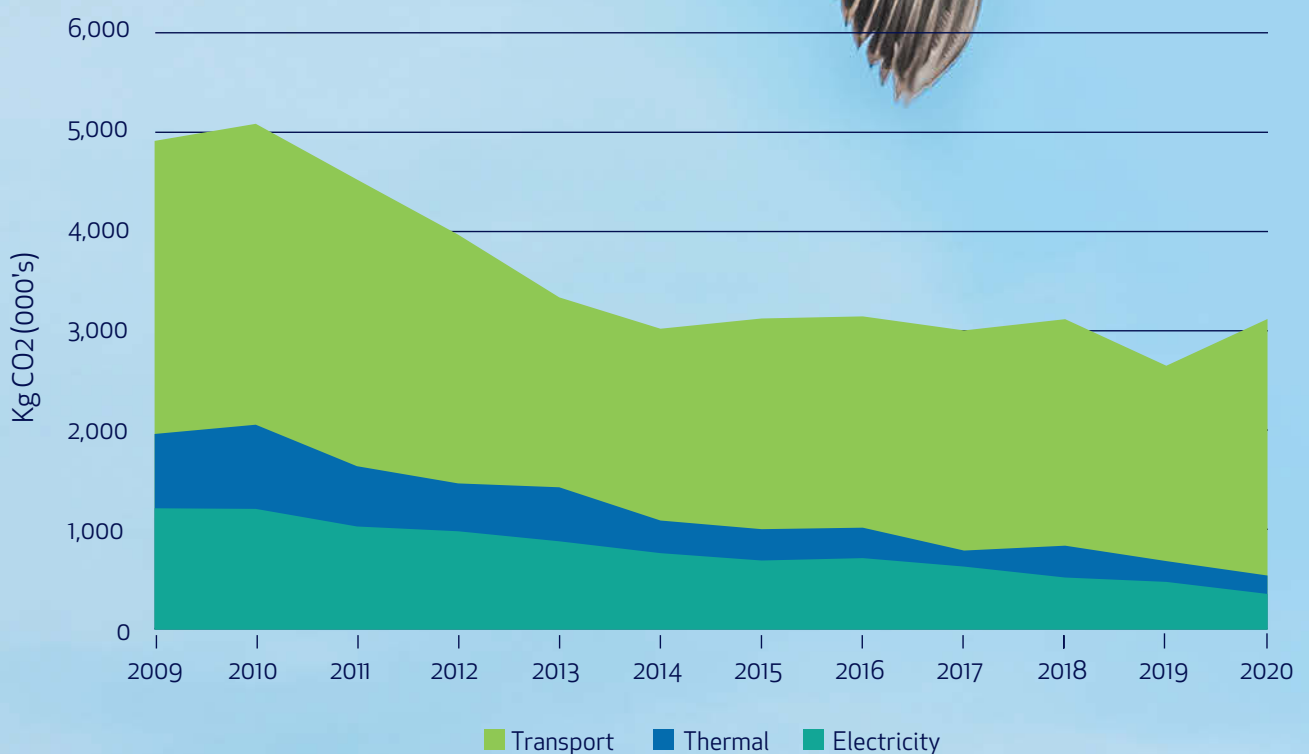
The Irish Lights Sustainability Programme is currently in development and will serve as an overarching framework to coordinate the efforts which are already under way and new projects to be implemented in terms of climate action and environmental protection. It is due for completion in October.

We are currently preparing for a comprehensive baseline review and compliance audit to ensure that Irish lights operations are up to date with the most recent environmental legislative requirements and guidance. This review will concentrate on administrative and infrastructural requirements for the environmental themes of waste, water, noise, biodiversity, energy and air pollution.

This audit which will include an aspects - impacts register to examine how aspects of our operations may have an impact on the environment, a baseline environmental review to assess our control measures and compliance requirements. The objective of this audit is to ensure we are compliant with the most recent legislative requirements and that we have measures in place to continuously improve our environmental performance.



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





## 2.4 Financial Performance Overview

The key financial highlights for the year include:

- There was an overall net accounting deficit of €1.8m for the year in Irish Lights Statement of Comprehensive Net Income (SoCNI), compared with a similar deficit of €1.8m last year.
- Running costs decreased by 4.3% since last year.
- Gross commercial income decreased to €0.9m, down 44% on last year, mainly as a result of lower charter activity and reduced income from GLI tourism sites due to 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 €6.9m for the year. Although this is down 2% on last year, it was a strong outcome considering the challenging year posed by Brexit and COVID-19.

### Financial Results

#### Highlights

The financial summary for the year to 31 March 2021, contained in these Accounts and Notes, shows an overall net accounting deficit on the SoCNI of €1.8m (2019/20 – 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 1.3% since last year. The increase is a combination of the full year cost of filling vacant positions. Other Expenditure costs have decreased by 10%. This is primarily as a result of the deferral of some expenditure until next year to offset against lower Commercial Income due to COVID-19 and thereby remain within sanction limits for the year. COVID-19 restrictions have also led to reduced activity on the coast and savings on non-pay costs such as travel and subsistence.

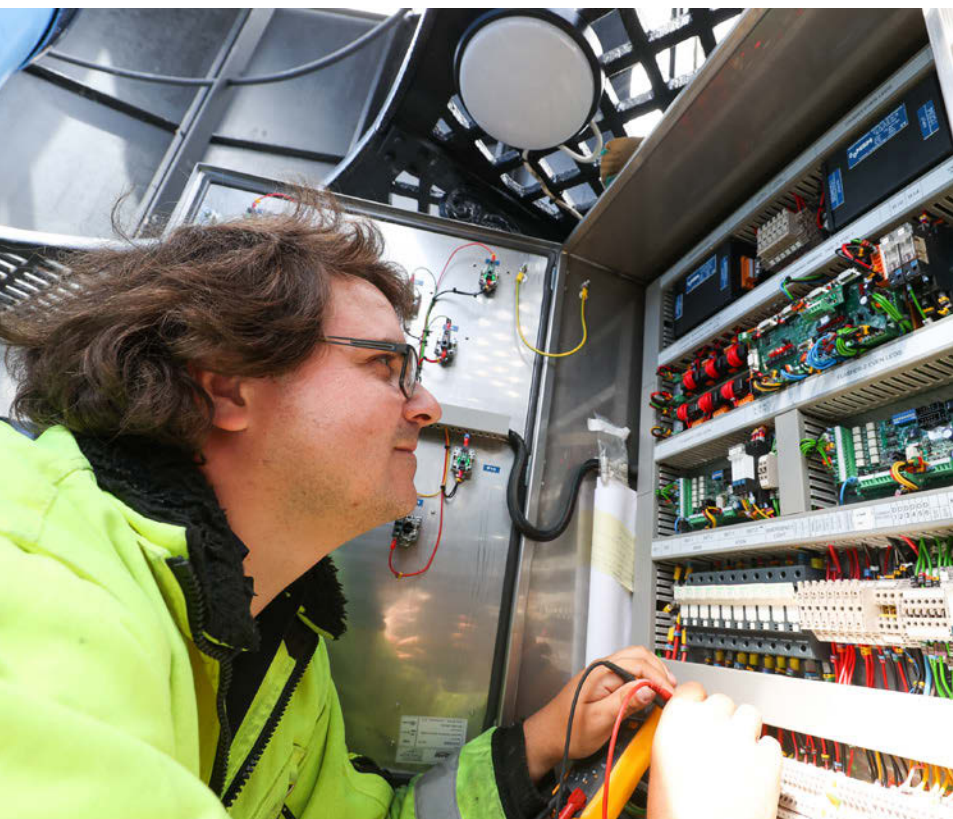
Capital expenditure has decreased by €0.4m since last year mainly because of the inclusion of the Granuaile Special Survey in 2019/20. In addition COVID-19 restrictions affected certain projects with some works delayed until 2021/22. Commercial Income is down significantly on last year. The reduction of 44% is due to the impact of COVID-19 on income generation from GLI sites and on Granuaile Charter income.

#### CPI – X Targets

As part of the 2016-21 Annual Corporate Plan process Irish Lights agreed a CPI-X target of 2.08% for the five year target period to 2021. The CPI-X target is effectively an annualised running cost reduction target which takes into account inflation. Because of the success of ongoing cost curtailment measures and initiatives such as the ongoing Lighthouse consolidation programme and the introduction of the new Tri-GLA helicopter contract, Irish Lights has achieved a five year result of 5.18%.

