



STANDARDS

CERTIFICATION

METROLOGY

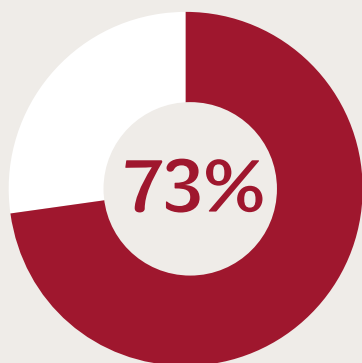
ANNUAL REPORT 2013



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NSAI AT A GLANCE



believe that
companies with
standards have
better reputations

4 in 5 companies that use
standards see a benefit



82%

believe
multinationals
are more likely to
do business with
an Irish company
that adheres to
internationally
recognised
standards



62%

said compliance
with standards is
now a prerequisite
in tender
competitions

Companies that use standards are

More likely
to create
more jobs



Have a higher
probability of
long term
success



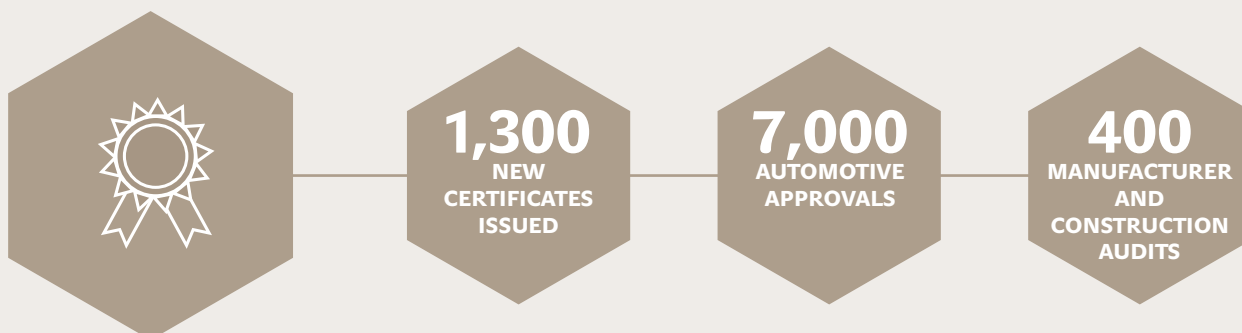
Have a distinctly
competitive edge



STANDARDS



CONFORMITY ASSESSMENT



METROLOGY



OVERVIEW

Standards affect every part of our lives, but most of the time we don't even notice them. Most of the goods and services we buy are designed, tested and measured against rigorous standards to ensure that we can have confidence in the products we use. To remain competitive, Irish businesses must operate to the highest standards – those who buy Irish products and services not only within our domestic market but also in Europe and internationally expect nothing less. Increasingly, certification to standards is becoming the expected norm for international trade and for inward investment.

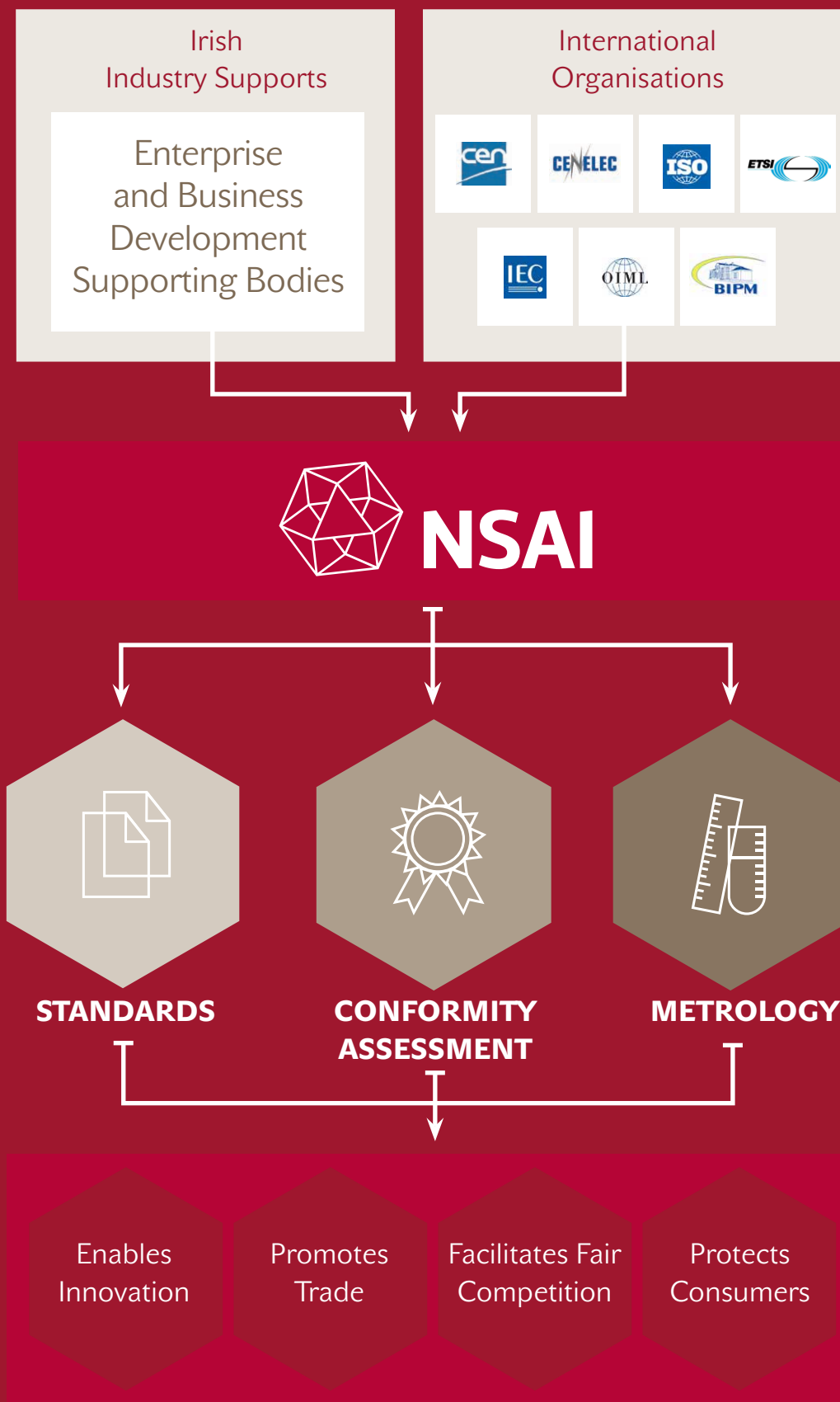
NSAI is the national standards body for Ireland. Where a standard already exists, NSAI works with businesses to help them apply it. Where a standard may be needed, NSAI will work with relevant parties at national or international level to create the appropriate standard.

Vision

A dynamic organisation using measures and standards to benefit society and give Irish enterprise a global advantage.

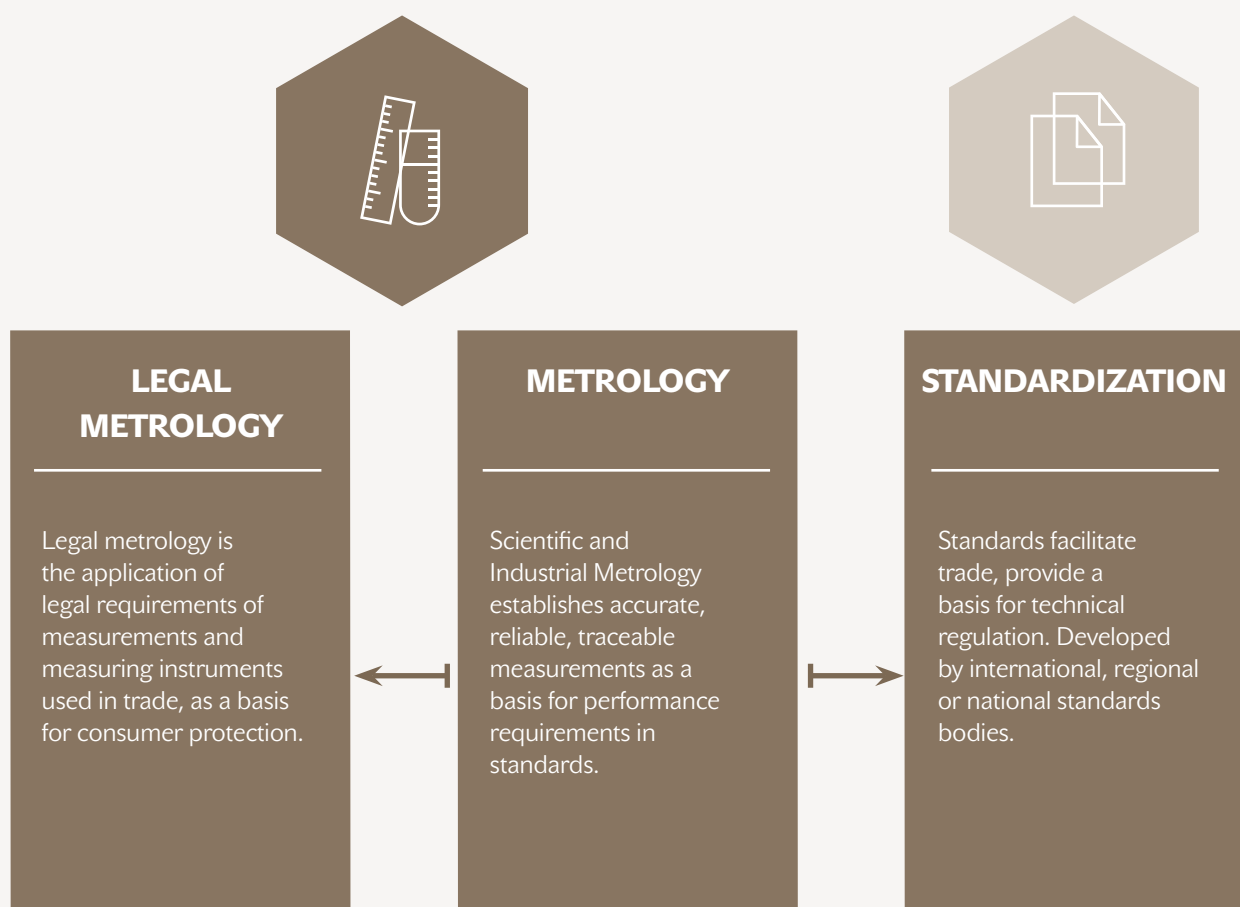
Mission

NSAI enables innovation, promotes trade, facilitates fair competition and protects consumers through measurement accuracy and the development, promotion and application of standards.

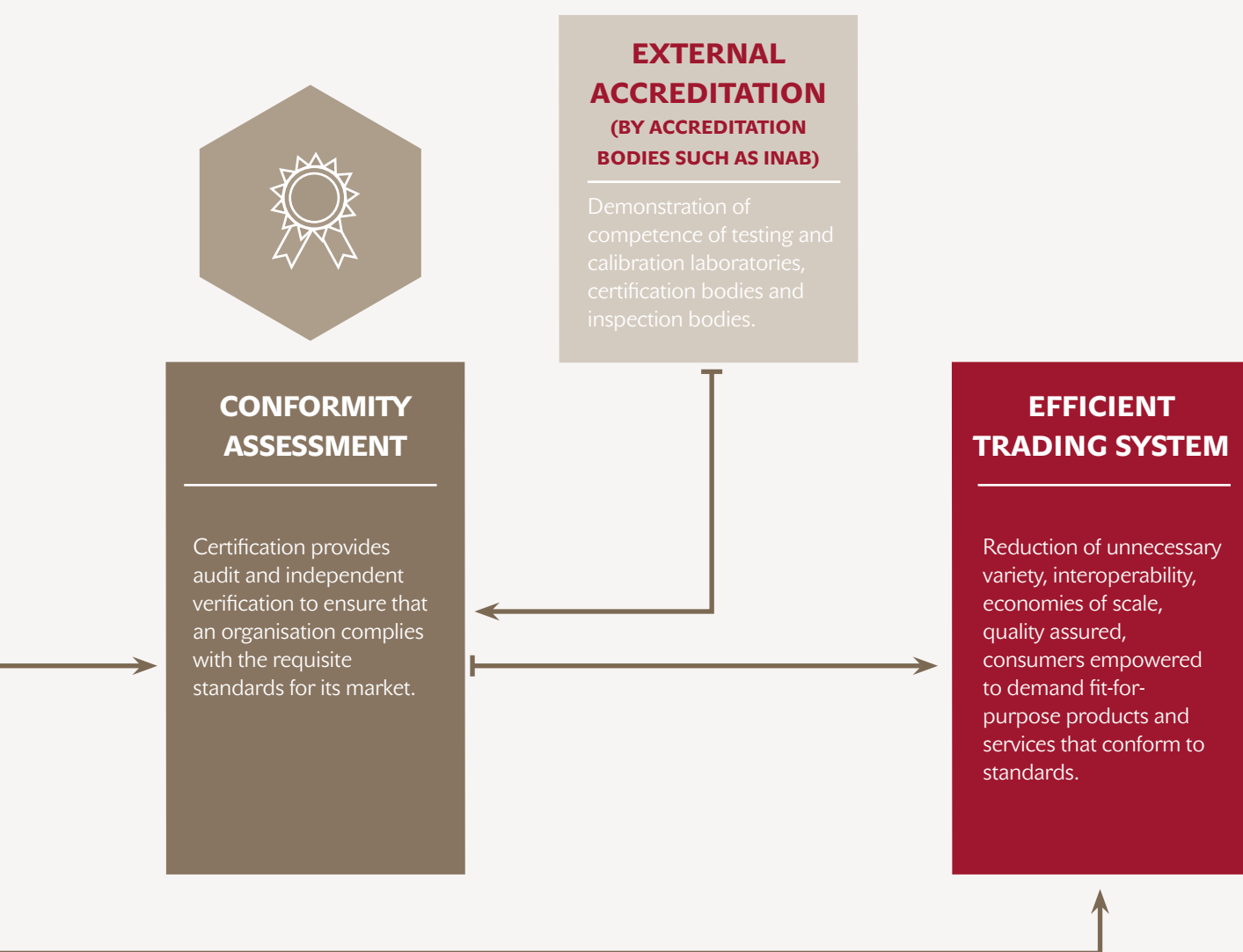


TECHNICAL PILLARS FOR AN EFFICIENT TRADING SYSTEM – NSAI’S ROLE

The work of NSAI is essential to our economy and to our society. In NSAI, we engage with businesses across almost all sectors of economic activity as we facilitate trade, the spread of knowledge, the dissemination of innovative advances in standards, and the sharing of good management and conformity assessment practices.



