

**NSAI**

**ANNUAL REPORT 2009**

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# CHAIRPERSON'S STATEMENT

## ANN RIORDAN



With profound changes taking place in the global economy throughout 2009 the country faced a set of unprecedented challenges, including severe pressure on the public finances, a banking crisis, significantly reduced domestic demand, intense international competition and a rise in the value of the euro against currencies in our important export markets. Ireland has never faced this set of circumstances before, and perhaps our biggest challenge is in being prepared to take advantage of the anticipated upturn when it comes.

### NSAI BUSINESS PERFORMANCE

As the country's independent centre of excellence for standards development, certification and metrology, NSAI played an important role in supporting Ireland's enterprise infrastructure through the turbulence of 2009. In particular, we focused on providing short-term tools to address the urgent needs of Irish businesses, as well as enhancing our longer-term infrastructural framework to support Irish economic activities.

It is a considerable achievement that against the backdrop of a global economic recession the Authority maintained an income level of €17.5 million.

This was the first year of the implementation of NSAI's three-year strategy for 2009–2011, launched in January 2009, with the overarching aim of refocusing NSAI's services to best meet the needs of Irish business and society. The Authority began and advanced a number of important new initiatives during the year, and consequently good progress has been made against our objectives.

In tandem with the new strategy, the second year of NSAI's communications plan was well received. This programme is serving to bring NSAI's diverse functions under a single unifying brand and to increase public awareness of NSAI as a central source of services to enterprise and society.



This year concluded the agreement with the representative unions for the transfer of the National Metrology Laboratory (NML) staff to NSAI, thereby completing the move of the NML facility and staff from Enterprise Ireland to NSAI under the provisions of the Industrial Development (Enterprise Ireland) Act 1998.

I was particularly pleased that during the year NSAI initiated work with the Institute of Directors towards a new code of practice for corporate governance assessment in Ireland. When completed in 2010, this new code will help improve Ireland's private and public sector corporate governance performance and, in the aftermath of some negative commentary by the international press, will be an important component in re-establishing confidence in Ireland's governance structures.

## BOARD OF DIRECTORS

The NSAI Board of Directors is ever mindful of the need to ensure maximum return on investment of public funds. We are committed to the highest standards of corporate governance, and to ensuring that the principle of value for money applies throughout all of the Authority's activities. Accordingly, the Board and management team ensure that we carry out all duties with full commitment to our responsibilities as a statutory agency and that our robust governance arrangements are commensurate with our position as the national standards body for Ireland.

## OUTLOOK

2010 will no doubt present NSAI with further challenges to the implementation of the three-year strategic plan. However, the strategy provides a strong focus for NSAI as we prepare to improve the infrastructure of standards and certification through a mix of fee-generating and public-good support activities. These efforts will include:

- enhancing the level of the Section 12 authorised verifiers initiated in 2007;
- integrating activities with the strategies of the development agencies to attract leading medical device manufacturers and establish Ireland as a global centre of excellence for medical devices;
- developing the SWiFT initiative as an important instrument to meet the immediate requirements of business;
- continuing the drive to have over 150 active participants in international standards expert groups in 2010 and to assist technology companies with consultancy, research, and proficiency audits in precision measurement.

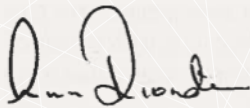
## IN APPRECIATION

On behalf of NSAI, I would like to record our thanks to the Minister for Trade and Commerce, Billy Kelleher T.D. and his officials at the Department of Enterprise, Trade and Innovation (DETI) for their continued support during the year.

As Chairperson I also wish to express my appreciation to my fellow Board members for their invaluable support and commitment throughout the year, and I would like to acknowledge in particular the work of Mr Niall Fitzsimons, who died, sadly, in December. I gratefully acknowledge also the valuable contribution of Mr Brian Cunningham and Dr Sean McCarthy, who both retired in April, and I warmly welcome the appointment of Mr Richard Hadfield and Mr Kieran Ryan and the re-appointment of Mr Des O'Loughlin to the Board.