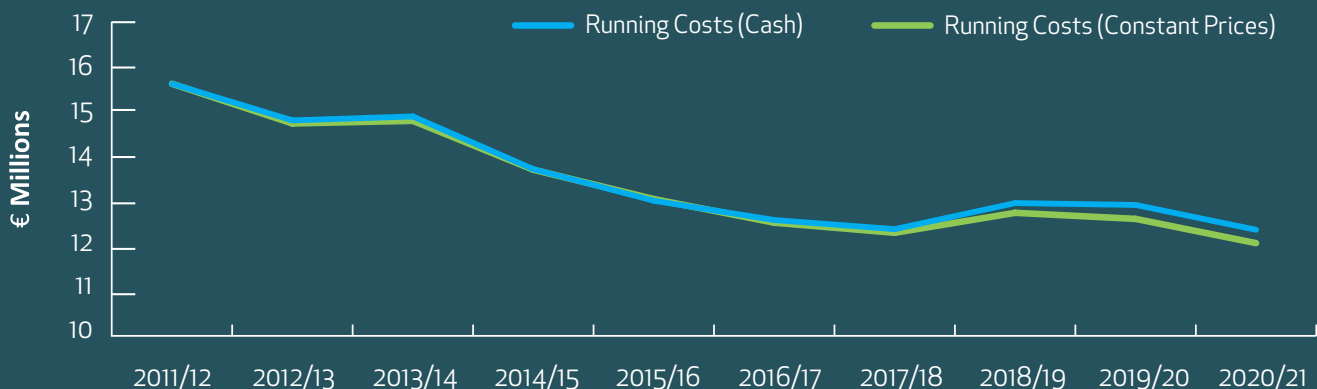
#### Cost Effectiveness

The performance indicator used to measure cost effectiveness is “Running Costs – Cash and Constant Prices”. This indicator measures the annual running costs of Irish Lights on a year-by-year basis. Additionally they are adjusted to constant prices by use of the 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 which are set out in the following table and graph show a decrease in actual running costs of 4.3% and a decrease of 4.3% in constant price terms for 2020/21 as compared to 2019/20.



Lighthouse Maintenance. Photo: Mark Maxwell

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



	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Running Costs (€'000)	15,580	14,770	14,857	13,690	12,991	12,564	12,362	12,939	12,898	12,348
Variance (%)		-5.2%	0.6%	-7.9%	-5.1%	-3.3%	-1.6%	4.7%	-0.3%	-4.3%
Running Costs (Constant Prices €'000)	15,580	14,701	14,759	13,667	13,028	12,505	12,281	12,723	12,589	12,052
Variance (%)		-5.6%	0.4%	-7.3%	-4.7%	-4.0%	-1.8%	3.6%	-1.1%	-4.3%
RoI Consumer Price Index	100.0	100.5	100.7	100.1	99.7	100.5	100.7	101.7	102.5	102.5

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.



## 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 2020/21 the Irish Government contribution will be €5.4m (2019/20 - €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 at 60 cent per tonne in Ireland and 38.5 pence per tonne in the UK.

Irish Light Dues were down substantially -17% at the start of the year but recovered well finishing down just -2% on the previous year at €6.9m. The largest category of decrease was on Passenger vessels as the cruise sector was hit hard by COVID-19. However, this was partially offset by increases in the RoRo and General Cargo categories. Light Dues income in Northern Ireland was €1.2m in 2020/21 compared with €1.1m last year. Overall, UK Light Dues were down 12% on the previous year.

The light dues collected in Ireland are forwarded to the GLF. Lights dues collected in Northern Ireland are also forwarded to the GLF as part of the contract with the Institute of Chartered Shipbrokers. Light dues collected by the three Lighthouse Authorities are included as income in the GLF Annual Report and Accounts and do not form part of these accounts.

The overall reduced level of Light Dues arising from fewer vessels arriving at Ports across the UK and Ireland has posed a real challenge on the General Lighthouse Fund (GLF). Following consultation with the JSB and the Lights Finance Committee (LFC) the Minister for Aviation, Maritime and Security, Mr. Robert Courts MP decided to increase the UK Light Dues rate by 1 penny to 38.5p from the 1<sup>st</sup> of April 2021. The Irish Lights Dues rate remains unchanged at 60 cent per net registered Tonne.

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## Yvonne Shields O'Connor

Chief Executive and Accounting Officer  
24 September 2021



Straw Island Lighthouse. Photo: Andrew Collins

# 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 (March 2016).
- 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 (January 2020)

- A Tri-GLA Annual Risk Management & Insurance Scrutiny which was last reviewed by the three GLAs in 2020.
- Internal Audits undertaken by the Government Internal Audit Agency (GIAA). In 2020/21 audits covered Environmental Management, Covid Preparedness and Key Financial Controls. Two planned audits, Local AtoN Superintendence and Navigation Assessment were deferred due to COVID-19 travel restrictions. 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 in March 2021.

“ Irish Lights is committed to maintaining the highest standards of corporate governance in accordance with the DfT Framework Document for the General Lighthouse Authorities.

### 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 2020-21. The Board has appointed a Chief Executive and Management Team to run the day to day activities of the organisation.

The Board met on seven occasions this 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 monitored progress against the new strategy "Safe Seas – Connected Coasts" covering the period 2018-2024 along with external developments related to Brexit, Tri-GLA Helicopter Contract and COVID-19. The Board also reviewed and agreed the Corporate Plan 2021-26 and the 2019-20 Annual Report and Accounts.

## Membership of the Board during 2020/21 was as follows:

### Co-opted Commissioners

Kieran Crowley (Chairman & Office Bearer)  
 Mark Barr (Vice Chairman & Officer Bearer)  
 John Coyle (retired 31<sup>st</sup> December 2020)  
 David Delamer  
 Michael Maclaran  
 Andrew Jones  
 Donal O'Mahony  
 Adam Grennan  
 Dan Maher  
 Sally Montgomery  
 Olive Hill

### 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 2021

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	7/7	-	0/0	0/0	1/1
Michael Maclaran	7/7	4/4	-	0/0	-
John Coyle	6/6	-	-	-	-
Donal O'Mahony	7/7	4/4	-	-	1/1(C)*
Adam Grennan	6/7	-	-	-	-
Dan Maher	5/7	4/4	-	-	-
Olive Hill	7/7	3/4	-	-	1/1
Andrew Jones	7/7	4/4 (C)*	-	-	-
Sally Montgomery	6/7	-	-	-	1/1
Councillor Dermot Lacy	6/7	-	-	-	-
Councillor Danny Byrne	4/7	-	-	-	-
Councillor Donna Cooney	7/7	-	-	-	-
Yvonne Shields O'Connor	7/7	4/4	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 €642. (2019/20 €12,933). 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 2021. The main activities for the year included the review of the 2019/20 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.

It should be noted that the NAO do not provide an audit opinion on the Irish Lights Annual Accounts. The Committee also reviewed the Business Continuity Maintenance programme, GDPR status update, the internal audit programme, Charities Regulator annual returns and Compliance form return, Terms of Reference for the Committee, the Risk Management Policy and new accounting standard IFRS 16 (Leases).

**b) Remuneration Committee**

The Remuneration Committee did not meet in 2020-21.