NSAI provides Ireland, a small and open economy, with an infrastructure for products and services to be developed, traded, and relied on nationally and globally. This infrastructure also facilitates decisions on Foreign Direct Investment (FDI), where organisations rely on developed standards and a conformity assessment infrastructure to achieve their objectives.



CHAIRMAN'S STATEMENT



“Four out of five Irish companies see the benefits of standards and are investing in them for a competitive edge.”

2013 saw a noticeable change in mood in the Irish business environment. While just a year previously many were talking only of survival, 2013 saw a return to growth and new opportunities.

In order to ensure Irish businesses are best prepared to compete and make the most of opportunities, the NSAI has intensified its focus on ensuring Ireland has the most appropriate open market infrastructure, a theme which has underpinned our standards, conformity assessment and metrology departments.

During the year we also delivered on all of the 13 actions assigned to us under the Action Plan for Jobs in 2013. This demonstrates the central role of NSAI in providing a robust technical foundation on which companies can grow and create jobs.

Indeed, we have found that Irish businesses continue to recognise the importance of correctly applying the right standards as they plan to capitalise on the emerging economic recovery, with a survey during the year showing that four out of five Irish companies see the benefits of standards and are investing in them for a competitive edge.

Looking forward to 2014, I am confident that we are well positioned to support Irish industry as it endeavours to capitalise on the opportunity for growth and operate at the highest standards on national and international stages.

In accordance with the provisions of the NSAI Act 1996, three members of the Board retired during 2013 and on behalf of the Board I would like to thank Damien Wallace and especially Ann Riordan, the outgoing Chairman, for their commitment and contribution to the achievements of NSAI during their tenure on the Board, while the reappointment of Kieran Ryan has provided for a continuity of medical sector experience to the Board.

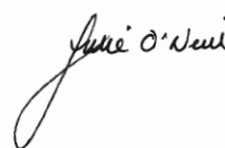
In this my first year of appointment, I am proud to be taking up the position of Chairman in an organisation that has its eyes firmly fixed on achieving its strategic goals while maintaining its compliance with the highest level of corporate governance. Under the leadership of the Chief Executive, I anticipate that the NSAI will continue to deliver on its strategic goals as set out in the strategic plan 2013-2015 and I look forward to helping to achieve this.

In regard to 2013 I would like extend my thanks to the Chief Executive and the staff of NSAI for their diligence and commitment to NSAI throughout a challenging period. Despite reduced headcount, the organisation has maintained its output levels and continued to make an essential contribution to Ireland's trade infrastructure.

We cannot achieve our objectives alone and so I would also like to extend my gratitude to our committee members, partners from industry, and all the other bodies we have worked with throughout the year for their valuable contributions.

Finally, on behalf of NSAI I would like to thank the Minister for Jobs, Enterprise and Innovation, Richard Bruton TD, Minister for Small Business, John Perry TD and the officials at the department for their support to NSAI throughout 2013.

And so, in accordance with the provisions of the National Standards Authority of Ireland (NSAI) Act 1996, on behalf of the Board and Authority I present the Annual Report and Accounts for year ended 31 December 2013.



Julie O'Neill
Chairman

CEO REPORT



“ We believe that the benefits of participation in the standardization process should not be underestimated by Irish business and we encourage companies to take a more active involvement ”

NSAI plays a crucial role in helping Irish organisations perform to the best of their abilities. Although much of the work we do in publishing standards, issuing certificates and verifying measurements takes place behind the scenes, the effects touch every part of people’s lives – from the safety of medical devices to the accurate measure of a litre of fuel.

In 2013, a year when the Irish economy turned towards recovery and many businesses started to talk again of growth, NSAI renewed our focus on creating, maintaining and promoting the vital technical infrastructure that helps companies gain a competitive advantage through standardization.

Whether it was working to develop new standards for universal design, issuing product certifications or calibrating over 4,500 measuring instruments used in industry, we have continued to facilitate trade while improving the quality of life in Irish society. Our work ensures that Irish businesses have the tools and resources they need to capitalize on the economic recovery and create jobs.

An export-led recovery will only thrive if Irish companies can access international markets on a level footing and if customers around the world have confidence in the quality of Irish products and services. By creating and promoting national and international standards, and providing market intelligence through our standards network, we are focused on making this happen.

Our staff numbers have reduced by 34% since 2009. To maintain the same levels of service we have embraced LEAN methodologies and have implemented the ISO 9001 quality management system throughout our operational and support functions.

We have also actively participated in the government's Action Plan for Jobs, which serves to highlight the strong link between the work we do in preparing businesses for growth and the creation of jobs in the Irish economy.

Standards

Encouraging industry participation in the development of new standards is a key focus for us and is highlighted both by the European regulation on standardization and in the government's Action Plan for Jobs.

In 2013, we have been encouraging small businesses to participate in the standardization process, both by actively seeking input for the creation of standards and by promoting the use of standards within the SME community.

We provide a dedicated SME portal to offer information on our work and invite people to get involved in our standards committees. Our 'Your Standards, Your Say' portal continues to prove popular, with over 1,200 registered users and we actively promote the benefits of standards through our national stakeholder networks.

Our consultative committee structure ensures that standards are written from a business-led, inclusive perspective and we have been working to make sure that industry sectors are suitably represented. We believe that the benefits of participation in the standardization process should not be underestimated by Irish business and we encourage companies to take a more active involvement.

We have also been working with Ireland's higher education institutions to educate a new generation in the importance of standards, and many third level libraries now access the NSAI standards database as the primary reference site for standards. As a result we delivered modules and

presentations to faculties and students and implemented an active graduate work placement programme across a range of disciplines.

Most standardization work now takes place at European and international levels but new Irish standards published during the year include LEAN methodology, pyrite remediation, universal design for communications within the tourism industry, and emergency lighting. Other areas of development included a portfolio of Eurocodes standards for construction, electric vehicles and the gas industry to reflect industry developments.

Conformity Assessment

Certification is vital for organisations to demonstrate they conform to national and international standards and can compete among the best in the world. Our scope continues to expand with the introduction of the Programme for Endorsement of Forest Certification (PEFC), which allows Irish companies to confirm the sustainability of wood-based products. PEFC certification will help companies operate in a global market increasingly dominated by environmental concerns.

We have worked hard to ensure that NSAI became a top-tier EU notified body in the medical device sector so we can provide the best possible support to this key part of the Irish economy. We are actively building our expertise in CE marking and the interpretation of emerging medical device standards in order to ensure that manufacturers are supported by a world-class certification service.

CEO REPORT (CONTINUED)

People are a key driver of economic growth and our Excellence Through People (ETP) programme, launched in 2012, continued to expand as businesses recognised ETP as a powerful tool to boost the general skill level in the workforce. We received particularly strong, positive feedback from users of this standard as to its business benefits and encourage all bodies involved in human resource development to take advantage of the framework that the new generation of ETP provides. 2013 also saw the first ETP certificate outside of Ireland being awarded.

Legal Metrology

Our legal metrology operation inspects and approves instruments to measure quantities in trade and ensure that people and companies buying from Irish business get what they pay for. We have introduced a national network of authorised verifiers facilitating us to increase the number of traders we visited by 10% and the number of instruments we inspected by 35% from our 2012 figures.

In 2013, we continued to operate a risk-based approach to conformity assessment and carried out targeted inspections of the taxi and liquid fuel sectors. Compliance among taximeters inspected rose from 75% to 98% following our campaign.

Scientific & Industrial Metrology

The two core activities of our National Metrology Laboratory are the maintenance of national measurement standards traceable to the SI system of units and dissemination of these standards through calibration. In 2013, a series of peer reviews confirmed that both these activities meet the highest international standards.

Future challenges include responding to the demand for ever more complex measurement standards in environmental monitoring, air tightness and energy management in buildings, as well as in the health sector.

Action Plan for Jobs

The NSAI's tasks under the Action Plan for Jobs confirms the key role we play in helping Ireland continue its economic growth by providing the tools for businesses to gain competitive advantage. We implemented all of the 13 actions tasked to us under the second Action Plan for Jobs, which will have an immediate and relevant impact on growth in specific sectors as well as the economy as a whole.

Awareness

As part of our awareness raising activities we continued our advertising campaign which is based on testimonials from key clients and SMEs who have seen the benefits of standardization and certification.

We also hosted a number of events to recognise the achievements of companies recently certified to standards such as:

- Environmental Management Systems
- Occupational Health & Safety Management Systems
- Quality Management Systems
- Excellence Through People
- Energy Management
- Food Management Systems

In all, around 75 companies were presented with certificates by Mr. John Perry TD - Minister for Small Business.

We held a series of seminars, such as the Quality in Ireland conference and Risk Management Seminar, and participated in industry events such as

Manufacturing Ireland 2013, INFORMA, MEDTEC and the Irish Internet Association's Cloud Computing road shows.

As part of Ireland's EU presidency we also hosted the international standards Presidents Group meeting. Against the backdrop of the upcoming Transatlantic Trade and Investment Partnership (TTIP) negotiations, representatives of the European and American standards organisations (CEN, CENELEC, ETSI and ANSI) agreed to intensify collaboration with a view to aligning standards. This is an important and necessary step in facilitating trade in goods and services between Europe and the USA.

Financials

Overall we reported a strong financial performance for 2013 and returned a surplus of €0.1m.

Despite the lack of recovery in the construction industry which impacted income in our Sustainability and the Built Environment division, we maintained our income from conformity assessment, metrology and standards sales services at €15.9m. This reflects a particularly strong demand for assessment services in the motor vehicles and medical device sectors.

We saved nearly €1m against budget through cost control measures and invested €0.5m on capital expenditures to maintain and improve efficiencies. These were achieved through the use of productivity improvements through ICT and Operational Excellence/ ISO 9001 process enhancements.

Conclusion

NSAI is well positioned to support Irish industry as it returns to growth and we will continue to empower businesses to achieve competitive advantage through standardization in the coming year.

In 2014, we expect to publish a further 1,500 standards. We anticipate that certification to social responsibility will become a global trend in coming years following terrible factory accidents and loss of lives in developing countries. Through membership of IQNET we are already able to offer insight into social responsibility in the supply chain via SEDEX, the Supplier Ethical Data Exchange. We will continue to monitor the situation and respond accordingly.

Finally, I would like to extend a heartfelt thank you to all the staff at NSAI who have worked extremely hard to maintain the volume and quality of our work despite reduced staff numbers. I am certain that this dedication and commitment will continue into 2014.

I would also like to thank our partners in industry and in the Department of Jobs, Enterprise and Innovation for their support, and extend my gratitude to the NSAI Board and management for their hard work throughout the year.



Maurice Buckley

Chief Executive Officer



“ Compliance among taximeters inspected rose from 75% to 98% following our campaign.”

ACTION PLAN FOR JOBS

NSAI were tasked with specific deliverables and support to other bodies within 13 headline actions in the Government's second annual Action Plan for Jobs, which aims to make Ireland the best small country in the world in which to do business and increase the number of people at work in Ireland by 100,000 by 2016.

In 2013 we completed the following actions:

Disruptive Reform 1 – Build on our existing enterprise strengths to make Ireland a leading country in Europe in “Big Data”

Identified appropriate mechanisms whereby Ireland can help to lead standards development activities linked to areas of data analytics and Big Data, prioritised by the enterprise sector in Ireland, and mobilised enterprise involvement in the appropriate working groups.

Building Competitive Advantage – Research and Innovation to Drive Job Creation

Supported the implementation of the action plans for the Government's priority areas so that publicly funded research projects are aligned to and make competitive use of relevant international standardization activity and that the opportunity for Irish-based researchers to input into emerging standards is maximised.