Consultative committees played a crucial role in advising NSAI on its 2009 work programme. These committees are a vital part in facilitating the participation of industry in the work of standardisation and extending public awareness of the scope and significance of standards. I therefore wish to thank the many organisations, committee members and industry experts for their significant input to this work throughout the year.

During 2009 NSAI staff responded to the challenges presented with a commitment and professionalism that ensured the continued delivery of quality services and the maintenance of business confidence in NSAI's services. I wish to pay tribute to the staff for their endeavours and their continued efforts as we face into 2010.



**Ann Riordan**  
Chairperson

## CEO REPORT MAURICE BUCKLEY



*One third of the way through NSAI's Enabling Enterprise Excellence strategy I am pleased to report that the Authority has made strong headway towards realising the challenging objectives and targets we have set.*

All through 2009 our services continued to make a crucial contribution to Ireland's economic endeavours in the face of the testing economic circumstances facing the country. Our response to the difficulties facing Irish industry began at the very start of the year, as the full extent of the downturn was becoming apparent.

### **FOCUSED ASSISTANCE TO THE IRISH ECONOMY**

This involved refocusing our services on making the maximum impact, and redoubling our efforts to facilitate enterprise development, restore competitiveness and enhance business performance. The thrust of our assistance was the development of a number of immediate, short-term tools to support enterprise development. At the same time, we provided more medium-term focused infrastructural support for Ireland as a good place to do business.

As part of our response, NSAI recognised both the need to foster innovation and its importance in the sustainability and survival of enterprises and organisations. A highlight of the year was the change in the way we exploit the trade potential of standards development. This was a new focus on using the standards networks as a route to market and a tool for helping individual companies to maximise the potential of their research and development. The Authority believes this will grow in importance over the life of the three-year strategy.

We also successfully implemented a certification strategy for the medical devices sector in 2009, targeting the quickest time to certification for this vital sector of Irish enterprise. The product approval process for a CE Marking now averages an industry-leading four to six weeks, positioning the Authority as a progressive notified body working with cutting edge companies in the medical devices industry.

Sustainable construction was another key area in which the Authority advanced and supported enterprise development. Two particular highlights were the refocusing of our Agrément Division to support the emerging insulation industry and the publication of the European standard I.S. EN 16001 – Energy Management Systems. Based on the Irish energy standard developed by NSAI and the Sustainable Energy Authority of Ireland (SEAI) in 2005, this development is international recognition of Ireland's knowledge base in the vital and growing sustainability industry.

In terms of infrastructural support for Ireland as a place to do business, the NSAI SWiFT concept of expedited specifications and codes introduced in 2009 was a successful and timely means of responding to the needs of Irish industry. As a method of promoting robust but highly responsive codes and specifications this is a tool that will strongly support business going forward.

The Authority also kept a strong focus on promoting consumer confidence throughout the year as we advanced a transition from a time-based interval method of regulatory inspection of trade measurements to a risk-based approach, which has included the implementation of our Authorised Verifier scheme. This development is freeing NSAI resources to concentrate on trade measurement enforcement, higher compliance and the elimination of rogue operators, as well as creating better value for public money.

## **SUCCESSFUL FINANCIAL PERFORMANCE AND RESTRUCTURING**

All businesses and organisations, including NSAI, responded to the economic backdrop in 2009. The Government action in addressing the public finances and other national measures meant that cost control, cost reductions and budget cuts affected the entire Irish economy.

However, in addition to the range of initiatives we developed for the good of the Irish economy I am delighted to report that the Authority also closed the year with a net surplus of €275,300. We achieved income that was ahead of the 2009 figures and our cost-saving measures were somewhat ahead of target. NSAI therefore met all liabilities as they arose.

Reorganisation and restructuring of NSAI's cost base, previous investments in IT systems and careful management all contributed to the positive surplus figure. In a highly challenging environment, the NSAI Board, management and staff all played their part in helping to ensure the emergence of a leaner and stronger organisation at the end of 2009.