**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 2020-21.

**d) The Inspecting Committee**

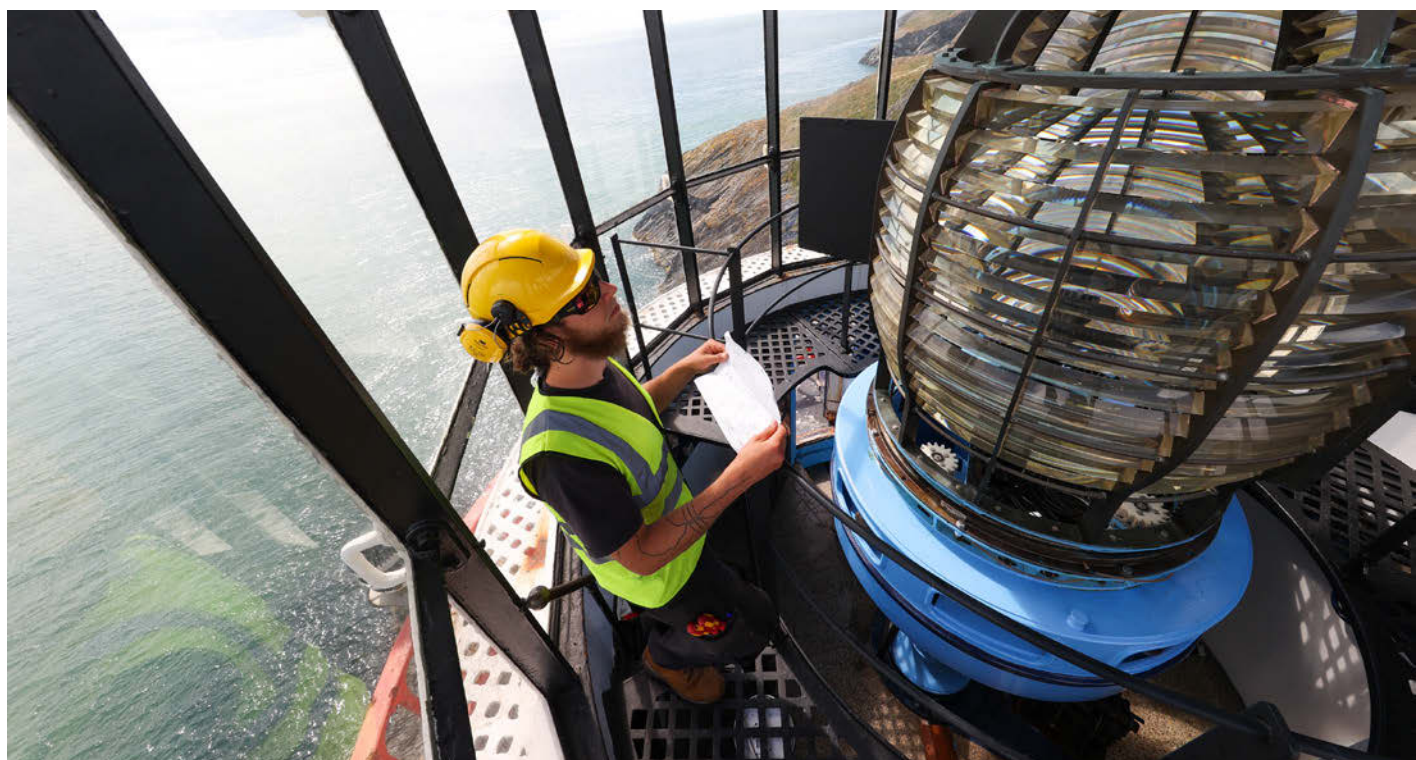
The Inspecting Committee is an advisory committee to the Board with responsibility for reviewing the practical implementation of Board policy around the coast. The Committee did not complete any inspections in the period due to the restrictions in place for COVID-19 Pandemic.

**e) The Corporate Management Committee**

The Corporate Management Committee met on 24th September 2020 and considered the Corporate Plan covering the period 2021 to 2026 with a focus on year three business targets within the five year strategy 'Strategy Safe Seas - Connected Coasts'. The budget to achieve targets for 2021-22 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 2020-21 in May and in November. 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 (in the context of GLF efficiencies), autonomous vessels, new vessel procurement and Tri-GLA research and development.



Lighthouse Maintenance. Photo: Mark Maxwell



Landing on Skelligs. Photo: Andrew Collins

### 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. A report was compiled over the period August – September and this was discussed at a special session of the Board in October 2020. 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 series of actions were identified for follow-up.

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  
7/8 Wilton Terrace, Dublin 2

### 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

<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.

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.

### 3.2.3 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 2021 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, a corporate risk register and a system of Management and Board review. The policy was revised and updated in March 2021 to reflect best practice as set out in the 2020 HM Government Orange Book on the Management of Risk. 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 an Annual Risk Management & Insurance Scrutiny in 2020 which contains the business risks, risk management policy, and strategy for the GLAs.

#### External Input to Navigation Risk Management

External stakeholders are involved in a continuing dialogue on risks. This involves User Committees, general consultation with marine sector representatives and the Lights Advisory Committee. 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 2020 were:

- *COVID-19 Pandemic.* Corona virus developments are continually monitored in line with UK and Irish Government guidelines. Irish Lights has been designated as an essential service and work continues in fulfilling 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 have been working from home following safe work guidelines. The economic risks impacted on our business with a sizeable reduction in commercial income in 2020-21.
- *Post Brexit Trade Deal:* – risks associated following the UK exit from the European Union. The Board continues to closely monitor the full impact of the trade deal and regulatory arrangements agreed by UK Government and EU on 31 December 2020. Initial indications have shown very little disruption to supply chain logistics however it remains to be seen what additional costs may arise as regulatory arrangements are implemented. A Tri-GLA Brexit risk register continues to monitor risks, controls and mitigation measures. The Board is confident that Irish Lights has prepared for Brexit and that Irish Lights can continue to provide AtoN services to our Stakeholders.



- *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 29 March 2021.

**Head of Internal Audit Opinion**

On the basis of the evidence obtained during 2020-21, 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.

Three audits were conducted over 2020-21: Environmental Management, Covid Preparedness and Key Financial Controls. Thus, this opinion is drawn from more limited engagement with Irish Lights by Internal Audit due to the impact of COVID-19. However, Internal Audit is satisfied that the range of issues covered and depth of its fieldwork across these topics does provide adequate evidence for a soundly based opinion.

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 2021.

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 GLA’s (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.



Lighthouse Maintenance. Photo: Mark Maxwell

## 3.2 Remuneration and Staff Report

### Staff Costs

Staff costs comprise:	2020/21 Total €'000	Permanently Employed Staff €'000	Others €'000	2019/20 Total €'000
Wages and Salaries	7,150	6,705	445	7,071
Social Security Costs	518	497	21	496
	<b>7,668</b>	<b>7,202</b>	<b>466</b>	<b>7,567</b>
Redundancy Costs	-	-	-	-
Less Capitalised Costs <sup>1</sup>	(99)	(99)	-	(310)
	7,569	7,103	466	7,257
Employer Pension Contribution Costs	1,798	1,772	26	1,774
Third Party Pension Costs	-	-	-	1
	<b>1,798</b>	<b>1,772</b>	<b>26</b>	<b>1,775</b>
<b>Total</b>	<b>9,367</b>	<b>8,875</b>	<b>492</b>	<b>9,032</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. Exit costs are accounted for in full in the year of departure.

No employees were made redundant under the Civil Service Compensation Scheme during either 2020/21 or 2019/20.

Pay Multiples	2020/21	2019/20
Band of Highest paid Executive Total Remuneration (€000's)	145-150	145-150
Median Total Remuneration at year end	€46,975	€46,421
Ratio	3.2	3.2

Irish Lights is required to disclose the relationship between the remuneration of the highest-paid Executive in the organisation and the median remuneration of the organisation's workforce. In 2020/21, no employees received remuneration in excess of the highest-paid Executive.

Irish Lights is required to disclose the relationship between the remuneration of the highest-paid Executive in the organisation and the median remuneration of the organisation's workforce. In 2020/21, 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 €655,267<sup>1</sup> (2019/20 €642,134).

#### 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)).

<sup>1</sup> Includes full annual salary for employee that left Oct '21 and the employee that joined Oct '21.

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 2020/21 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% (2019/20: 4.6% to 8.05%) of pensionable earnings.

	2020/21 €'000	2019/20 €'000
Employer contributions cost	1,798	1,775



Dublin Fire Brigade Safety week, Turn Red Campaign, Head Office Dun Laoghaire

## Staff Report

### Average number of persons employed

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

	2020/21 Total	Permanently Employed staff	Others	2019/20 Total
Directly employed	121	113	8	116
Staff engaged on capital projects	2	2	-	6
<b>Total</b>	<b>123</b>	<b>115</b>	<b>8</b>	<b>122</b>

### Diversity Information

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

	2020/21 Male	2020/21 Female	2020/21 Total	2019/20 Male	2019/20 Female	2019/20 Total
Board Members	10	3	<b>13</b>	11	3	<b>14</b>
Chief Executive & Directors	3	2	<b>5</b>	4	1	<b>5</b>
Managers	9	5	<b>14</b>	9	4	<b>13</b>
Employees	122	15	<b>137</b>	126	15	<b>141</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 2020/21 the percentage number of work days lost due to sickness was 2.63% (2019/20 was 2.64%). Total days lost due to sickness amounted to 729 days (2019/20: 730 days). The average number of days lost per employee was 6.39 (2019/20: 6.40).

### Expenditure on Consultancy

During the year €33K (2019/20 €62K) 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 2017/18 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 2018/19, 2019/20 and 2020/21. 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.