Assisting Indigenous Business to Grow – Enhancing Indigenous Performance

Promoted the greater utilisation of standards, emerging standards, and the standardization process by companies through information events, a programme of standardization initiatives for SMEs, and the greater use of the Your Standards, Your Say information portal.

Disruptive Reform 2 – Make Ireland the most attractive location in the world for ICT Skills availability ensuring continued success of ICT sector

Promoted ICT professionalism through use of the European e-Competence Framework at an EU and national level.

Building Competitive Advantage - Aligning Skills with Enterprise Needs

Promoted and supported the adoption of structured up-skilling and development systems for existing staff within a Human Resource management system, in particular Excellence Through People (ETP).

Developing and Deepening the Impact of Foreign Direct Investment

Encouraged Irish-based multinational enterprises to avail of access to national and international standardization committees that NSAI can facilitate in order to establish a valuable local expertise and source of advance market and technology intelligence.

Sectoral Opportunities – Manufacturing

Encouraged more manufacturing companies to avail of the access to national and international standardization committees that NSAI can facilitate in order to establish a valuable source of advance market and technology intelligence to support their RD&I activities.

Sectoral Opportunities – Agriculture, Food and Marine

Encouraged a high level of adoption of the internationally recognised Food Safety System Certification (FSSC) by Irish food producers, suppliers, and exporters.

Sectoral Opportunities – Green Economy

Developed an Irish Standard on Energy Efficiency Design Methodology to support the development of the Green Economy and better improve industry energy consumption efficiencies.

Sectoral Opportunities – Manufacturing

Supported manufacturing companies with precision measurement or demanding process measurement challenges through expertise from the National Metrology Laboratory.

Sectoral Opportunities – Cloud Computing

Provided forums for the purpose of promoting the cloud computing standard, SWIFT 10, and discussing cloud computing and issues related to standards.

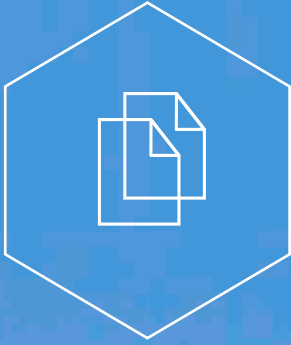
Sectoral Opportunities – Green Economy

Promoted the adoption of the ISO 14001 Environmental Management System standard and the ISO 50001 Energy Management System standard by Irish based companies.

Sectoral Opportunities – Manufacturing

Review and enhance (if required) existing programmes, including management development programmes and Excellence Through People, to deliver to the needs of foreign-owned firms (as appropriate), taking into account sectoral strategies to be developed elsewhere in this Action Plan.

**All 13 measures
were completed
in 2013.**



STANDARDS

NSAI is the internationally recognised National Standards Body (NSB) for Ireland.

International standards create a level playing field for Irish businesses selling into European and global markets. They help to facilitate international trade and enhance consumer confidence in products and services.



We facilitate Irish industry and public participation in the development of relevant standards at Irish, European and global levels. This is primarily achieved through our network of consultative committees and online service Your Standards Your Say.

The scope and transparency of this process and publication of the final standard is beneficial to:

- **Exports**

We give Irish businesses the opportunity to adopt globally-recognised standards and gain first mover advantage by staying up to date as new standards emerge. This helps export-led growth through improved access to markets and supply chains.

- **Innovation & Commercialisation**

Standards are central in helping businesses turn new ideas into competitive advantage by codifying, capturing and commercialising new products, business models, organisational structures and work practices.

- **Supporting SMEs**

We facilitate SMEs to contribute in the development of standards in their specialist areas which means that they can move from 'standard takers' to 'standard makers' and grow their business more rapidly. Our Your Standards Your Say online comment facility, with 1,240 registered users enhances this consultation process.

- **Consultation**

We consult with societal parties to formulate Ireland's national input into international standardization processes. The consultative committees, appointed under section 10 of the NSAI act 1996, advise NSAI on which Irish standards and codes of practice are necessary, drafting appropriate standards, codes of practice and amendments, and ensuring that relevant parties are consulted.

- **Irish Standards**

Following appropriate consultation we develop and publish national standards when standardization work in Europe and at international level does not address Irish needs.





STANDARDS

In 2013:

NSAI published 1,460 standards to bring our library of standards to nearly 25,000. While most of the standards we publish are adopted European standards, we also published a number of new Irish Standards, SWiFTs (Specifications Written in Fast Track) and national annexes to the Eurocodes which specifically address Irish standardization issues. In the European context Ireland is now placed 8th out of 33 countries (Ref. Graph1) at over 99% on the implementation of CEN-CENELEC EN/HD per country.

The extensive nature of the European standardization programme is of critical importance to the trading environment in Ireland and it is essential that industry sectors are aware and monitor developments that may have a direct impact on their products and services. During 2013 there was a total of 4,300 active work programmes across 18 business domains (Ref. Graph 2), to which NSAI can provide input and access.

By its nature the international consultative process requires a significant timeline for the development and publication of standards. However, since 2006 the time to publication for European standards has reduced from over 5 years to just over 2 years per deliverable in 2013 (Ref Graph 3).

Central to the development of standards is the consultative process and in 2013 we facilitated 1,140 voluntary participants to the standardization process.

Through our standards sales agreement we sold more than 10,000 standards during the year, of which 3,600 were sold in Ireland, and generated revenue of over €1m.

New Irish standards

We published two standards on pyrite, I.S. 398 Part 1 and 2; the first to establish whether a building has been or is likely to be damaged by reactive pyrite; and the second to determine how this can be remediated. These standards will be used by the Pyrites Resolution Board when dealing with claims for remediation.

We launched a new standard for the Tourism industry in conjunction with the National Disability Authority. The I.S. 373 Universal Design for Customer Engagement in Tourism Services standard is a step-by-step guide for the tourism sector on designing all forms of customer communications so they can be easily used by people regardless of age, size, ability and disability.

We published the latest revision of the Emergency Lighting standard, I.S. 3217:2013 after taking on board more than 230 comments from industry on the original draft.

(Note. EN – European Standard. HD – Harmonised Document)

1,460

Standards
published

1,140

Standardization
participants

10,000

Standards
sold

25,000

No. of standards
in the NSAI
library**SWiFTs**

With the support of Enterprise Ireland we published SWiFT 11 Driving Competitiveness Using Lean. This aims to help any Irish company get started on the Lean journey of continuous improvement and is part of a national effort to help businesses become more efficient and effective in providing products and services.

Participation and SMEs

The support of industry is central to standardization and the input from national and multi-national organisations is invaluable to ensuring

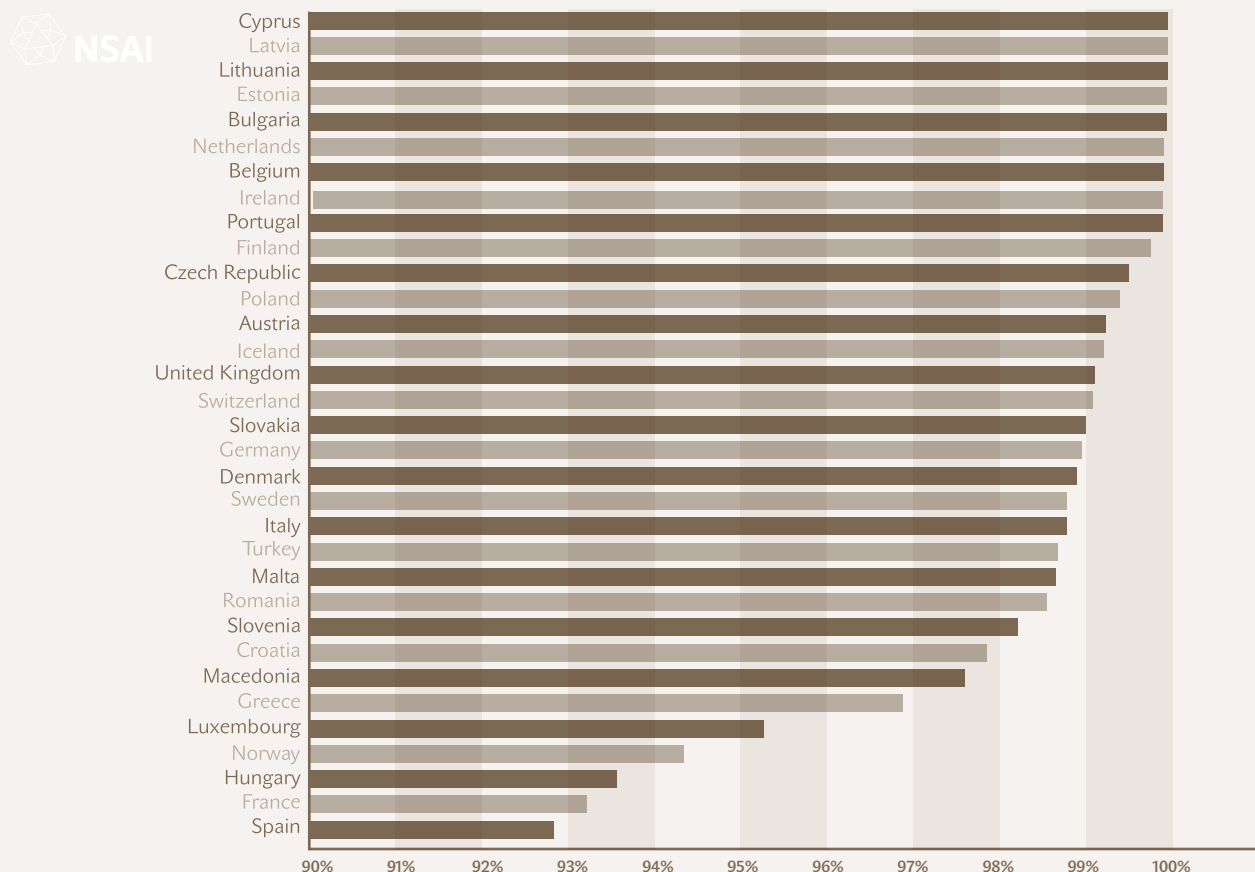
Ireland's active participation in the standards development process. Small businesses play a vital role in the Irish and European economies, accounting for nearly 99% of all European companies and providing 66% of Europe's total employment. As a result, NSAI actively encourages SMEs to participate in the standardization process.

Our SME portal is a dedicated source of information for SMEs, while our publications website www.standards.ie provides previews of all new standards to assist in the identification of

relevant industry standards. The online standards consultation portal Your Standards Your Say is of particular benefit to smaller companies who may not have the resources to participate in person, but can still have their input considered through this tool.

During the year NSAI standard officers continued to develop the national stakeholder networks to provide information on standards. We also sponsored two SME representatives at the CEN CENELEC SMEST 2 event in Brussels.

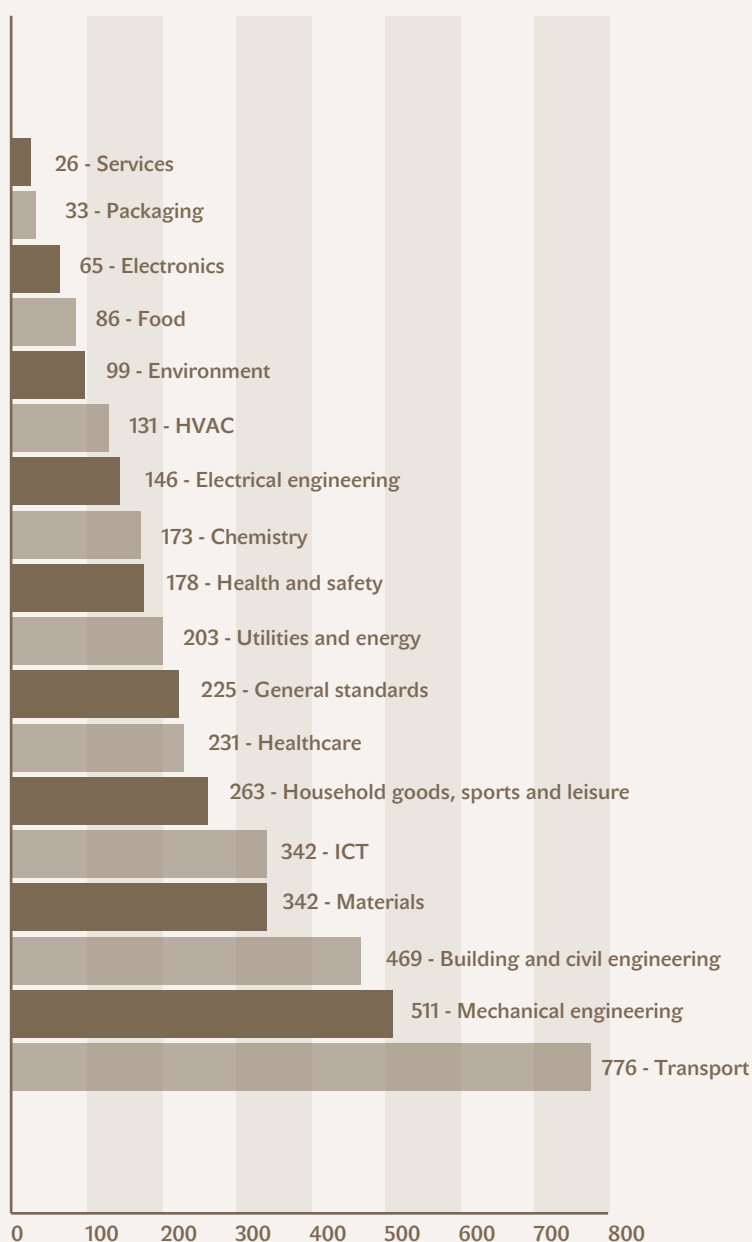
CEN-CENELEC EN/HD Implementation Rates per Country