Among other key organisational developments of 2009 was completion of the transfer of the National Metrology Laboratory staff and systems from Enterprise Ireland to become a division within NSAI. This arrangement is a highly appropriate model for Irish metrology services that will deliver greater public service efficiencies and benefits to metrology users.

The communications activity and marketing of the Authority was also very successful in 2009, with two well-received publicity bursts on radio, a number of other targeted advertising and PR activities, and the launch of the new NSAI website. We also continued staff training to increase our 'can do' organisational culture, to create higher levels of collaboration and a better focus on delivering services for the customer.



## CONFIDENT STEPS FORWARD

The reality of modern business means that Irish enterprise is operating in an intensely competitive global environment, facing ongoing and accelerating change. To continue to grow and to succeed, companies must be innovative and competitive – and they must be enabled to innovate and compete. Our current strategic thrust, and indeed the economic situation, places us firmly in outward-looking mode offering a range of excellent services that add real value to the efforts of Irish enterprises in the global marketplace. The strategy integrates our areas of expertise in standards, certification and measurement with Government initiatives and with the pressing need to help Irish based businesses gain that competitive advantage. We are willing to assist companies in whatever way we can, and ready to tackle difficulties as they arise.

With the development and ongoing advancement of a comprehensive range of initiatives across all NSAI divisions in 2009, the Authority has taken confident steps in the direction of fulfilling our vision, mission, and towards achieving the strategic objectives and targets approved by the Board.

At the end of 2009, I believe the Authority is in a good position to continue enabling enterprise excellence and to continue making a positive impact both domestically and internationally. The influence of the economic climate notwithstanding, we anticipate further and secure progress against our strategic objectives in the year ahead.

With our Chairperson, I join in thanking our numerous partners in industry and Government for their support and I look forward to continuing our strong working relationships. I also express my thanks the NSAI Board and management for their work directed at delivering on our objectives.

Finally, I pay tribute to the NSAI staff, who, in a tough year, rose professionally to its challenges. Their commitment and hard work is what makes NSAI successful.



**Maurice Buckley**  
Chief Executive Officer



## CREATING AN OPEN MARKET INFRASTRUCTURE

NSAI's strategic drive towards creating an open market infrastructure is about maximising what we can do for Ireland, Irish business and Irish consumers now and into the future in the context of the European and global marketplaces.



## GENERATING OPTIMAL TRADE AND CONSUMER BENEFITS

One of the ways to generate optimal trade and consumer benefits for Ireland is to help companies engage with the process of developing European and international standards. Consumers worldwide, for example, can be assured that Irish goods and services follow the best international standards, while businesses can gain contacts with global-level players, access valuable market intelligence, create jobs, and shape industry and sector standards for years to come.

Because of NSAI's position and status as the leader of Irish input into European and international standards development, we can provide both indigenous companies and multinationals located in Ireland with access to the networks, working groups and committees that shape the standards for the world's new and developing technologies, products and services. NSAI therefore views standards as a vital asset in speeding up Ireland's economic recovery.

Our 2009–2011 strategy puts in place a fundamental shift towards exploiting the trade development potential of Irish participation in standards development. The initiative is at an early stage in terms of meeting the long-term objectives of doubling the number of Irish firms represented on international standards committees and winning five secretariats of international groups relevant to trade development by 2012. However, in 2009 NSAI advanced work in this area with the IDA and Enterprise Ireland to identify key innovative firms that could benefit from this initiative. We also initiated calls for companies to participate in the standardisation arena, thereby preparing the ground for future successes. The Authority will be relentless in pursuing this excellent opportunity for Ireland.

Competition is good for the Irish consumer and Irish enterprise, and another sphere in which creating an open market infrastructure can benefit both is in the harmonization of the European market for goods and services. As part of its drive to overcome technical barriers to trade, the EU has mandated a system of structural design codes known as Eurocodes that apply to construction and civil engineering. Having completed 21 Irish annexes for the Eurocodes at year-end 2009, the Authority was well on the way to developing the 48 national annexes required before the existing national

codes are withdrawn in April 2010. Eurocodes have the potential to create job opportunities by giving engineers, contractors, designers and product manufacturers the freedom to provide services in any Member State throughout Europe.