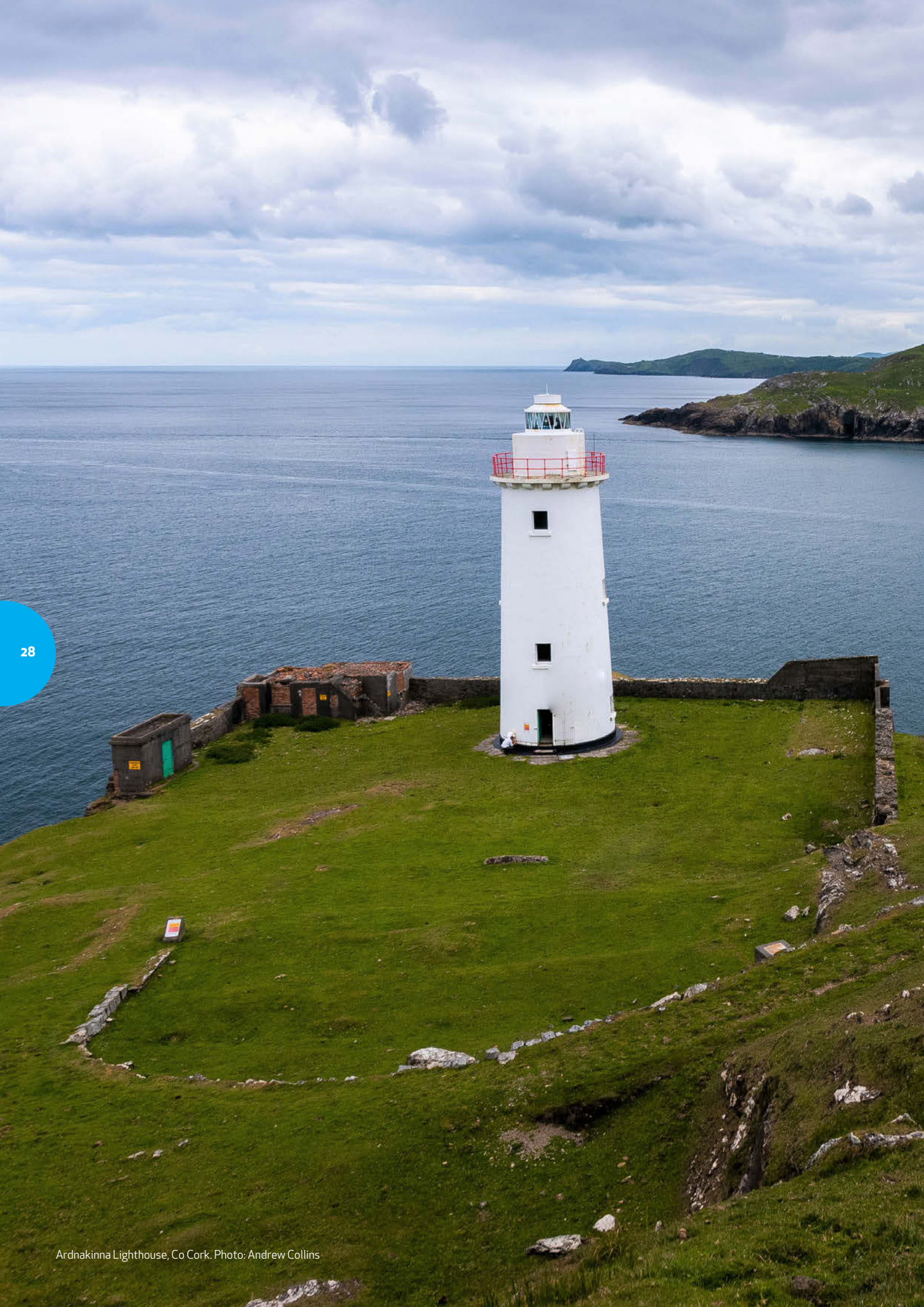
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#### **Yvonne Shields O'Connor**

Chief Executive and Accounting Officer  
24 September 2021



Meeting in Head Office Dun Laoghaire



# FINANCIAL STATEMENTS

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YEAR ENDED 31 MARCH 2021

## Statement of Comprehensive Net Income for year ended 31 March 2021

	Notes	2020/21 €'000	2019/20 €'000
<b>Income</b>			
Advances from General Lighthouse Fund		14,618	14,654
Other Income	2	890	1,558
		<b>15,508</b>	<b>16,212</b>
<b>Expenditure</b>			
Staff Costs	3	7,569	7,257
Pension Costs	3	1,798	1,775
Depreciation (Owned)	7	2,154	2,118
Depreciation (Leased)	8	368	328
Amortisation	9	57	44
Loss/(Reversal of Loss) on Revaluation of Property, Plant & Equipment	6	707	1,458
Other Expenditures	4	4,536	5,039
		<b>17,189</b>	<b>18,019</b>
		<b>(1,681)</b>	<b>(1,807)</b>
<b>Net Income / (Expenditure)</b>			
Interest	5	(51)	(59)
Revaluation of Investment Properties Gain / (Loss)	10	(29)	19
		<b>(1,761)</b>	<b>(1,847)</b>
<b>Net (Deficit)/Income after interest</b>			
<b>Statement of Other Comprehensive Net Income</b>			
Asset Revaluations Gain / (Loss)	6	346	892
<b>Total Comprehensive Income / (Expenditure)</b>		<b>(1,415)</b>	<b>(955)</b>

All results derive from continuing operations  
The accounting policies and notes on pages 34 to 53 form part of these accounts



## Statement of Financial Position as at 31 March 2021

	Notes	2020/21 €'000	2019/20 €'000
<b>Non-current assets:</b>			
Property, plant and equipment (Owned)	7	45,229	46,896
Property, plant and equipment (Leased)	8	3,528	2,723
Intangible Assets	9	184	200
Investment Assets	10	1,906	1,565
<b>Total non-current assets</b>		<b>50,847</b>	<b>51,384</b>
<b>Current Assets:</b>			
Assets classified as held for sale	11	293	428
Inventories	12	605	407
Trade and other receivables	13	658	697
Cash and cash equivalents	14	500	466
<b>Total current assets</b>		<b>2,056</b>	<b>1,998</b>
<b>Total assets</b>		<b>52,903</b>	<b>53,382</b>
<b>Current Liabilities:</b>			
Trade and other payables	15	(3,467)	(3,285)
Provisions: Current Element	18	(437)	(491)
<b>Total current liabilities</b>		<b>(3,904)</b>	<b>(3,776)</b>
<b>Non-current assets plus/less net current assets/liabilities</b>		<b>48,999</b>	<b>49,606</b>
<b>Non-current liabilities:</b>			
Provisions	18	(204)	(206)
Other payables	15	(3,714)	(2,904)
<b>Total non-current liabilities</b>		<b>(3,918)</b>	<b>(3,110)</b>
<b>Assets less liabilities</b>		<b>45,081</b>	<b>46,496</b>
<b>Reserves:</b>			
Accumulated Reserve		21,036	21,811
Revaluation Reserve		24,045	24,685
<b>Total</b>		<b>45,081</b>	<b>46,496</b>

Yvonne Shields O'Connor  
Chief Executive and Accounting Officer  
24 September 2021

## Statement of Cash Flows for the year ended 31 March 2021

	Notes	2020/21 €'000	2019/20 €'000
<b>Cash flows from operating activities:</b>			
Net Surplus/ (Deficit) after interest		(1,761)	(1,847)
(Profit)/Loss on disposal of property, plant and equipment and intangible assets		18	66
Depreciation (Owned)	7	2,154	2,118
Depreciation (Leased)	8	398	407
Amortisation	9	57	44
Asset Revaluation:			
- (Reversal of Loss)/ Loss on Revaluation of Property, plant and equipment	6	707	1,458
- (Upward)/ Downward valuation on Investment Assets	6	29	(19)
(Increase)/Decrease in trade and other receivables		39	133
(Increase)/Decrease in inventories		(198)	18
Increase/(Decrease) in trade payables		171	(302)
Use of provisions		(56)	179
<b>Net cash inflow /(outflow) from operating activities</b>		<b>1,558</b>	<b>2,255</b>
<b>Cash flow from investing activities:</b>			
Purchase of property, plant and equipment		(1,240)	(1,829)
Purchase of intangible assets		(41)	(114)
Purchase of investment assets		-	-
Proceeds from disposal of non-financial assets		139	-
<b>Net cash outflow from investing activities</b>		<b>(1,142)</b>	<b>(1,943)</b>
<b>Cash flows from financing activities</b>			
Capital element of payments in respect of finance leases		(382)	(377)
<b>Net cash flow from financing activities</b>		<b>(382)</b>	<b>(377)</b>
Net cash flow from all activities		<b>34</b>	<b>(65)</b>
Net Increase/(Decrease) in cash and cash equivalents in the period	14	<b>34</b>	<b>(65)</b>
Cash and cash equivalents at the beginning of the period	14	466	531
Cash and cash equivalents at the end of the period	14	500	466

## Statement of Changes in Reserves for the year ended 31 March 2021

	Accumulated Reserve €'000	Revaluation Reserve €'000	Total Reserve €'000
<b>Balance at 1 April 2019</b>	<b>23,026</b>	<b>24,425</b>	<b>47,451</b>
Transfers between reserves	565	(565)	-
Retained (Deficit)/ Surplus (SoCNI)	(1,847)	-	(1,847)
Asset Revaluations	-	892	892
Release of Reserve on Asset Disposal	19	(19)	-
Release of Reserve on asset reclassification	48	(48)	-
<b>Balance at 31 March 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>



# Notes to the Accounts for the Year Ended 31 March 2021

## 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 Government Financial Reporting Manual (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 2021 shows net assets of €45,081K (31 March 2020 €46,496K).