STANDARDS

European Standardization Programme 2013
CEN-CENELEC Active work programme by Sector



EU Presidency

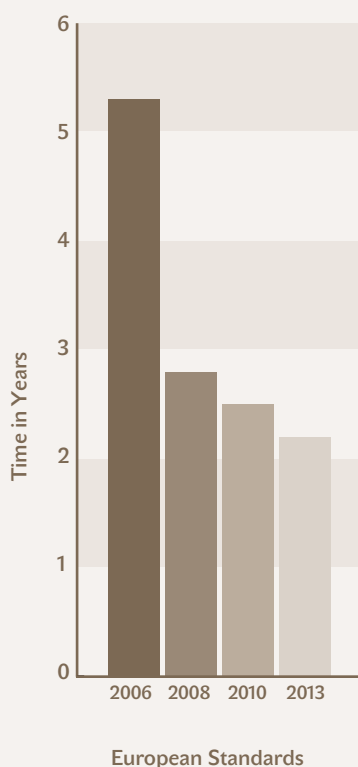
During Ireland's EU Presidency we hosted the Joint Presidents Group meeting of the European and American Standards bodies. Presidents and representatives of the European Standards Organisations (CEN, CENELEC and ETSI) and the American National Standards Institute (ANSI) reviewed major developments in standardization in the EU and US, especially in the context of the regulatory frameworks and the role of standardization. The meeting also looked at the ways in which standards organisations on both sides of the Atlantic are encouraging and supporting the participation of small and medium-sized enterprises (SMEs) in standardization activities. It was also decided that the four standards organisations will progress an agreement to facilitate action on standards related issues arising from the implementation of the proposed Transatlantic Trade and Investment Partnership (TTIP) between the European Union and the United States.

Promotion

We held a number of events throughout the year to promote the awareness of the benefits of standards and the standardization process, including:

A conference on the role of standards in research, development and innovation. In conjunction with the EU presidency event more than 100 standards experts from Ireland, Europe and the United States as well as Minister for Small Businesses, John Perry TD, gathered to discuss the role of standards in areas such as Electric Vehicles and Smart Grids, and to consider new topics such as cloud computing, machine-to-machine (M2M) communication and 'Smart Cities'.

European Standards
CEN - Time to publications
per deliverable, per year



A seminar on risk management in conjunction with the NSAI risk management standards consultative committee, which provided an opportunity for over 70 participants to network and discuss risk management issues with NSAI standards experts.

The second 'Quality in Ireland' conference organised in association with Quality Ireland and IT Sligo. More

2013 Key Activities

- 1,140 participants in standardization
- Published 1,460 standards
- Sold more than 10,000 standards
- NSAI library of standards now at 25,000
- Published standards to assist with pyrite remediation
- Developed a LEAN SWiFT to encourage industry efficiency
- Set up a Eurocodes Consultative Committee

than 100 quality professionals came together to examine ways of improving quality and trust in sectors including healthcare, food, medical, construction, engineering and manufacturing.

On World Standards Day, James Keogh, an electrical expert from Cork and an NSAI committee member, received the ICE 1906 award for his outstanding contribution to the field of safety measures in electrical installations.

Other areas of activity

The broad range of standardization work programmes means that NSAI activities must be flexible to emerging requirements and during 2013 some activities of note included;

Electric vehicles

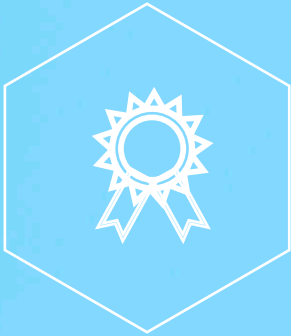
We continued to support a worldwide endeavour by IEC to develop a system of standards for electric road vehicles and electric industrial trucks. We facilitate participation by national experts to the working groups and as with all European standards, publish them as Irish standards.

Construction

The inaugural meeting of our new Eurocodes Consultative Committee was convened. The committee will give NSAI expert advice on standardization matters relating to the implementation of Eurocodes in Ireland and to mirror the work of CEN TC 250 Structural Eurocodes as appropriate.

Third level education

We continued to promote the use of standards in third level institutes to enhance research and development activity. To date five colleges are using the NSAI library of Irish, European and international standards. The programme will continue in 2014.



CONFORMITY ASSESSMENT

NSAI provides independent certification to determine whether an organisation's processes, products or services comply with the requisite standards and requirements of their markets.

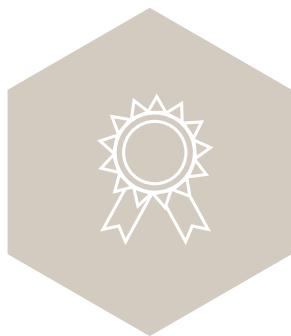


Our conformity assessment services are categorised into four areas of operation reflecting the requirements of Irish businesses: sustainability and the built environment, medical devices, market and regulatory support, and business excellence.

This certification gives organisations a competitive advantage in tender and procurement decisions as well as providing assurance to buyers and end users that products, services and processes comply with recognised standards ranging from business management systems to product approvals.

Our management and certification schemes conform to national, European and international standards and specifications, helping Irish companies tender for international business. The European Commission recognises accredited certification as the preferred mechanism for the elimination of technical barriers to trade and considers it essential for the correct operation of a transparent and quality oriented market.





CONFORMITY ASSESSMENT

In 2013:

We issued 1,300 new certificates to companies operating in 30 different countries. The six most popular schemes are listed below:

Number of certificates	Scheme
177	I.S. EN ISO 9001 Quality Management Systems
65	OHSAS Occupational Health & Safety Management
63	I.S. EN ISO 14001 Environmental Management Systems
42	Irish Agrément Board
35	ETP 1000 Excellence Through People
27	I.S. EN 771-3 Specification for Masonry Units

We withdrew 500 certificates.

We approved 30 medical device applications for CE marking. Four new companies received ISO 13485, Medical Devices – Quality Management Systems, and three received Canadian Medical Devices Conformity Assessment System (CMDCAS) certification, which provides access to sell medical devices in Canada.

Delivering on our Clients Expectations

Our clients are increasingly seeking accredited certification for areas such as quality, environment, information security and products that span international boundaries and cover complete businesses. Our accreditation means that we have been assessed against internationally recognised standards and operate to the highest levels of quality and service, providing further assurance to clients that the certificates we issue are both credible, impartial and globally recognised.

Based on market requirements we hold accreditation from the Irish National Accreditation Board (INAB); ANSI-ASQ National Accreditation Board (ANAB - the national accreditation body for the USA) and Canadian Medical Devices Conformity Assessment System (CMDCAS).

We are also a member of IQNet the leading global network of premier conformity assessment bodies.

Accreditation

In line with EU regulation that certification bodies must be accredited by their national body, we have transferred accreditation of seven of our schemes from the United Kingdom Accreditation Service (UKAS) to the Irish National Accreditation Board (INAB). This involved a rigorous audit process and we can be confident that our conformity assessment process is performing to the highest international standard.

1,300
New
Certificates
issued

500
Certificates
withdrawn

36
ISO 50001
Energy
management
audits

30
Medical device
applications for
CE marking

During 2013, INAB also accredited NSAI to certify to OHSAS 18001 health and safety certification, the Programme for Endorsement of Forest Certification - Chain of custody (PEFC), Intruder Alarm Systems and Verification of Beef Labelling.

In line with our objective to be a leading certification body we now provide accredited certification to organisations for the top five management standards in the world: quality, environmental, energy, food management and health & safety.

This range of accredited certification enhances the proposition of NSAI as a single certification service provider of choice to industry. Coupled with our membership of the Safety Schemes in Procurement (SSIP) this means that construction companies certified by NSAI to OHSAS 18001 may now compete in UK construction tender competitions where this certification is a pre-requisite.

Business Excellence

Through our business excellence certification we are focusing resources on internationally recognised certification schemes that will optimise business competitiveness and performance, with particular focus on sectors identified with the potential to contribute to economic recovery and job creation.

ISO 9000

We issued 177 ISO 9001:2008 certificates, which continues to be the foremost quality management standard used around the globe. This standard is currently undergoing a review with an anticipated revision to be published in 2015. In order to keep client companies informed we hosted

a conference in conjunction with Quality Ireland and IT Sligo entitled "Quality in Ireland 2013, Trust quality in Lean Times". This allowed over 100 quality professionals to examine ways of improving quality and trust under the prevailing economic constraints. We also initiated the development of ISO 9000 information sessions to be delivered around the country in 2014 in preparation for the new standard.

Excellence Through People (ETP)

We continued to promote Excellence Through People, which provides a business improvement model for organisations to enhance performance and realise strategies through the management and development of their people. We certified over 35 new organisations to the scheme during the year including the Ministry of the Interior, General Directorate of Human Resources in Abu Dhabi. This was the first international certification to the scheme.

PEFC Forest Management and Chain of Custody

We added the worldwide Programme for Endorsement of Forest Certification (PEFC) to our standards. PEFC certification offers assurance to buyers and sellers of wood-based products in Ireland that their wood products come from sustainable sources.

PEFC is the world's largest forest certification system and will help Irish timber growers tender, trade and operate in global markets. We issued the first PEFC certificates to Coillte and Codex, thus allowing NSAI clients gain both forest management certification for the primary producer and chain of custody certification for the supply chain.

SME Forum

We ran a forum to bring consultants up to date with new and existing certification schemes. The briefing was designed to convey information that could then be passed on to SMEs.

Business in the Community

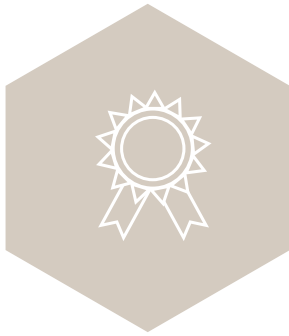
As part of NSAI's ongoing commitment to supporting Irish Industry's ability to demonstrate social responsibility, we continued our cooperation with Business in the Community by auditing and certification the process for the Business Working Responsibly Mark.

Sustainability and the Built Environment

The Built Environment, previously a primary driver of economic performance, further declined in 2013. However, there were indications of stabilisation and developments such as the transition from Construction Products Directives (CPD) to Construction Products Regulations (CPR), Energy Management and Insulation schemes continued to require our interventions.

Construction Products Regulations

The Construction Products Regulation (CPR) came into force from July 2013, replacing the Construction Products Directive (CPD). NSAI secured accreditation as a notified body under the CPR from INAB in order to provide auditing services to companies wishing to use CE marking, which is mandatory for products manufactured to a harmonised European Standard. In 2013 we issued 52 certificates of Factory Production Control under the CPR.



CONFORMITY ASSESSMENT

Technical Assessment Body

We were notified as the Technical Assessment Body (TAB) for Ireland by the Department of the Environment, Community and Local Government (DECLG). This authorises us to assess products against European Assessment Documents, to produce European Technical Approvals (ETA) and to approve ETA's produced by other TABs.

An ETA is a method of CE marking a product where no harmonised standard exists. The ETA creates confidence in the performance of the essential characteristics of a construction product for its intended use. The ETA contributes to the free movement of construction products and is valid in all 28 European Member States.

Agrément

In addition to providing certification for construction products under the CPR we continued to provide Agrément certification of innovative products, which allows companies to prove that their products are fit for purpose and gives confidence to consumers.

Sustainability

We continued the provision of certification schemes in related areas such as those for insulation installers, timber frame manufacturers and air tightness testers, delivered in accordance with our ISO 9001 registered quality management system.

In 2013 we made improvements to the insulation installer schemes and continued to support SEAI in the quality control of grant-aided insulation schemes.

We conducted over 400 audits on manufacturers and contractors, while also providing a support and advisory service for clients in the transition from the CPD to the CPR.

We conducted 36 audits for Energy Management Systems, which grants registration to companies under ISO 50001 and provides confidence that energy issues are being managed in accordance with internationally recognised standards and procedures.

Relationship building

We continued to advance our ongoing relationship with the Construction Industry federation (CIF), through the CQAI (Construction Quality Assurance Ireland)/NSAI Certification scheme for ISO 9001 and ISO 14001 in the construction services sector.

Supporting sustainability

We completed development of a scheme to register and monitor businesses that perform thermal modelling calculations, which are used to produce information on how and where heat is generated in buildings. This is a requirement that must be carried out as part of building regulations. The new scheme, developed on behalf of DECLG and in conjunction with DIT Bolton Street, is designed to demonstrate the competence of thermal modellers. To enhance the competency in the sector DIT Bolton Street also developed a course on thermal modelling at the same time the scheme was being drafted.