Also contributing to creating an open market infrastructure, NSAI established a Product Contact Point facility during the year under the Mutual Recognition Regulation (EC) 764/2008. This assists companies to find out what technical rules apply to non-harmonised products within Ireland.

## SUPPORTING AND SUPPLEMENTING REGULATION

In supporting and supplementing the application of standards, directives and regulations in Ireland, NSAI provides assistance to other State agencies through the certifying of products, services and organisations for compliance with recognised standards. In supporting the Road Safety Authority in 2009, and in line with our targets, NSAI implemented a number of schemes that collectively enhance the safety and environmental aspects of vehicles on the road in Ireland and in Europe.

Important progress in the National Motor Vehicle Approval scheme took place in advance of mandatory compliance dates under the EU Directive 2007/46/EC, which became part of Irish law from 29 April 2009. This Directive extends 'type approval' to vehicles not previously covered (buses, coaches, vans, trucks, trailers and some other special purpose vehicles) by the European Community Whole Vehicle Type Approval (ECWVTA) system, which allows a vehicle design to be type approved for sale, registration and entry into service across all Member States. The new arrangements started in April 2009 and will be phased in over a number of years. The NSAI scheme ensured that all the relevant Irish requirements, legislation and systems were in place to meet the series of target dates as the new system rolls out over the next five years, thereby making a positive impact on all road users and Irish road safety.

To deliver on this and other national approval schemes, NSAI also appointed eight Approved Test Centres (ATCs) in 2009 (with further applications underway) to undertake testing for vehicle approvals. The ATCs issue test reports for some or all of the technical requirements, however, NSAI remains the sole authority to grant approvals in Ireland.

## PROMOTING CONSUMER CONFIDENCE IN TRADE MEASUREMENTS

The Authority continued to focus on promoting excellent consumer confidence in trade measurements such as taximeters, petrol and diesel dispensers, automatic weighing instruments and measures used in the drinks industry. Our targets in this area include offering traders a speedy, cost-effective service for checking the calibration of their instruments. The aim in 2009 was to create an authorised verifier network, which allows third-party operators to carry out instrument verification on NSAI's behalf, and during the year we successfully implemented the Authorised Verifier Scheme. This included two tendering programmes, which led to the approval of 16 new verification operators, ensuring substantial progression towards our overall objective of having third-party verifiers available for 80% of instrument categories by 2011.

As a key component of promoting consumer confidence the Authority initiated a move from a time-based interval method of regulatory inspection to a risk-based approach. This has facilitated greater efficiency in the use of NSAI resources, better value for public money, and has encouraged a compliance regime with the elimination of rogue operators. As this approach develops, the intention is to free up NSAI resources to intensify the inspection of retailers, importers and packers of pre-packaged goods over the next two years, and so enhance consumer confidence in trade measurements. Strong progress was made with this initiative in 2009 through completing the installation of a new IT system and integrating data from the inspectorate and authorised verifiers, thereby creating a platform to achieve the full benefits of the risk-based inspections by our target date of 2011.

Ensuring consumer and industry confidence in the national measurements infrastructure was also realised through other Authority activities such as maintaining the national reference standards for a range of measurement quantities, calibrating over 4,500 measuring instruments and inspecting the measuring instruments used for trading purposes in almost 7,000 premises and vehicles throughout the country.

Maintaining the accuracy of the national measurement standards is an integral component of creating high consumer confidence. The programme in this area

involved research, development work and also the benchmarking and validating of the Irish measurement standards against international standards through participation in international comparisons. During 2009 the Authority successfully participated in eight international comparisons. The year was also strong in the provision of technical consultancy services to industry. The majority of consultancy assignments related to advising and assisting companies on technical methods and procedures, uncertainty evaluation and training companies seeking to accredit or extend their accreditation under ISO 17025, which relates to the competence of testing and calibration laboratories.



## CALIBRATION SECTOR PROVIDES GOOD READ-OUT FOR IRELAND PLC

NSAI support for companies providing accredited calibration services to Irish industry helped maintain Ireland's reputation as an attractive location for multinationals in 2009.