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 Depreciated Replacement Cost principles (DRC)	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.

\*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.



Inishgort Lighthouse, John Murphy and Noel Gaughan, Coast Tradesmen. Photo: Michael McLoughlin

**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 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 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 values 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/£0.8519).



**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.

*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 2021, 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 2021 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 January 2022 and should be included in the 2022-23 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 5. 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 6. 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.

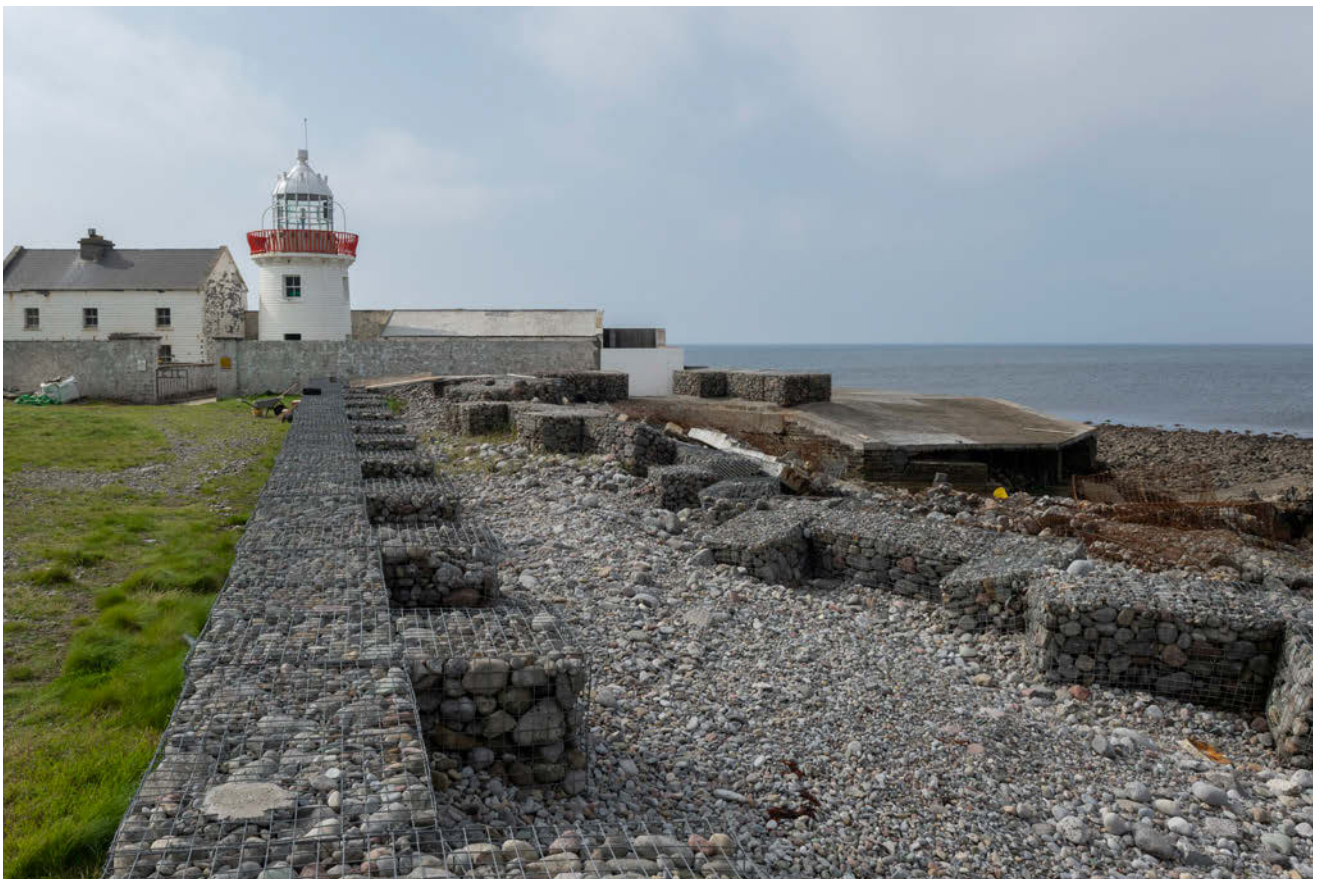
## s) Payment of Creditors' Policy

Irish Lights seeks to comply with the Prompt Payment of Accounts Act, 1997 and the Confederation of British Industry (CBI) 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 25 days (2019/20 21 days).



Inishgort Lighthouse, Photo: Michael McLoughlin

## 2. Other Operating Income

	2020/21 €'000	2019/20 €'000
Property Rentals	614	676
Buoy Rentals	219	187
Tender Hire	8	659
Sundry Receipts	25	36
Grant Income	24	-
<b>Total</b>	<b>890</b>	<b>1,558</b>

## 3. Staff Costs

	2020/21 €'000	2019/20 €'000
Staff costs comprise:		
Wages and Salaries	7,150	7,071
Social Security Costs	518	496
	<b>7,668</b>	<b>7,567</b>
Redundancy Costs	-	-
Less Capitalised Costs	(99)	(310)
	<b>7,569</b>	<b>7,257</b>
Employer Pension Contribution Costs	1,798	1,774
Third party pension costs	-	1
	<b>1,798</b>	<b>1,775</b>
<b>Total</b>	<b>9,367</b>	<b>9,032</b>

The Chief Executive's remuneration including taxable benefits was €150,000 (2019/20 €148,000). No bonus or pay increase has been paid. The change reflects the final stage of restoration of a voluntary salary reduction which was implemented in 2014.

## 4. Other Expenditure

	2020/21 €'000	2019/20 €'000
Running Costs	4,262	4,779
Variable lease costs	256	194
Profit/Loss on disposal of non-financial assets	18	66
<b>Total</b>	<b>4,536</b>	<b>5,039</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 2020/21 is €25.3K/ GBP€22.6K (2019/20: €29.4K/ GBP€25.9K).

## 5. Interest Payable

	2020/21 €'000	2019/20 €'000
Interest payable	51	59
<b>Total</b>	<b>51</b>	<b>59</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 FReM. 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 2020/21 these valuations were professionally updated to 31 March 2021 with the assistance of the following Independent Experts, in accordance with the FReM, IAS 16 and IFRS 13:

Asset	Valuer	Organisation
Land & Buildings including Beacons RoI	Mr Niall Deegan MRICS	Irish Valuations office
Lighthouse AtoN Plant RoI	Mr Niall Deegan MRICS	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 Charles Cundall	Braemar Seascope Valuations Limited

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:

	2020/21 €'000	2019/20 €'000
Profit/(Loss) on Property, plant and equipment valuations (via Statement Net Income)	(707)	(1,458)
Profit/(Loss) on Property, plant and equipment valuations (via Revaluation Reserves)	346	892
(Downward)/ Upward valuation on Investment Assets (Note 10)	(29)	19
	<b>(390)</b>	<b>(547)</b>

Revaluation Movements 2020/21	PPE Note 7 €'000	Intangible Assets Note 9 €'000	Investment Assets Note 10 €'000	Held for Resale Note 11 €'000	2020/21 Total €'000
Revaluation Movement - cost	(2,358)	-	(29)	11	(2,376)
Revaluation Movement - accumulated depreciation	1,986	-	-	-	1,986
					<b>(390)</b>



“ The Irish Lights Archive project has continued to progress well with the top collections now digitised, conserved and largely catalogued.



**IRISH LIGHTS OFFICE**  
S.D.O.  
14 DEC 1927  
SECRETARY

I wish to  
Blackrod  
Co. Mayo.  
1-15-27.