Medical devices

The medical device sector is one of the largest growth areas in the Irish economy and we play a key role in facilitating the growth of this highly regulated industry. We ensure that manufacturers' products and quality management systems are compliant with European medical devices directives and other international regulations, and offer regulatory guidance to help manufacturers navigate CE marking approval of medical devices, expediting time to market.

In 2013 we approved 30 medical device applications for CE marking. Four new companies received ISO 13485, Medical Devices Quality Management Systems and three received CMDCAS, Canadian Medical Device Conformity Assessment Systems approval.

We also maintained approval for high-risk Class III medical devices after meeting the requirements of the joint assessment committee comprising the IMB, two nominated Competent Authorities and the EU Food & Veterinary Office. The classification of medical devices is a risk-based system based on the vulnerability of the human body and taking account of the potential risks associated with the device. Class III devices represent highly regulated high-risk devices, such as life-supporting or life-sustaining devices.

400

Manufacturer
and construction
contractor audits

3,000

EU automotive
approvals

4,000

National
automotive
approvals

48 hour

Response time
on national
automotive
approvals

Market & Regulatory Support

The business environment is shaped by the regulatory environment both at national and European Level. We provide a framework and conformity assessment regime that assists state agencies and regulators by providing certification services to ensure that products and services meet the requirements of the prevailing national legislation and EU directives.

Road Safety

We work with the Road Safety Authority to ensure that vehicles meet regulatory requirements for both safety and the environment. Under EU directive 2007/46/EC, vehicles are type approved for sale, registration and entry into service across Ireland and all member States, and we are working to ensure that the directive is applied in line with the timetable for the enforcement of type approval.

In 2013 we issued more than 4,000 national and 3,000 EU automotive approvals for vehicles, their components and systems, which focused on issues such as emissions, engine power, tyres and seat belts.

Food Safety

As recent history has demonstrated food hazards are intrinsic to all parts of the food supply chain. We continued to offer food safety certification based on the international standards ISO 22000 Food Management Systems and ISO TS 22002-1 Prerequisite Programmes on Food Safety. However, uptake by Irish business is low as producers continue to pursue certification to the British Retail Consortium (BRC) standards for the UK market. Under the Global Food Safety Initiative we

consider that certification to the internationally recognised certification schemes provide Irish food and drink producers with a greater scope to access international markets.

NSAI in the US

Through our subsidiary NSAI Inc located in Nashua, New Hampshire, USA, we provide a full range of accredited Management System Certification and Medical Device Approval services. With over 90 accredited certification bodies operating in the region, all the major European bodies have a representation in the market. Our scope of certification includes Quality, Environmental, Medical Devices, Aerospace, Telecommunications and Information Security.

These services are primarily delivered to customers with headquarters in the US, however our international network

supports large global customers who pursue a single accredited certification body policy. Many of these organisations have a global reach with facilities in over 30 countries including Ireland and Europe.

By providing these certification activities we help promote Ireland as an excellent place to do business and facilitate communication with industries that may consider Ireland as a potential Foreign Direct Investment (FDI) location for the future.

During 2013, we processed 153 new medical and non medical applications for product, systems and service certification.

2013 Key Activities

- Issued 1,300 certificates in 30 countries
- Withdrew over 500 certificates
- Approved 30 medical device applications for CE marking
- Received INAB accreditation for 7 standards
- Ran 2 group certificate presentations to 75 companies
- Launched our PEFC certification scheme
- Expanded certification offerings for innovative construction products
- Carried out 36 ISO 50001 Energy Management Audits
- Issued over 4,000 national and 3,000 EU automotive approvals
- Maintained Class III medical device approvals status



METROLOGY

Metrology is defined as the science of measurement. Within NSAI this embraces the areas of:

- industrial and scientific metrology focused on maintaining the international traceability of measurement standards and provision of high precision calibration to Irish industry
- legal metrology focused on the statutory requirements and inspections of measures and measuring instruments used in trade.



Legal Metrology

Verifies and inspects instruments used to measure quantities in trade in order to ensure that businesses and consumers get what they pay for.

Whether you're purchasing home heating oil, weighing fruit in a supermarket or taking a taxi, the accuracy by which quantities are measured has a direct impact on confidence and trust in the Irish market. We protect consumers and businesses by checking that measures are accurate through a team of inspectors.

National Metrology Laboratory

Is responsible for establishing, maintaining and measurement of standards within Ireland.

We ensure that Ireland meets the requirements of the international system of units – the SI system - in measuring physical quantities such as acoustics, electricity, frequency, length, mass, temperature, pressure, force, humidity and torque.

An internationally recognised metrology infrastructure is vital to promoting Ireland as a desirable place to do business, particularly for high-tech foreign direct investment. The availability of local, readily accessible measurement expertise provides an important competitive advantage to Irish industry.





METROLOGY

Legal Metrology

Within the trading activity of the Irish economy NSAI oversees 70,000 different measuring instruments in 35,000 organisations and companies ranging from convenience stores to mass production environments. To ensure that stated quantities are accurate we employ risk assessment techniques to focus our inspections programme for the year, where we target sectors with a high risk of non-compliance.

We also ensure that companies that provide pre-packaged food and other goods have robust systems in place to measure, sample and check the quantities contained.

Our work splits into three distinct but inter-related activities:

1) Conformity Assessment

We assess whether the design of a new measuring instrument meets the legal requirements (type approval).

We verify the instrument in question, either against European standards or the manufacturer's own approved quality management system.

2) Verification in use

We re-verify measuring instruments that may have been repaired or adjusted to ensure that they are still accurate and in compliance with regulations. This is required before they can be used for trade again.

3) Inspection

We check that measures used for trade are accurate through on-site inspections of measuring instruments and packaged goods.

In 2013:

We visited over 5,400 trading premises and tested 16,000 instruments, of which 58% underwent a full metrological test and 42% were visually inspected. The number of inspections within targeted sectors for 2013 is detailed in the table below:

Sector	Inspections
Liquid Fuel Dispensers	8,293
Taximeters	2,059
Weighbridges	563
Retail Weighing	3,338
Oil Meters	693

We dealt with 200 consumer queries and reports of inaccurate measurements.

Inspection campaigns

We continued with our risk-based approach to inspections, where we target sectors with a high risk of non-compliance.

- We undertook a targeted campaign to check taximeters in conjunction with the National Transport Authority (NTA). We visually inspected 2,059 taximeters and found that 75% were verified at the time of inspection. Due to follow-up action, 98% of taximeters inspected were compliant by the end of the year. Follow up action is currently ongoing to address the outstanding 2% of taximeters.
- We also carried out a targeted campaign in the liquid fuel sector whereby we inspected 693 truck mounted oil meters.
- We carried out joint enforcement activity with the Sea Fisheries Protection Agency and this partnership will continue in 2014.

Authorised verifiers

We further expanded the Authorised Verifier scheme by two bringing our national network to 28. This scheme has proved to be a great success since implemented and has created the environment for a sustainable verification services industry in the private sector while facilitating the realignment of NSAI resources to inspection activities.

Under the approved verifier scheme, third party operators carried out over 40,000 verifications of measuring instruments, including taxi meter systems, weighing instruments, intoxicating liquor measures, liquid fuel dispensers and truck mounted meters for milk and oil.

Number of verifications per sector

Taximeter Systems	5,163
Weighing Instruments	530
Intoxicating Liquor Dispensers	31,731
Truck Mounted Meters for Oil	372
Truck Mounted Meters for Milk	185
Liquid Fuel Dispensers	2,257

We also introduced a new ICT system to assist in compliance reporting and in 2014 we will add an online portal through which verifiers can automatically upload their verification data to our database.

Number of Authorised Verifier Network by Instrument Category

Taximeter System	1
Weighing Instruments	13
Intoxicating Liquor Measure	1
Liquid fuel road tankers	5
Milk Meters	2
Liquid Fuel Dispensers	5
Waste Weighers	1

5,400

No. of Traders
visited

40,000

Third party
verifications

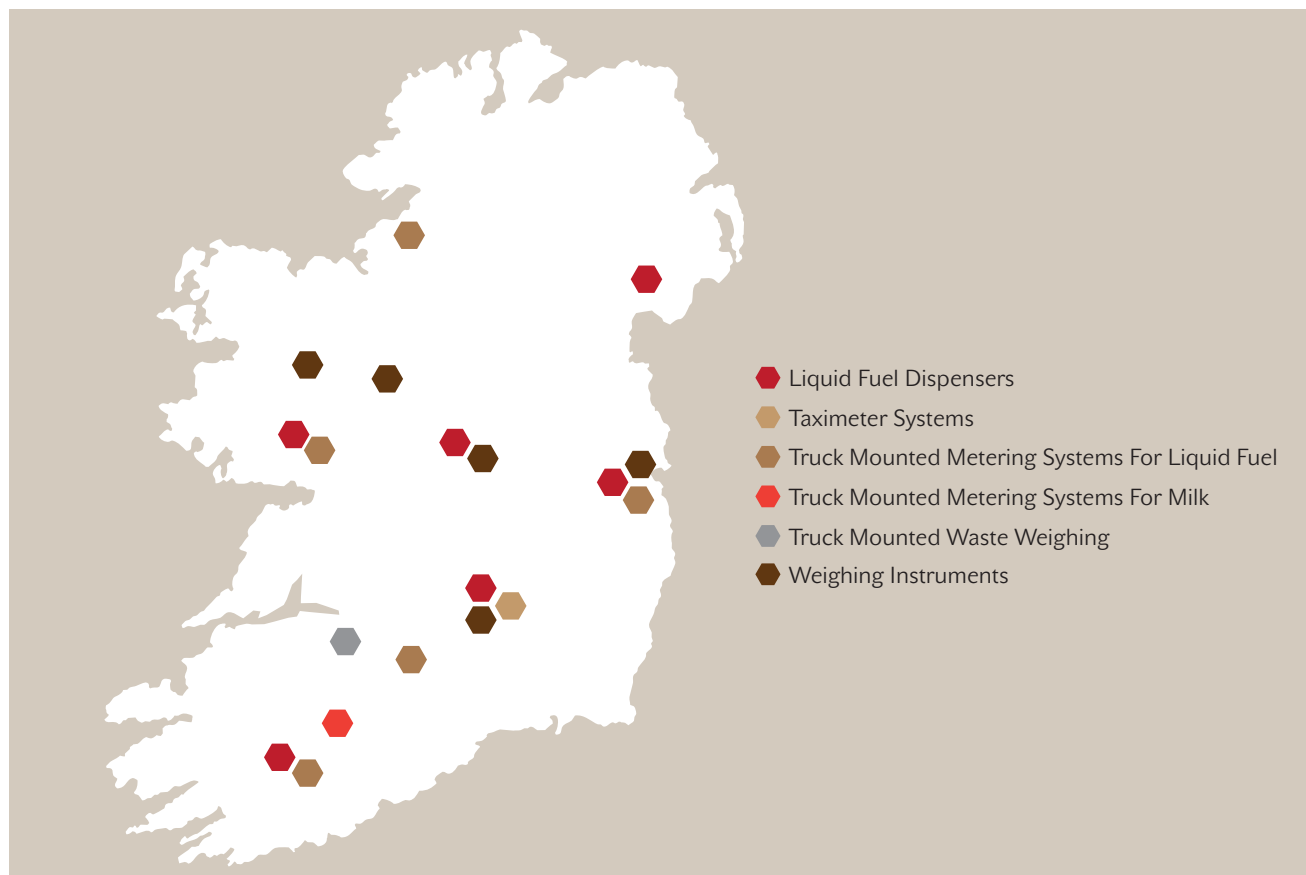
100

Visits to the
packaging
industry

16,000

No. of
Instruments
inspected

Location of Authorised Verifiers



Other areas of activity

We continued to work with the international bodies WELMEC and OIML.

We prepared the ground for several activities that will take place in 2014:

- The introduction of a new inspection procedure and equipment for pay by weight bin weighing systems.
- New taxi verification service.
- Expansion of our Authorised Verifier Scheme in the areas of weighbridges, bin weighers and retail weighing.

2013 Key Activities

Legal Metrology

- Joint tender with the National Transport Agency for taxi verifications and taxi suitability tests
- Joint enforcement activity with the Sea Fisheries Protection Agency
- Two national targeted campaigns in oil and taxi sectors
- Inspection of 2,059 taximeters
- Inspection of 693 truck mounted oil meters
- Over 100 visits were made to the packaging industry ensuring that quantities are accurate
- Dealt with 200 consumer queries and reports of inaccuracies
- Over 40,000 third party verifications.



METROLOGY

National Metrology Laboratory

In 2013:

We maintained 14 national measurement standards, which helps to provide industry with SI unit traceability. The SI (Le Système International d'unités) is a globally agreed system of units, with seven base units and is at the centre of all modern science and technology. How we define and realise the base and derived units is an active research topic for metrologists, with more precise methods being introduced as they become available. The seven base SI units are:

- The ampere (A) - electrical current
- The candela (cd) - luminous intensity
- The kelvin (K) - Temperature
- The kilogram (kg) - Mass
- The metre (m) - length
- The mole (mol) - amount of substance
- The second (s) - time

In order to ensure that measuring instruments in Ireland are traceable to the national measurement standards, we issued 4,500 calibration certificates to customers covering all sectors of the Irish economy.