Most of Irish industry's commercial and R&D activity relies heavily on the availability of high-quality testing, measurement and calibration services, and the calibration and measurement infrastructure in Ireland is often seen as a barometer of the overall attractiveness of the country as a location for multinationals and investors.

This is especially the case in the hi-tech sectors such as medical devices, pharmaceuticals and biotechnology, where highly exacting standards of accuracy are required.

By assisting commercial labs in establishing new capabilities or in developing and extending their existing capabilities, NSAI promotes facilities competent in specific types of calibration and testing. In turn this helps keep industry moving and supports economic activity. It also helps industry to foster the knowledge economy, and ultimately keeps Ireland an attractive location for multinationals and investors.

Although in the current climate Irish companies have been extending their calibration intervals or being more selective with the number of items they measure, in the main the sector is continuing to hold up Ireland's reputation as a market leader in calibration services.

"The key to the success of many calibration service providers in Ireland is the support of

NSAI," says Donal O'Leary, Managing Director of Metrology Systems and Services Ltd., whose Cork firm has a range of clients in the bulk pharmaceuticals, finished pharmaceuticals, chemicals, medical devices, food ingredients and food processing industries.

"For example, the measurement capability and competence of our company over the past number of years has been very significantly enhanced by the continued support of NSAI's National Metrology Laboratory," continues O'Leary. "This is as a partner in carrying out independent laboratory inter-comparisons with us and in terms of the expertise that we can access within the NML."

A move towards higher accuracy equipment in the industry means that calibration service providers are working harder than ever to ensure the highest standards of accuracy are maintained. With NSAI's support, Irish calibration services can continue to enjoy a reputation of going to any lengths to meet every regulation and requirement.

## ENHANCING THE PERFORMANCE OF IRISH BUSINESS

Strengthening the performance of Irish business was a major priority for NSAI during the year. In a world where efficiency means survival, helping businesses to gain a competitive edge can make the difference between success and failure.



## ENHANCING BUSINESS PERFORMANCE TO BEST INTERNATIONAL STANDARDS

To help enhance business performance to the best international standards the Authority has devised a programme to provide free, read-only access to the full contents of Irish adopted European and many international standards in various university and professional organisation libraries throughout the country. It is aimed at stimulating interest in standards among businesses and entrepreneurs and supporting the development work of bodies such as Enterprise Ireland and the IDA. Under the strategic plan the Authority has a target of establishing five information centres by 2011, and in 2009 we established the first of these.

During the year NSAI was also very active in providing technical consultancy services in precision measurement to industry. The benefits to companies included receiving advice and assistance on technical methods and procedures, in addition to knowledge transfer to the service and high-tech industries. This work represented strong progress towards our objective of enhancing the performance of Irish business through assisting companies with exacting metrology requirements. In addition to this type of consultancy we also provided extensive technical assistance to the Department of Agriculture, Fisheries and Food and the Department of Defence, helping these organisations in establishing their own in-house calibration activities.

## EXPANDING SPECIFIC BUSINESS SECTORS

Launched in 2009, the SWiFT concept of expedited specifications and codes was a very successful initiative. Initially established as a strategic objective to enhance business performance by increasing the speed of standards delivery, the Authority diverted the concept into one of our direct responses to the issues Irish enterprise faced in 2009.

A SWiFT is a rapidly developed recommendatory document based on the consensus of the participants of an NSAI consultation process. Many Irish companies do not have the time to engage in the typical three-year process to develop a full-blown standard for their industry. But the SWiFT facilitates companies and other stakeholders by rallying them around a fast-track method of creating a specification or code that will then have immediate impact on issues in particular industries.

Progress with this initiative has exceeded all expectations against our objective of developing and promoting a flexible range of specifications that meet identified needs within an accelerated timescale. Three SWiFT documents were published in 2009; on innovation management, on public sector guidance for ISO 9001 and on clean wood fuel, each of which fits very well into the current national agenda. A host of other SWiFT projects, including risk management and corporate governance, which are highly relevant to current national issues, were also initiated during the year and are well under way, auguring well for 2010.