Sir,

I respectfully beg to acknowledge receipt of your Reg. letter of the 22nd ult. received here today, and I wish to offer to my very sincere thanks to the Respectable Commissioners of Irish Lights and their official staff for their noble generosity in sending me and my family the good sum of £12 in cash.

I also beg to inform you that I delivered the enclosed letters to each of the families of the late John & Michael Donaghy, of the late John Murphy, and of the late Michael Keas, & they have put their signatures on the accompanying forms, and are enclosed herewith.

They have directed me to write on their behalf, and convey their heartfelt thanks to the Respectable Commissioners and their official staff for the generous help they have given them in their hour of distress, and thanking you all for sympathy.

I am Sir  
Your Obedient Servant  
Mrs J. Donaghy  
Ulster Contractor,

To  
The Secretary,  
Irish Lights Office,  
27 Coler St. (Box 12)  
Dublin C. 2

**Commissioners of Irish Lights.**

By Further Communication on this subject to be addressed to  
THE SECRETARY,  
IRISH LIGHTS OFFICE,  
DUBLIN.  
The following number should be quoted —  
No. —

**IRISH LIGHTS OFFICE**  
17 NOV 1927  
SECRETARY

Date November 16<sup>th</sup> 1927

From "Guillemot"  
Coblenz, you Rhin

Sir

In reply to your letter of the 7<sup>th</sup> inst. re fund for the benefit of the dependents of the victims of the disaster off the Mayo Coast I most respectfully forward you 16/- subscription from the crew made up as follows:

J. Suttle	5/-
J. Fitzgerald	4/-
J. Busher	4/-
J. Scallan	4/-
J. Flaherty	4/-
W. Schol	4/-
J. Pluck	4/-
T. Duffy	4/-
R. Lambie	4/-
M. McDonagh	4/-
J. Ruyke	4/-
J. Blaney	4/-
<b>Total</b>	<b>16/-</b>

I am Sir  
Your Obedient Servant  
J. Suttle Master  
The Secretary  
I.L. Office  
Dublin

43

191 / 1085

Commissioners of Irish Lights.

Date of File  
4 11 27

Reference to Previous Paper  
No. 811

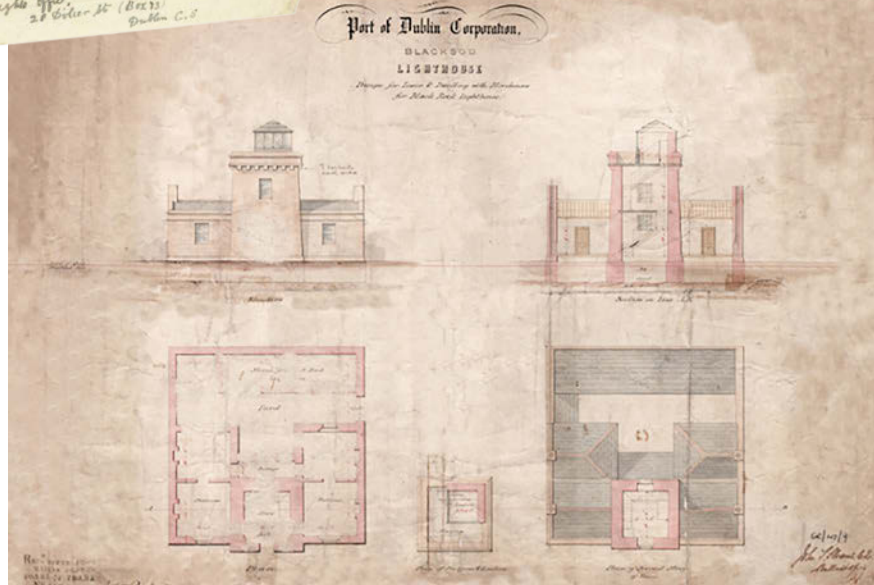
Subject  
Re: report death of J. Kelly - 5<sup>th</sup> Assistant

(Details)

Helping of boat with for  
arranging list and distribution  
of money  
Balance of account of J. Kelly  
Cash received of J. Kelly  
Jury award of £104  
Receipt of £27 11 5  
Letter to Secretary of J. Kelly  
Letter to Secretary of J. Kelly

N.B. - The person in whose the above Minute is addressed is requested, after making note of it in his next publication to enter his observations on this sheet, immediately under the previous Minute, and return it to the Secretary, IRISH LIGHTS OFFICE, DUBLIN, with the Papers attached, in case of dispute.

It should be distinctly understood that Minutes addressed to Officers of the Board are to be regarded as CONFIDENTIAL, and should therefore NOT be shown to the Public, unless specially authorized.



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

	Land	Buildings	Tenders & Ancillary Craft	Vessel	Buoys & Beacons	Plant & Equipment	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.

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

	Land	Buildings	Tenders & Ancillary Craft	Vessel	Buoys & Beacons	Plant & Equipment	ICT Equipment	Assets in Course of Construction	Total
<b>Cost €'000</b>									
<b>Balance at 1 April 2019</b>	<b>4,133</b>	<b>27,754</b>	<b>47</b>	<b>5,538</b>	<b>3,417</b>	<b>10,088</b>	<b>260</b>	<b>1,300</b>	<b>52,537</b>
Additions	-	-	-	636	20	767	65	341	1,829
Disposals	-	(13)	-	(474)	(6)	(684)	-	-	(1,177)
Impairments	-	-	-	-	-	-	-	-	-
Transfers	-	378	-	123	41	327	-	(869)	-
Reclassifications	-	(50)	-	-	-	-	-	-	(50)
Revaluations	(3)	4	(10)	(1,866)	62	(624)	-	-	<b>(2,437)</b>
<b>Balance at 31 March 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>
<b>Depreciation €'000</b>									
<b>Balance at 1 April 2019</b>	-	<b>7</b>	-	<b>315</b>	<b>104</b>	<b>3,940</b>	<b>180</b>	-	<b>4,546</b>
Charged in year	-	663	12	664	153	593	33	-	2,118
Disposals	-	(2)	-	(473)	-	(635)	-	-	(1,110)
Reclassifications	-	-	-	-	-	-	-	-	-
Revaluations	-	(662)	(12)	(506)	(101)	(467)	-	-	(1,748)
<b>Balance at 31 March 2020</b>	-	<b>6</b>	-	-	<b>156</b>	<b>3,431</b>	<b>213</b>	-	<b>3,806</b>
<b>Net Book Value 1 April 2019</b>	<b>4,133</b>	<b>27,747</b>	<b>47</b>	<b>5,223</b>	<b>3,313</b>	<b>6,148</b>	<b>80</b>	<b>1,300</b>	<b>47,991</b>
<b>Net Book Value 31 March 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>

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 2019 - €410K) held on behalf of the Irish Government.

## 8. Right of Use Assets

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

### Right of Use Assets – prior year

Cost €'000	Land	Plant & Equipment	Total
<b>Balance at 1 April 2020</b>	-	-	-
Initial Recognition at 1 April 2019	1,765	1,386	3,151
Lease Reassessment	-	(21)	(21)
<b>Balance at 31 March 2020</b>	<b>1,765</b>	<b>1,365</b>	<b>3,130</b>
<b>Depreciation €'000</b>			
<b>Balance at 1 April 2020</b>	-	-	-
Charged in year*	29	378	407
<b>Balance at 31 March 2020</b>	<b>29</b>	<b>378</b>	<b>407</b>
Net Book Value at 1 April 2019	-	-	-
<b>Net Book Value at 31 March 2020</b>	<b>1,736</b>	<b>987</b>	<b>2,723</b>

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.

Plant & Machinery includes tri-GLA helicopter leasing to the extent that the leasing costs are fixed. There are extension options within the contract which have yet to be exercised.

There are no lease commitments which have not yet commenced.