Audits

We launched a new proficiency testing scheme (measurement audit) and carried out 10 tests covering six measurement fields.

A measurement audit compares the measurement results of a laboratory and a reference laboratory, which is the country's highest authority for the

measurement concerned. The goal is to verify the competence of accredited or non-accredited laboratories, including verification of the reported measurement uncertainties. Measurement audits are an essential step in validating and benchmarking a laboratory's technical capability which, in turn, improves the measurement capabilities and services available to Irish industry.

In 2013 the scheme was restricted to the accredited laboratory sector; in 2014 we will expand it to industrial laboratories.

Mutual Recognition Arrangement

In October 1999, the Directors of 38 National Metrology Institutes (NMIs) and 2 international organisations signed the Comité International des Poids et Mesures (CIPM) Mutual Recognition Arrangement (MRA). This agreement was established to enable NMIs to recognise and accept national measurement standards and calibration and measurement certificates issued by other NMIs around the world. NSAI negotiated and signed the CIPM MRA on behalf of Ireland.

The objectives of the CIPM MRA are:

- to establish the degree of equivalence of national measurement standards maintained by NMIs.
- to provide for the mutual recognition of calibration and measurement certificates issued by NMIs.

- to provide governments and other parties with a secure technical foundation for wider agreements related to international trade, commerce and regulatory affairs.

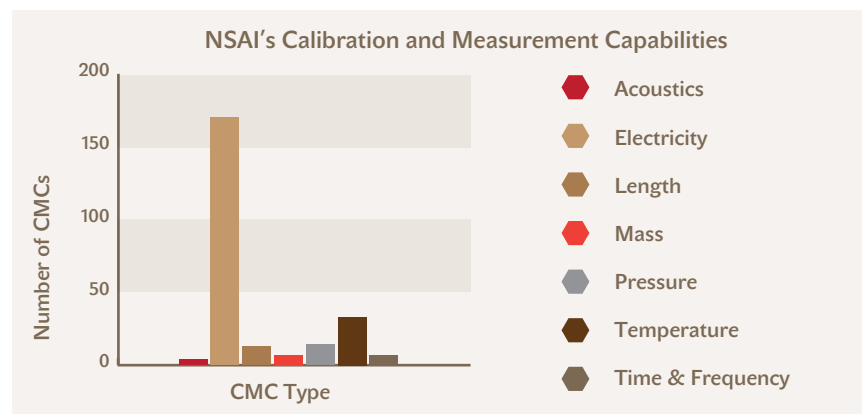
As Ireland's signatory to the MRA we are obliged to participate fully and meet the technical requirements as set down in the agreement. These are:

- to take part in appropriate comparisons.
- to declare and subject their CMCs (calibration and measurement capabilities) for extensive peer review.
- to implement and demonstrate an appropriate quality system.

As such we underwent a rigorous international assessment of our calibration and measurement capabilities in 2013 in order to ensure that our measurement standards and calibration certificates can be recognised around the world.

To ensure confidence in measurement and measurement equivalence with that of other countries, we also participated in international laboratory comparisons (ILCs). These provide concrete evidence of the quality of our various technical operations, such as traceability of measurements, measuring/calibration procedures, control of measuring environment, staff competence, uncertainty analysis and reporting of results.

Participation in ILCs is a pre-requisite for the continual membership of the CIPM MRA. These comparisons are generally administered through the Bureau International des Poids et Mesures (BIPM), the European Association of National Metrology Institutes (EURAMET) and the European Co-operation for Accreditation (EA). An interlaboratory comparison involves the participation of two (bilateral) or more (multilateral) laboratories.



14

National
measurement
standards
maintained

4,500

Calibration
certificates
issued

360

Research days

50

Companies
received
metrology
training

In 2013, we participated in five international measurement intercomparisons with other European national metrology institutes and with the BIPM. We reviewed and submitted updated CMCs for electrical quantities, made possible by investment in better measurement standards. We also successfully completed our annual peer audit by EURAMET, which confirms our continued compliance with international regulations.

Education & Training

In 2013, we delivered 14 training courses to technical staff from over 50 companies. We also presented four laboratory modules to engineering students at IT Tallaght.

We introduced a Transition Year (TY) Programme to give TY students a structured opportunity to get the most out of a week's worth of work experience at a leading scientific institute and introduce them to the fundamentals of metrology.

International

We represented Ireland on six technical committee meetings of EURAMET, the European Association of National Metrology Institutes. We were also represented on the EURAMET board of directors in 2013 and we retain

responsibility for drafting and publishing the EURAMET newsletter.

We represented the Irish government on the International Committee of Weights & Measures (CIPM).

We hosted a fact finding visited by the Director of the Trinidad & Tobago Bureau of Standards, including their architects and engineers. This continued our 2012 assistance in laboratory design and fit-out of their proposed new metrology building.

Research & Innovation

We spent 360 days on research and presented a paper on climatic chamber validation techniques at the TempMeko conference in Madeira. This was the result of collaborative research with MBW and Rotronic, two international manufacturers of humidity instruments.

We became a full member of the European Metrology Programme for Innovation & Research (EMPIR). EMPIR is a €600 million, 10-year measurement-related research programme run in accordance with Horizon 2020.

EMPIR will comprise top-end research with the international measurement units with the aim of addressing the so-called Grand Challenges in sectors such as

health, energy and the environment. EMPIR represents a significant opportunity for NML, academia and industry to work together on contracted research over a fixed timescale, in order to deliver true value and impact to the economy.

Redefinition of the kilogram

We are actively monitoring international developments in metrology, such as the upcoming redefinition of the kilogram. The kilogram is the SI unit for measuring mass and is the last remaining base unit to be defined as a physical object rather than in terms of a naturally occurring constant. As science and industry's requirement for a more accurate way to measure extreme weights increases, the search is on for a definition of the kilogram in terms of a fundamental constant so that it can be measured with greater accuracy.

New approaches to defining and realising the SI unit of mass (kg) are currently being explored. Such approaches include;

- a watt balance that compares measurements of electrical and mechanical power to establish a link between the SI electrical and mechanical units.
- the International Avogadro project that relates the kilogram to the mass of a fixed number of atoms by measuring the number of atoms in a sphere of silicon.

While further work is required on both of these possible methods, it's likely that the kilogram will be defined in terms of fundamental constants in the near future.

2013 Key Activities

NML

- Maintained 14 national measurement standards
- Issued 4,500 calibration certificates
- Launched a new proficiency testing scheme
- Carried out 10 proficiency tests
- Successful audit of our calibration and measurement capabilities
- Participated in five intercomparisons
- Delivered 14 training courses with participants from 50 companies
- 360 research days
- Gained full membership of EMPIR

CORPORATE GOVERNANCE



NSAI was established under the provisions of the National Standards Authority of Ireland Act 1996. As a statutory body it has the powers to acquire, hold and dispose of land and other property, including intellectual property, enter contracts, sue and be sued in its own name.

The Authority operates in accordance with provisions of the National Standards Authority of Ireland Act 1996; Metrology Act 1996, Package Goods (Quantity Control) Act 1980; Industrial Development Acts 1998 – 2009 and under the aegis of the Minister for Jobs Enterprise and Innovation who is empowered to; provide funds to the authority to enable it to discharge its obligations; to issue general policy directives; to seek information on the authority's activities.

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

EU Regulation No. 1025/2012 on European Standardization

Since 2012 NSAI has been notified by DJEI as the national standards body for CEN, CENELEC and ETSI under the EU regulation on standardization and is required to publish an annual report on standardization activities.

Code of Practice for the Governance of State Bodies 2009 (the Code)

The Board has adopted the Code and has implemented procedures and reviews to ensure full compliance with its provisions. The Chairman of the Board, in a separate report furnished annually to the Minister for Jobs, Enterprise and Innovation, confirms compliance with the individual requirements of the Code.

Ethics in Public Office Act 1995 and Standards in Public Office Act 2001

In accordance with the provisions of the Acts all Members and staff holding designated positions furnish the Secretary with complete statements of interest in compliance with the provisions of the Acts.

Employment Equality Acts 1998 and 2004

NSAI is committed to a policy of equal opportunity and adopts a positive approach to equality in the organisation. A policy on Dignity at Work is in operation and has been communicated to all staff.

NSAI is committed to maintaining and developing a balance work/life environment for all staff.

Safety Health and Welfare at Work Act 2005

NSAI has put in place procedure to comply with the Safety, Health and Welfare at Work Legislation, and has prepared a Safety Statement embracing all matters affecting safety, health and welfare of staff and visitors to NSAI's premises. This document is reviewed and updated as necessary.

Worker Participation (State Enterprises) Acts, 1998

NSAI is not a designated body for the purposes of the Act. However, in accordance with the provisions of the NSAI Act 1996 the authority has put in place procedures for staff representation on the Board.

Freedom of Information 1997 and 2003

NSAI is a prescribed organisation under provisions of these Acts.

The Acts establish the following statutory rights;

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

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

Data Protection Acts 1988 and 2003

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

Guidelines for the Appraisal and Management of Capital Expenditure Proposals.

NSAI has established procedures which are consistent with the principles set out in these guidelines.

Prompt Payment of Accounts Act 1997

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

Prompt Payment of Suppliers

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

NSAI reports quarterly in the "About NSAI – Publications" section of the website on the performance against this rule.

Energy Efficiency and Conservation

NSAI is committed to taking every effort possible to be energy efficient. During 2013 the authority consumed the following energy over 9 facilities:

- 1,177,813 kWh of electricity
- 1,272,978 KWh of natural gas

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

The Head Quarters building has an energy rating of B2.

Customer Charter

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

Official Languages Act 2003

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

Financial Emergency Measures in the Public Interest Act 2010 & Haddington Road Agreement

NSAI operates within FEMPI and has implemented the provisions of this Act and the subsequent agreements as required.

THE BOARD

Serving Board Members



Julie O'Neill, Chairman



Maurice Buckley, Chief Executive



James Collins



Kieran Cox



Eugene Forde



Aideen Goggin



Terry Landers



Peter Oates



Deirdre O'Hara



Barbara O'Leary



Kieran Ryan



Edmond Stack

Retired in 2013



Ann Riordan, Chairman



Anne Clarke



Damien Wallace

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

The Board comprises thirteen members: a chairperson and 12 members, inclusive of the Chief Executive Officer as an ex-officio member. Annually, on the anniversary of the establishment day of the Authority the three longest serving Members present for retirement from the Board.

The Board operates in accordance with the guidelines of the Code of Practice for the Governance of State Bodies 2009 and principles for best practice in corporate governance.

The Board is responsible for the strategy and policies of the organisation and for ensuring the existence of an appropriate internal control environment for overseeing its operations.

This is achieved through an internal control infrastructure which includes Matters Reserved to the Board, a clear division of roles between the Chairman and Chief Executive, a schedule of meetings with regular reporting and presentations to the Board and an

active Audit and Risk Committee. The Executive Management are responsible for the operational implementation of the strategy, policies and procedures.

In accordance with the Ethics in Public Office Acts 1995 and 2001, NSAI Board Members furnish to the Secretary a Statement of Interests, which could involve a conflict of interest or materially influence the Member in relation to their performance of the Board, which is also sent to Standards in Public Office Commission.

NSAI fully complies with the Government guidelines on the payment of fees to Board Members.

Attendance at Board Meetings (Seven meeting were convened during 2013)

Board Members	Sector	Meetings Attended
Julie O'Neill - Chairman (Appointed - July 2013)	Pharmaceutical	4 out of 4
Ann Riordan - Chairman (Retired - April 2013)	ICT	2 out of 2
Maurice Buckley	CEO - NSAI	6 out of 7
Anne Clarke (Retired - February 2013)	Staff	1 out of 1
James Collins	Education	5 out of 7
Kieran Cox	Staff	7 out of 7
Eugene Forde (Appointed - October 2013)	Dept. Jobs, Enterprise & Innovation	1 out of 2
Aideen Goggin (Appointed - January 2013)	Financial	7 out of 7
Terry Landers	ICT	7 out of 7
Peter Oates (Appointed June 2013)	Staff	5 out of 5
Deirdre O'Hara (Appointed - January 2013)	Energy	6 out of 7
Barbara O'Leary	Environment	7 out of 7
Kieran Ryan (Reappointed - June 2013)	Medical	4 out of 6
Edmond Stack	Engineering	6 out of 7
Damien Wallace (Retired - April 2013)	Financial	2 out of 2

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STATEMENT OF BOARD MEMBERS' RESPONSIBILITIES

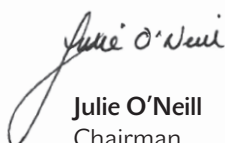
FOR 2013 ANNUAL FINANCIAL STATEMENTS

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

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

The Board is responsible for keeping proper books of account which disclose with reasonable accuracy at any time its financial position and which enable it to ensure that the Financial Statements comply with Paragraph 8 of the First Schedule to the National Standards Authority of Ireland Act, 1996. The Board is also responsible for safeguarding its assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Board:



Julie O'Neill
Chairman
27 June 2014



Maurice Buckley
Chief Executive Officer
27 June 2014

STATEMENT ON INTERNAL FINANCIAL CONTROL

On behalf of the Board of NSAI I acknowledge our responsibility for ensuring that an effective system of internal financial control is maintained and operated in the Authority.

The system can only provide reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded and that material errors or irregularities are either prevented or would be detected in a timely period.

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

- Establishing formal procedures for monitoring the activities and safeguarding the assets of the organisation;
- Clearly defining management responsibilities and powers;
- Developing a culture of accountability across all levels of the organisation.

The Board has established processes to identify and evaluate business risks by:

- Operating a formal risk management process. This process considers the primary risks facing the Authority in the discharge of its function and achievement of overall objectives.
- Management is responsible for the identification and evaluation of significant risks and for the design and implementation of appropriate internal controls.
- Management reports to the Board on significant changes in the operations of the Authority and their associated risks.

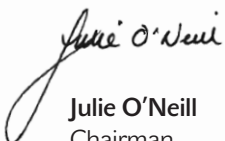
The system of internal financial control is based on a framework of regular management information, administration procedures including segregation of duties, and a system of delegation and accountability. In particular it includes:

- Clearly defined authorisation limits, segregation of duties and the controls available from its financial systems. This system is overseen by the Audit Committee which engages suitable external agencies to examine and test this system.
- The operation of a system of budgetary control against which actual performance is compared throughout the year. Financial results are reported to the Board with variance against budget interrogated.
- Board approval is required for all key payment authorities and banking mandates.
- The Audit Committee, a sub-committee of the Board, approves internal audit plans and deals with significant control issues raised by the internal or external auditors. This Committee ensures that the work done by the internal audit function is focussed on areas of greatest risk or exposure.

NSAI has an outsourced internal audit function, which operates in accordance with the Framework Code of Best Practice set out in the Code of Practice on the Governance of State Bodies and which reports directly to the Audit Committee. The work of internal audit is informed by analysis of the risk to which the body is exposed, and annual internal audit plans are based on this analysis. The analysis of risk and the internal audit plans are endorsed by the Audit Committee. The Audit Committee meets on a regular basis throughout the year to review and confirm the ongoing adequacy and effectiveness of the system of Internal Financial Control.

The Board's monitoring and review of the effectiveness of the system of internal financial control is informed by the work of the Internal Auditor, the Audit Committee which oversees the work of the Internal Auditor and the executive managers within NSAI who have responsibility for the development and maintenance of the financial control framework.

I confirm that in respect of the year to 31 December 2013, the Board conducted a review of the effectiveness of the system of internal financial controls.



Julie O'Neill
Chairman
27 June 2014

REPORT OF THE COMPTROLLER AND AUDITOR GENERAL



Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

National Standards Authority of Ireland

I have audited the financial statements of the National Standards Authority of Ireland for the year ended 31 December 2013 under the National Standards Authority of Ireland Act 1996. The financial statements, which have been prepared under the accounting policies set out therein, comprise the accounting policies, the consolidated income and expenditure account, the statement of consolidated total recognised gains and losses, the consolidated balance sheet, the consolidated cash flow statement and the related notes. The financial statements have been prepared under paragraph 8 of the first schedule of the Act, and in accordance with generally accepted accounting practice in Ireland.

Responsibilities of the Members of the Authority

The Authority is responsible for the preparation of the financial statements, for ensuring that they give a true and fair view of the state of the Authority's affairs and of its income and expenditure, and for ensuring the regularity of transactions.

Responsibilities of the Comptroller and Auditor General

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

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

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

Scope of Audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements, sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of

- whether the accounting policies are appropriate to the Authority's circumstances, and have been consistently applied and adequately disclosed
- the reasonableness of significant accounting estimates made in the preparation of the financial statements, and
- the overall presentation of the financial statements.

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

In addition, I read the Authority's annual report to identify material inconsistencies with the audited financial statements. If I become aware of any apparent material misstatements or inconsistencies, I consider the implications for my report.

Deferred Pension Funding

Without qualifying my opinion I draw attention to note 11 (c) to the financial statements. The Authority recognises an asset in respect of deferred pension funding – the current value of the funding it anticipates will be provided in the future by the State to meet pension liabilities as they fall due. Inherent in this accounting treatment is an assumption that any income generated by the Authority will in the first instance be applied towards current expenses and that State funding will meet any current or future shortfall in resources including future pension liabilities.

REPORT OF THE COMPTROLLER AND AUDITOR GENERAL

(CONTINUED)

Opinion on the Financial Statements

In my opinion, the financial statements, which have been properly prepared in accordance with generally accepted accounting practice in Ireland, give a true and fair view of the state of the Authority's affairs at 31 December 2013 and of its income and expenditure for 2013.

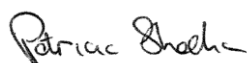
In my opinion, proper books of account have been kept by Authority. The financial statements are in agreement with the books of account.

Matters on which I Report by Exception

I report by exception if

- I have not received all the information and explanations I required for my audit, or
- my audit noted any material instance where money has not been applied for the purposes intended or where the transactions did not conform to the authorities governing them, or
- the information given in the Authority's annual report is not consistent with the related financial statements, or
- the Statement on Internal Financial Control does not reflect the Authority's compliance with the Code of Practice for the Governance of State Bodies, or
- I find there are other material matters relating to the manner in which public business has been conducted.

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



Patricia Sheehan

For and on behalf of the
Comptroller and Auditor General
30 June 2014

BOARD MEMBERS AND GENERAL INFORMATION

Board of the NSAI

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

Board Members:	Ms. J. O'Neill - Chairman - Appointed 16th July 2013
	Ms. A. Riordan - Chairman - Retired 14th April 2013
	Mr. M. Buckley - Chief Executive Officer
	Ms. A. Clarke - Resigned 14th February 2013
	Mr. J. Collins
	Mr. K. Cox
	Mr. E. Forde - Appointed 22nd October 2013
	Ms. A. Goggin - Appointed 31st January 2013
	Mr. T. Landers
	Mr. P. Oates - Appointed 27th June 2013
	Ms. D. O'Hara - Appointed 31st January 2013
	Ms. B. O'Leary
	Mr K. Ryan - Reappointed 27th June 2013
	Mr. E. Stack
	Mr. D. Wallace - Retired 14th April 2013
	Mr. P. Bracken - Board Secretary

General Information

Head Office:	1 Swift Square Northwood Santry Dublin 9
Auditors:	Comptroller and Auditor General
Bankers:	Allied Irish Banks
Solicitors:	McCann Fitzgerald

ACCOUNTING POLICIES

The National Standards Authority of Ireland Act, 1996

The National Standards Authority of Ireland (NSAI) was established on 14 April 1997 under Section 6 of the National Standards Authority of Ireland Act, 1996. On the establishment day all property, which immediately before that day was the property of the NSAI as a Committee of Forfás, was vested in the Authority. The transitional provisions set out in Part III of the Industrial Development (Enterprise Ireland) Act, 1998 provided for the transfer to the National Standards Authority of Ireland of all property, rights and liabilities of the Legal Metrology Service held immediately before that day by Forbairt.

The basis of accounting and significant accounting policies adopted are as follows:-

(a) Basis of Accounting

The financial statements have been prepared under the historical cost convention in the form approved by the Minister for Jobs, Enterprise and Innovation with the concurrence of the Minister for Finance under the National Standards Authority of Ireland Act, 1996.

The financial statements are prepared on an accruals basis, except as stated below and in accordance with Generally Accepted Accounting Practice. Financial Reporting Standards recommended by the recognised accounting bodies are adopted as they become applicable.

The consolidated financial statements comprise the financial statements of the Authority and its subsidiary NSAI Inc. The accounting policies of the subsidiary do not differ to those of the Authority.

(b) Income

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

(c) Oireachtas Grant

This is accounted for on a cash receipt basis except when a grant is received in respect of the discharge of liabilities in the following year, when the grant is deferred.

(d) Translation of Foreign Currencies **Foreign Currency Transactions**

Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates ruling at the Balance Sheet date. Revenues and costs are translated at the exchange rates ruling at the dates of the underlying transactions. Profits and losses arising from foreign currency translations upon settlement of amounts receivable and payable in foreign currency are dealt with in the Income and Expenditure Account.

Foreign Operations

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

(e) Fixed Assets

Fixed Assets comprise tangible fixed assets which are owned by the NSAI and are stated at cost less accumulated depreciation or in the case of Land & Buildings transferred from Enterprise Ireland, National Metrology (NML) at valuation. Depreciation is calculated in order to write off the cost of fixed assets over their estimated useful lives as follows:

Equipment, Fixtures & Fittings	5 years
Computers	3 years
Land and Buildings	50 years
Motor Vehicles	5 years

(f) Capital Account

The Capital Account represents grant income utilised for the acquisition of Fixed Assets and is written down in line with the depreciation and revaluation policies for the related assets.

(g) Debtors

Debtors are stated net of a provision for non-recovery of bad and doubtful debts. The provision against non-recovery of debtors is made against specific doubtful debtors with additional provision against other trade debts where appropriate.

(h) Leases

Rentals due under operating leases are dealt with in the financial statements as they fall due.

(i) Superannuation

The Income and Expenditure Account, Statement of Recognised Gains and Losses and Balance Sheet recognise pension transactions, movements and balances in accordance with the requirements of Financial Reporting Standard 17, Retirement Benefits.

Forfás Scheme

Staff working in NSAI who immediately prior to establishment day were permanent members of the staff of Forfás continue to be members of said staff under Section 38(1)(a) of the National Standards Authority of Ireland Act 1996. Accordingly, under Paragraph 3 of the Second Schedule of the Industrial Development Act, 1993, Forfás is responsible for the employee pension entitlements of these staff.

NSAI Scheme

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

Pension scheme liabilities are measured on an actuarial basis using the projected unit method. Pension costs reflect pension benefits earned by employees in the period and are shown net of staff pension contributions which are retained by the NSAI. An amount corresponding to the pension charge is recognised as income to the extent that it is recoverable, and offset by grants received in the year to discharge pension payments.

Actuarial gains or losses arising from changes in actuarial assumptions and from experience surpluses and deficits are recognised in the Statement of Total Recognised Gains and Losses for the year in which they occur and a corresponding adjustment is recognised in the amount recoverable from the Department of Jobs, Enterprise and Innovation.

Pension liabilities represent the present value of future pension payments earned by staff to date. Deferred pension funding represents the corresponding asset to be recovered in future periods from the Department of Jobs, Enterprise and Innovation.

CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT

FOR YEAR ENDED 31 DECEMBER 2013


	Notes	2013 €	2012 €
Income	1	18,710,504	18,613,423
Expenditure			
Administration and General Expenses	2	24,153,562	24,689,586
Deficit before Oireachtas Grant		(5,443,058)	(6,076,163)
Oireachtas Grant	3	5,641,000	6,244,859
Operating Surplus for year		197,942	168,696
Transfer from Capital Account	4	66,798	215,960
Translation Adjustment		(126,305)	(39,853)
Surplus for year		138,435	344,803
Balance at 1 January		4,507,395	4,162,592
Balance at 31 December		4,645,830	4,507,395

Amounts shown under Income and Expenditure are in respect of continuing activities.

The Accounting Policies, Cashflow Statement and Notes 1 to 15 form part of the Financial Statements.

On behalf of the Board:


Julie O'Neill
 Chairman
 27 June 2014


Maurice Buckley
 Chief Executive Officer
 27 June 2014

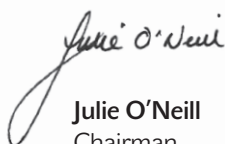
STATEMENT OF CONSOLIDATED TOTAL RECOGNISED GAINS AND LOSSES

AS AT 31 DECEMBER 2013

	Notes	2013 €	2012 €
Surplus for year		138,435	344,803
Experience Gains on pension scheme liabilities	11(d)	2,520,000	1,390,000
Changes in assumptions underlying the present value of pension scheme liabilities	11	-	-
Actuarial Gains on Pension Liabilities		2,520,000	1,390,000
Adjustment to Deferred Pension Funding	11	(2,520,000)	(1,390,000)
Total Recognised Gains for the year		138,435	344,803

The Accounting Policies, Cashflow Statement and Notes 1 to 15 form part of the Financial Statements.