\* Leased asset depreciation in the SoCNI is less €79K in respect of helicopter depreciation charged to capital under PPE



## 9. Intangible Assets- current year

Cost €'000	Assets in Construction	Computer Software	Total
<b>Balance at 1 April 2020</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>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>

## Intangible Assets – prior year

Cost €'000	Assets in Construction	Computer Software	Total
<b>Balance at 1 April 2019</b>	<b>20</b>	<b>382</b>	<b>402</b>
Additions	-	114	114
Disposals	-	(11)	(11)
Transfers	(20)	20	-
<b>Balance at 31 March 2020</b>	<b>-</b>	<b>505</b>	<b>505</b>
<b>Amortisation €'000</b>			
<b>Balance at 1 April 2019</b>	-	<b>272</b>	<b>272</b>
Charged in year	-	44	44
Disposals	-	(11)	(11)
<b>Balance at 31 March 2020</b>	<b>-</b>	<b>305</b>	<b>305</b>
Net Book Value at 1 April 2019	20	110	130
<b>Net Book Value at 31 March 2020</b>	<b>-</b>	<b>200</b>	<b>200</b>

## 10. Investment Assets

	2020/21 €'000	2019/20 €'000
<b>Opening Balance</b>	<b>1,565</b>	<b>1,497</b>
Additions	-	-
Reclassifications	370	49
Revaluations	(29)	19
<b>Total</b>	<b>1,906</b>	<b>1,565</b>

## 11. Assets Held for Resale

	2020/21 €'000	2019/20 €'000
<b>Opening Balance</b>	<b>428</b>	<b>305</b>
Disposals	(146)	-
Revaluations	11	123
<b>Total</b>	<b>293</b>	<b>428</b>

At 31 March 2021 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. Inventories

	2020/21 €'000	2019/20 €'000
Inventories of consumable stores and fuel	605	407
<b>Total</b>	<b>605</b>	<b>407</b>

## 13. Trade receivables and other current assets

	2020/21 €'000	2019/20 €'000
<b>Amount falling due within one year:</b>		
Trade Receivables	96	146
VAT Recoverable	132	51
Other receivables	230	309
Prepayments and accrued income	200	191
	<b>658</b>	<b>697</b>

## 14. Cash and cash equivalents

	2020/21 €'000	2019/20 €'000
<b>Balance at 1 April 2020</b>	<b>466</b>	<b>531</b>
Net Change in cash and cash equivalents	34	(65)
<b>Balance at 31 March 2021</b>	<b>500</b>	<b>466</b>

The above figure includes cash to the value of €89K (31 March 2020 - €83K) held on behalf of the Irish Government.

The following balances at 31 March 2021 were held at:

	2020/21 €'000	2019/20 €'000
Commercial banks and cash in hand	500	466
<b>Balance at 31 March 2021</b>	<b>500</b>	<b>466</b>

## 15. Trade payables and other current liabilities

	2020/21 €'000	2019/20 €'000
<b>Amounts falling due within one year:</b>		
Other taxes and social security	283	276
Trade payables	608	463
Other payables	326	320
Payables to TH	1	5
Payables to NLB	238	114
Accruals and Deferred Income	1,608	1,722
Lease Liabilities	403	385
<b>Total</b>	<b>3,467</b>	<b>3,285</b>

	2020/21 €'000	2019/20 €'000
<b>Amounts falling due after more than one year:</b>		
Other payables, accruals and deferred income	45	44
Value of asset held on behalf of the Irish Government	499	493
Lease Liabilities	3,170	2,367
<b>Total</b>	<b>3,714</b>	<b>2,904</b>

## 16. Commitments under Leases

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

	2020/21 €'000	2019/20 €'000
<b>Movements in Lease Liabilities</b>		
<b>Opening Balance</b>	<b>2,752</b>	<b>3,151</b>
Interest	51	59
Repayments	(433)	(437)
Lease Reassessment	1,203	(21)
	<b>3,573</b>	<b>2,752</b>
<b>Lease liabilities as at 31 March 2021</b>		
Current	403	385
Non-current	3,170	2,367
	<b>3,573</b>	<b>2,752</b>
<b>Amounts falling due:</b>		
Not later than one year	403	385
Later than one year and not later than five years	1,516	696
Later than five years	1,654	1,671
	<b>3,573</b>	<b>2,752</b>

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

Rockabilly 6 Mar 2014

## 16. Commitments under Leases continued

	2020/21 €'000	2019/20 €'000
<b>Amounts recognised in expenditure:</b>		
Depreciation expense	398	407
Less Capitalised Depreciation Costs	(31)	(79)
Interest expense	51	59
Variable lease costs	256	194
Rental on leases of low-value assets	6	7
Rental of leases expiring within 12 months	-	-
	<b>680</b>	<b>588</b>
<b>Cash flows</b>		
Interest	51	59
Repayment of lease liability	382	377
	<b>433</b>	<b>436</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	672	632
Income relating to variable lease payments that do not depend on an index or a rate	13	71
	<b>685</b>	<b>703</b>
<b>Maturity analysis of operating lease payments receivable</b>		
<b>Amounts due:</b>		
Within 1 year	564	641
Between 1 and 2 years	477	466
Between 2 and 3 years	452	433
Between 3 and 4 years	385	409
Between 4 and 5 years	268	342
After 5 years	1,742	2,016
	<b>3,888</b>	<b>4,307</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

## 17. Capital Commitments

	2020/21 €'000	2019/20 €'000
Contracted capital commitments at 31 March 2021 not otherwise included in these financial statements		
Property, plant and equipment	266	84
<b>Total</b>	<b>266</b>	<b>84</b>

## 18. Provisions for Liabilities and Charges

	Remedial Works/ Responsible Withdrawal €'000	Other Provisions €'000	Total €'000
<b>Provisions at 1 April 2020</b>	<b>355</b>	<b>342</b>	<b>697</b>
Provided in year	28	53	81
Provisions not required and written back	(27)	-	(27)
Provisions utilised in the year	(106)	(4)	(110)
<b>Provisions at 31 March 2021</b>	<b>250</b>	<b>391</b>	<b>641</b>

### Analysis of expected timing of discounted flows

	Remedial Works/ Responsible Withdrawal €'000	Other Provisions €'000	Total €'000
Not later than one year	250	187	437
Later than one year and not later than five years	-	56	56
Later than five years	-	148	148
<b>Provisions at 31 March 2021</b>	<b>250</b>	<b>391</b>	<b>641</b>

## 19. Pension Commitments

### Merchant Navy Officers Pension Fund (MNOPF)

The GLAs were participating employers of the Merchant Navy Officers Pension Fund (MNOPF), a defined benefit scheme providing benefits based on final pensionable salary. The MNOPF was a funded multi-employer scheme but the GLA boards are unable to identify their share of the underlying assets and liabilities. Previously, officers who started employment with the GLAs and were members of the MNOPF were given the option of continuing MNOPF membership or joining the GLA Pension Scheme. This option is no longer available as the MNOPF closed on 31 March 2016. The assets of the scheme are held separately from the GLF, specifically in separate funds managed by trustees of the scheme. Contributions to the scheme (20.0% of pensionable salaries) were charged to the Statement of Comprehensive Net Expenditure when they were paid.

No contributions were paid to the MNOPF in the year (2019-20, €nil).

The rules of the MNOPF state that participating employers may be called to make lump sum payments to make up deficits. The rules state that an employer will not be regarded as ceasing to be a participating employer as a result of ceasing to employ active members or other eligible employees. No lump sum payments were made during the year (2019-20, €nil).

The MNOPF publishes full actuarial valuations on a triennial basis and is unable to determine the proportion of gross deficit attributable to the GLAs. The MNOPF's last full valuation reported a gross deficit of €73m as at 31 March 2018 and expected deficit contributions of €64m, resulting in a net deficit of €9m. The trustees published a recovery plan on 26 March 2019 in which an assumption was made for the Fund's assets to exceed the average discount rate by 0.1%, eliminating the deficit by 30 September 2023. Accordingly, the MNOPF trustees determined that

no additional contributions would be required in order to eliminate the deficit.

Fund assets have been moved away from equities to more secure asset types as part of the winding-down of the scheme, this shields the fund from global market volatility and the impact of the Covid 19 pandemic.

An (interim) actuarial report as at 31 March 2020, and published September 2020, estimates the gross deficit has improved to €4m. Taking into account expected deficit contributions of €18m the report estimates a net surplus of €14m.

The trustees will review the need for additional deficit contributions as part of the 31 March 2021 valuation which is likely to be published in early 2022.

## 20. Events after Reporting Period

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

## 21. Inter GLA Transactions

### Ships Agreement

There were no interventions under the Inter - GLA Ship Sharing Agreement (dated 1 April 2003) during 2020/21.

## 22. 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 2020/21 Irish Lights has received advances of €14,618K (2019/20 €14,654K) 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 2021 the balances outstanding with the GLAs were as follows:

	Balance due from Irish Lights	
	2020/21 €000's	2019/20 €000's
<b>GLA</b>		
Trinity House	1	5
Northern Lighthouse Board	238	114

	Balance due to Irish Lights	
	2020/21 €000's	2018/19 €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.

## 23. Approval of Annual Report and Accounts

This Annual Report and Accounts was approved by the Board on 24 September 2021.