On behalf of the Board:



Julie O'Neill
Chairman
27 June 2014



Maurice Buckley
Chief Executive Officer
27 June 2014

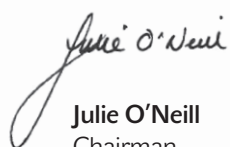
CONSOLIDATED BALANCE SHEET

AS AT 31 DECEMBER 2013

	Notes	2013 €	2012 €
Fixed Assets			
Tangible Fixed Assets	5	4,470,152	4,537,120
Current Assets			
Debtors and Prepayments	7	3,763,160	3,928,785
Bank		2,071,845	1,704,942
		5,835,005	5,633,727
Creditors : amounts falling due within one year	8	1,189,175	1,126,332
Net Current Assets		4,645,830	4,507,395
Total Assets less current liabilities before Pensions		9,115,982	9,044,515
Deferred funding Asset for Pensions	11(c)	33,600,000	33,300,000
Pension Liabilities	11(b)	(33,600,000)	(33,300,000)
		-	-
Total Assets less current liabilities after Pensions		9,115,982	9,044,515
Net Assets		9,115,982	9,044,515
Financed By:			
Capital Account	4	4,470,152	4,537,120
Income and Expenditure Account		4,645,830	4,507,395
		9,115,982	9,044,515

The Accounting Policies, Cashflow Statement and Notes 1 to 15 form part of the Financial Statements.

On behalf of the Board:



Julie O'Neill
Chairman
27 June 2014



Maurice Buckley
Chief Executive Officer
27 June 2014

CONSOLIDATED CASH FLOW STATEMENT

FOR YEAR ENDED 31 DECEMBER 2013

	Notes	2013 €	2012 €
Reconciliation of Operating Surplus for Year to Net Cash Inflow from Operations			
Operating Surplus for the Year		197,942	168,696
Bank Interest		(4,886)	(10,351)
Depreciation Charge	5	605,486	706,758
Profit on disposal of Tangible Fixed Assets		(16,451)	(36,450)
Decrease/(Increase) in Debtors and Prepayments		165,625	(272,680)
Increase/(Decrease) in Creditors and Accruals		62,843	(512,755)
Currency Translation Adjustment		(126,305)	(39,853)
Net Cash Inflow from Operations		884,254	3,365
CASH FLOW STATEMENT			
Net Cash Inflow from Operations		884,254	3,365
Returns on Investment and Servicing of Finance			
Bank Interest		4,886	10,351
Cash Flow before Capital Expenditure		889,140	13,716
Capital Funding			
Purchase of Tangible Fixed Assets	5	(538,787)	(490,797)
Sale of Tangible Fixed Assets		16,550	36,450
Increase in Cash		366,903	(440,631)
Reconciliation of Net Cash Flow to Movement in Net Funds			
Movement in Net Funds in the year		366,903	(440,631)
Net Funds at 1 January		1,704,942	2,145,573
Net Funds at 31 December		2,071,845	1,704,942

NOTES TO THE ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2013

(1) Income

	2013	2012
	€	€
Certification Fees	14,980,685	14,975,818
Sale of Standards	779,757	791,344
Other Income	125,176	145,910
Bank Interest	4,886	10,351
	15,890,504	15,923,423
Net deferred funding for pensions	Note 11(c) 2,820,000	2,690,000
	18,710,504	18,613,423

(2) Administration and General Expenses

	2013	2012
	€	€
Pay and Superannuation costs	11,054,538	11,716,554
Pension costs	Note 11(a) 2,891,350	2,972,825
Board Members Remuneration and Expenses	Note 14 51,080	71,170
Travelling Expenses	1,245,339	1,305,254
Sub-contracted and Professional Services	3,856,597	3,412,878
Rents, Rates, Repairs and Maintenance	2,021,819	1,975,466
Other Operating Expenses	1,746,416	1,900,862
Profit on disposal of Fixed Assets	(16,451)	(36,450)
Subscriptions to Organisations	672,988	638,419
Depreciation	Note 5 605,486	706,758
Audit Fee	24,400	25,850
	24,153,562	24,689,586

Pay and Superannuation Costs of staff comprise:

Wages and Salaries	10,326,259	10,950,079
Social Welfare Costs	695,792	736,773
Superannuation Costs	32,487	29,702
	11,054,538	11,716,554

Wages and Salaries includes the cost of termination payments issued to 2 individuals.

The number of persons employed (whole time equivalent) at 31 December 2013 was 141. (2012: 154)

Other Operating Expenses includes an amount of €7,398 in relation to Employee engagement/staff welfare (2012: €7,334). These costs include a contribution to staff social club events and staff team building exercises.

A Government decision has been taken to dissolve Forfás. The legislation which provides for the dissolution of Forfás and the transfer of functions (Industrial Development (Forfás Dissolution) Bill 2013 was published on 19 December 2013 by the Houses of the Oireachtas. Upon the dissolution of Forfás staff working in NSAI will become employees of NSAI and responsibility for all pension entitlements of serving staff will transfer from Forfás to NSAI. Responsibility for all pension entitlements for current pensioners and those with preserved benefits will transfer to DJEI.

(3) Oireachtas Grant

	2013 €	2012 €
Grant for Administration and General Expenses	5,641,000	6,244,859
	5,641,000	6,244,859

The Oireachtas Grant is issued by The Department of Jobs, Enterprise and Innovation and includes an amount of €500,000 in relation to capital purchases in 2013. Funding is from Vote 32, Subhead A.11

(4) Capital Account

	2013 €	2012 €
Opening balance	4,537,120	4,752,880
Net Movements on Tangible Fixed Assets	(66,798)	(215,960)
Transfer to Income & Expenditure Account	(66,798)	(215,960)
Transfer of NML Land & Buildings from Enterprise Ireland	0	0
Currency Translation Adjustment	(170)	200
At 31 December	4,470,152	4,537,120

NOTES TO THE ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2013 (CONTINUED)

(5) Tangible Fixed Assets

<i>In Euro</i>	Equipment, Fixtures & Fittings €	Computer Equipment €	Land & Buildings €	Motor Vehicles €	Total €
COST					
At 1 January 2013	4,572,022	2,842,939	4,223,270	354,848	11,993,079
Additions	138,272	359,757	40,758	0	538,787
Disposals	(34,233)	(10,795)		0	(45,028)
Translation Adjustment	(2,001)	(6,931)			(8,932)
At 31 December 2013	4,674,060	3,184,970	4,264,028	354,848	12,477,906
DEPRECIATION					
At 1 January 2013	4,002,850	2,487,281	855,435	110,393	7,455,959
Charge for Year	225,280	235,643	85,286	59,277	605,486
Disposals	(34,233)	(10,696)		0	(44,929)
Translation Adjustment	(2,203)	(6,559)			(8,762)
At 31 December 2013	4,191,694	2,705,669	940,721	169,670	8,007,754
NET BOOK VALUE					
At 1 January 2013	569,172	355,658	3,367,835	244,455	4,537,120
Net movement for year	(87,008)	124,015	(44,528)	(59,277)	(66,798)
Translation adjustment	202	(372)			(170)
At 31 December 2013	482,366	479,301	3,323,307	185,178	4,470,152

(6) Property

NSAI occupies premises at a number of locations. Our head office is located at 1 Swift Square, Santry, Dublin 9. These premises are leased, the lease was entered into in January 2008 for a period of 20 years. The first 5 year rent review due in January 2013 has to be completed.

NSAI has Regional Offices in Limerick and the USA. The Limerick office is located at Plassey Park Road, National Technology Park, Castletroy, Co Limerick, these premises are owned by NSAI. The regional office in the USA is located at 402 Amherst Street, Nashua, NH 03063, USA, these premises are leased, the lease was entered into in December 1999 and is due to expire August 2015.

The NSAI National Metrology Laboratory is located at Glasnevin, Dublin 9, these premises are owned by NSAI.

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

(7) Debtors and Prepayments

	2013 €	2012 €
Trade Debtors (net of bad debt provision)	2,802,387	2,779,836
Accrued Income	385,886	552,764
Prepayments	574,887	596,185
	3,763,160	3,928,785

(8) Creditors : amounts falling due within 1 year

	2013 €	2012 €
Trade Creditors	245,424	89,851
Other Creditors and Accruals	645,706	777,763
Deferred Income	309,895	280,425
Taxation, Social Insurance and VAT	(11,850)	(21,707)
	1,189,175	1,126,332

(9) Commitments under Operating Leases

Payments made under Operating Leases on Buildings charged in the financial statements amounted to €933,482 (2012: €934,304). Payments under Operating Leases on Buildings amounting to €932,840 are due to be made in 2014. These are in respect of leases which expire as follows:

	2013 €	2012 €
Expiry of Lease:		
Within one year		
One to five years	40,889	42,068
After five years	891,951	891,951
	932,840	934,019

(10) Taxation

The Authority is exempt from taxation on its income.

NOTES TO THE ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2013 (CONTINUED)

(11) Pension Costs

(a) Analysis of total pension costs charged to Expenditure

	2013	2012
Current service costs	€1,500,000	€1,600,000
Interest on pension scheme liabilities	€1,800,000	€1,800,000
Employee contributions	(€408,650)	(€427,175)
	€2,891,350	€2,972,825

(b) Movement in Net Pension Liability during the financial year

	2013	2012
Net pension liability at 1 January	€33,300,000	€32,000,000
Current service cost	€1,500,000	€1,600,000
Interest costs	€1,800,000	€1,800,000
Actuarial gain	(€2,520,000)	(€1,390,000)
Pensions paid in the year	(€480,000)	(€710,000)
Net pension liability at 31 December	€33,600,000	€33,300,000

(c) Deferred funding for Pensions

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

	2013	2012
Funding recoverable in respect of current year pension costs	3,300,000	3,400,000
State grant applied to pay pensioners	(480,000)	(710,000)
	2,820,000	2,690,000

The deferred funding asset for pensions as at 31 December 2013 amounted to €33.6 million (2012: €33.3 million).

(d) History of defined benefit obligations

	2013	2012	2011	2010
Defined benefit obligations	€33,600,000	€33,300,000	€32,000,000	€29,800,000
Experience gains on scheme liabilities				
Amount	(€2,520,000)	(€1,390,000)	(€620,000)	(€3,450,000)
Percentage of scheme liabilities	(8%)	(4%)	(2%)	(12%)

The cumulative actuarial gain recognised in the Statement of Total Recognised Gains and Losses amounts to €9,093,000.

(11) Pension Costs (continued)**(e) General Description of the Scheme**

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

The valuation used for FRS17 (Revised) disclosures has been based on a full actuarial valuation dated 27th February 2014 by a qualified independent actuary taking account of the requirements of the FRS in order to assess the scheme liabilities at 31 December 2013.

The principal actuarial assumptions were as follows:

	2013	2012	2011
Rate of increase in salaries	4%	4%	4%
Rate of increase in pensions in payment	4%	4%	4%
Discount rate	5.5%	5.5%	5.5%
Inflation rate	2%	2%	2%

(f) Mortality

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

	2013	2012	2011
Male aged 65	22	22	22
Female aged 65	25	25	25

(12) NSAI Inc.

NSAI Inc. was established in New Hampshire, USA on July 1, 1997 as a not for profit corporation wholly-owned by the NSAI for the purpose of distribution and dissemination of information on current and proposed Irish and EU standards, the provision of technical reviews and evaluation of products, processes and practices and certification for conformity to EU, Irish and International standards. The balances and transactions of NSAI Inc. have been included in these financial statements. The Consolidated Operating Surplus for the year includes a surplus from the operations of NSAI Inc. of €404,648. (2012 : €321,211)

(13) Board Members - Disclosure of Transactions

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

NOTES TO THE ACCOUNTS

FOR YEAR ENDED 31 DECEMBER 2013 (CONTINUED)

(14) Directors remuneration and CEO Salary

(a) Directors remuneration paid in 2013

Ms. J. O'Neill		€5,230	Chairman - Appointed 16th July 2013
Ms. A. Riordan		€3,670	Chairman - Retired 14th April 2013
Ms. A. Clarke		€885	Resigned 14th February 2013
Mr. J. Collins	[Note (i)]	€0	
Mr. K. Cox		€7,668	
Mr. E. Forde		€0	DJEI Representative, appointed 22nd October 2013
Ms. A. Goggin	[Note (i)]	€0	Appointed 31st January 2013
Mr. T. Landers	[Note (ii)]	€0	
Mr. P. Oates		€3,746	Appointed 27th June 2013
Ms. D. O'Hara		€6,843	Appointed 31st January 2013
Ms. B. O'Leary	[Note (i)]	€0	
Mr. K. Ryan		€6,105	Reappointed 27th June 2013
Mr. E. Stack		€7,668	
Mr. D. Wallace		€2,360	Retired 14 April 2013
Mr. M. Buckley		€0	Chief Executive Officer

The total Directors remuneration for 2013 was €44,175 (2012: €57,349)

(i) Remuneration not payable in accordance with OPOS principle.

(ii) Member voluntarily forgoing Directors remuneration.

(b) Directors Expenses

The total Directors expenses for 2013 was €6,905 (2012: €13,820)

(c) CEO salary

The Chief Executive's annual basic salary paid in 2013 was €148,680 (2012: €153,651). The total remuneration package consisting of superannuation provision, company car and any other benefits (subject to benefit in kind) for 2013 was €158,824 (2012 : €164,161). The Chief Executive is a member of the NSAI staff superannuation scheme and his pension entitlements do not extend beyond the standard entitlements of the model public sector scheme. The Chief Executive did not receive any performance related payments in either 2013 or 2012.

(15) Approval of Financial Statements

The financial statements were approved by the Board on the 19th of June 2014.



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