# Appendix A – Aids to Navigation Performance Metrics

## Resources

### AtoN Inventory

The total inventory of AtoN as at 31 March 2021 is as follows:

Type of Station	2020/21 Total	2020/21 Deployed	2019/20 Total	2019/20 Deployed
Lighthouses (Automated)	67	65	67	65
Lighted Beacons	5	5	5	5
Unlighted Beacons	15	15	15	15
Solar Lighted Buoys	177	134	177	135
Hauling Off/Mooring Buoys	6	1	6	1

Type of Station	2020/21	2019/20
DGPS	3	3
RACONs on Lighthouses	14	14
RACONs on Buoys	10	10
AIS on Buoys	63	63
AIS at Lighthouses	49	48
AIS Base Stations at other bases	7	7
Met/ Hydro on Buoys	9	9
Met/ Hydro on Lighthouses	2	2

### 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.

### Differential GPS Service

The IALA required service availability for the GLA DGPS service is 99.8% and is based on overlapping coverage between adjacent stations. In the event of failure of one transmitter, service to the mariner is maintained from the adjacent stations. A DGPS service failure is considered to occur only when adjacent stations have failed. Availability has been calculated based on adjacent station outages for each of the GLA DGPS service areas.

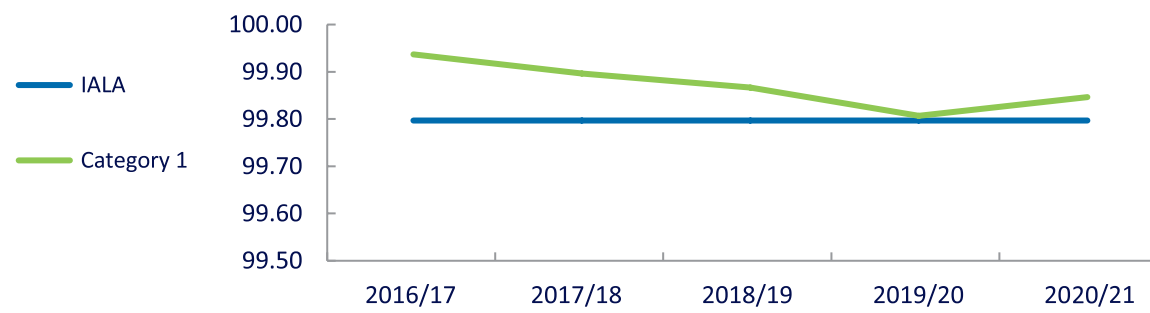
The lowest figure is used and the availability for the service as a whole is then quoted as being equal to or better than this figure. Irish Lights currently operates 3 DGPS stations which are situated at Loop Head, Mizen Head and Tory Island. The availability of the GLA DGPS service for 2020/21 was 99.86% (2019/20: 99.93%).



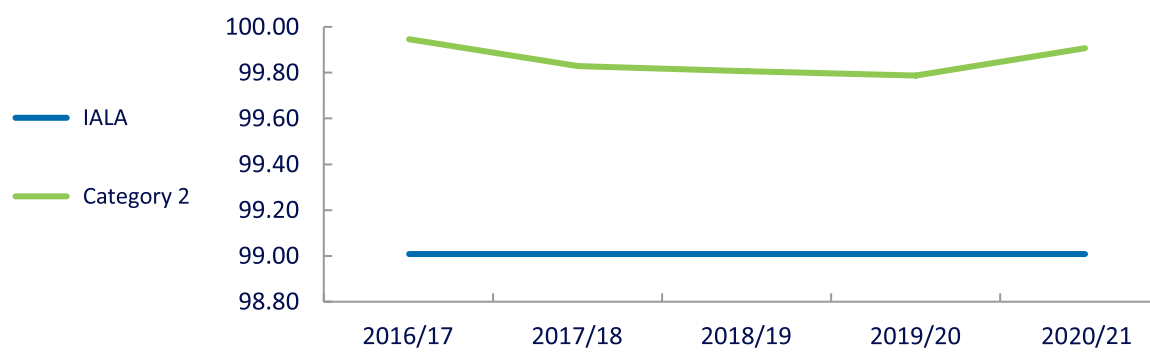
## AtoN Availability Compared To IALA Minima - 3 Year Rolling Averages

Category	IALA	2016/17		2017/18		2018/19		2019/20		2020/21	
	Minimum	Actual	Diff	Actual	Diff	Actual	Diff	Actual	Diff	Actual	Diff
1	99.8%	99.94	0.14	99.9	0.1	99.87	0.07	99.81	0.01	99.85	0.05
2	99.0%	99.94	0.94	99.82	0.82	99.8	0.8	99.78	0.78	99.90	0.90
3	97.0%	99.86	2.86	99.75	2.75	99.78	2.78	99.76	2.76	99.88	2.88

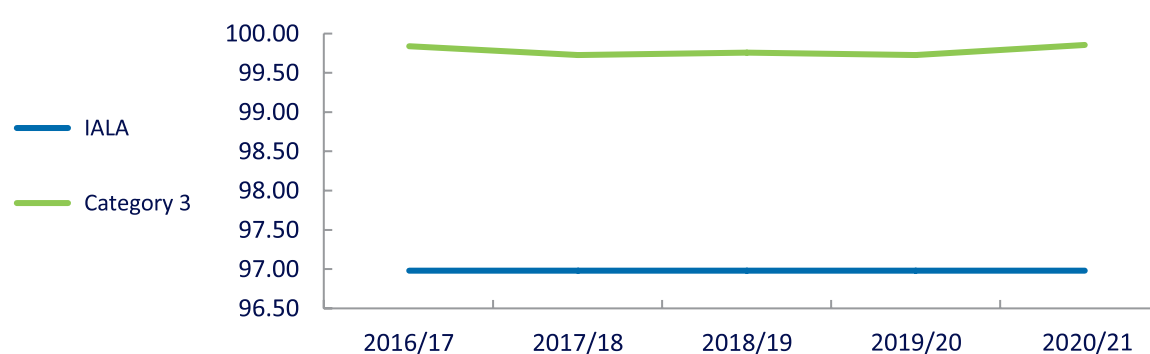
### Category 1



### Category 2



### Category 3



# Appendix B – Aids to Navigation Performance Metrics

## Statutory Background

Irish Lights is the General Lighthouse Authority (GLA) 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 (UK). 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).



Rathlin O'Birne lighthouse, Donegal.

## Appendix C – List of Acronyms and Abbreviations

AIS	Automatic Identification System	HSE	Health Service Executive	PPA	Partnership Pension Account
AtoN	Aid to Navigation	IALA	International Association of Marine Aids to Navigation & Lighthouse Authorities	PRSA	Personal Retirement Savings Account
BCM	Business Continuity Management	IAS	International Accounting Standards	RICS	Royal Institute of Chartered Surveyors
CETV	Cash Equivalent Transfer Values	ICT	Information and Communication Technology	RoI	Republic of Ireland
CO	Coastal Operations	IFRS	International Financial Reporting Standards	RoU	Right of Use
CS	Corporate Services	IGO	Inter-Governmental Organisation	SAR	Search and Rescue
DfT	Department for Transport	JSB	Joint Strategic Board	SEAI	Sustainable Energy Authority of Ireland
DGPS	Differential Global Positioning System	LED	Light Emitting Diode	SOLAS	International Convention for Safety of Life at Sea
DHC	Depreciated Historic Cost	LLA	Local Light Authority	SoCNI	Statement of Comprehensive Net Income
DRC	Depreciated Replacement Cost	LPWAN	Low Powered Wide Area Network	SoFP	Statement of Financial position
DTTAS	Department of Irish Transport, Tourism and Sport	MAR	Management Assurance Return	TH	Trinity House
EMS	e-Navigation and Maritime Services	MEA	Modern Equivalent Asset	UK	United Kingdom
FReM	Government Financial Reporting Manual	MNOPF	Merchant Navy Officers Pension Fund	VDES	VHF Data Exchange System
GDPR	General Data Protection Regulation	MoU	Memorandum of Understanding	VHF	Very High Frequency
GIAA	Government Internal Audit Agency	NAO	National Audit Office		
GLA	General Lighthouse Authority	NDPB	Non Departmental Public Body		
GLF	General Lighthouse Fund	NLB	Northern Lighthouse Board		
GNSS	Global Navigation Satellite System	NSARC	National Search and Rescue Committee		
GPS	Global Positioning System (American)	PCSPS	Principal Civil Service Pension Scheme		
GRAD	GLA Research and Development				



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

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