## INCREASING SERVICE DELIVERY EFFECTIVENESS IN THE PUBLIC SERVICE

The range of services NSAI offers the public sector is as comprehensive as for the private sector, and as a response both to the Government and the influential 2008 OECD report *Public Management Review: Ireland – Towards an Integrated Public Service*, NSAI's target is to double the adoption of ISO 9001 among Irish public sector organisations over the next three years.

While we are progressing towards this target and uptake among public sector bodies has been good, other issues pertaining to corporate governance, social responsibility, and risk management, came to the fore in 2009. Deficiencies in these areas has led to some negative commentary on corporate Ireland's reputation, at least at a macro-economic level, while corporate governance in particular became recognised as one of the top issues facing both public and private sector organisations in terms of management in the twenty-first century.

In October, as a direct response to some of these issues, NSAI in collaboration with the Institute of Directors, instigated work on SWiFT 3000 : 2010 Code of Practice for Corporate Governance Assessment in Ireland, the first code of its kind in the EU. More than a dozen key professional bodies engaged in the promotion of best corporate governance practice in Ireland participated in its development. The code will provide a robust framework for corporate governance assessment of compliance with relevant corporate governance codes and enhance the basic principles of good corporate governance for Irish organisations, resulting in an improvement in corporate governance performance in Irish companies. The first organisations are expected to be assessed in late 2010.



## A SWiFT RESPONSE TO IRISH INDUSTRY

NSAI's new SWiFT concept for developing expedited specifications and codes is proving an effective approach in responding to the needs of Irish industry.

The new SWiFT publications – NSAI developed and published three in 2009 – are rapidly developed recommendatory guidance documents based on the consensus of participants of an NSAI consultative group.

NSAI has designed SWiFT to provide Irish companies and all other relevant stakeholders with a fast method of creating specifications and codes that will create an immediate influence and impact on issues and practices relevant to the particular industry.

Appropriately, it was innovation – vital for the sustainability and survival of companies and organisations in the current economic climate – that was the subject of the first SWiFT document.

Launched in March 2009, the Guide to Good Practice in Innovation and Product Development Processes was developed by NSAI, leading innovators, academics and trade and industry experts. Participants included experts from Bord na Móna, Dromone Engineering, Fujitsu, Engineers Ireland, Enterprise Ireland, IT Sligo, Innovator, Katawave, NUIM, TCD, UCD and Schneider Electric.

Its development was stimulated by a need for Irish companies and organisations to have strong and clear guidance on how to foster innovation and by a number of government initiatives identifying the need for organisations to look more carefully at innovation.

Providing 'how to innovate' sections in an easy to read style, the guidance in NWA1:2009 is a

good first step for any organisation that wants to improve its innovation performance. A section for leaders provides guidance on fostering innovation in an organisation and how to develop an innovation strategy. A practitioners section outlines a step by step process on how to generate, capture, analyse, select and develop possible innovations to address unmet market needs – what innovation is all about.

Dromone Engineering, an industry-leading Irish firm that has been developing hitching technology for the agricultural and construction markets for over 30 years, is one company that has gained an immediate advantage from the new SWiFT.

In 2009 the County Meath company recognised a need to differentiate its product and increase its value-added proposition to the markets it operated in. The company felt it could only achieve this through innovation in every aspect of the business.

Through participating in the development of the SWiFT, Dromone Engineering was able to further improve its innovation processes, increasing productivity and speed to market for new ideas. Despite very difficult economic conditions in 2009 this led to the launch – ahead of the competition – of new excavator coupler technology to meet forthcoming legislation.

Managing Director William Egenton said: "The SWiFT provides a very simple road map for companies like Dromone. It is possible to communicate the innovation process very clearly in any organisation, and this is half the battle."

## FOSTERING AN INNOVATIVE AND KNOWLEDGE ECONOMY

During 2009 NSAI played an important role in supporting business innovation and helping to speed up the spread of technological advancements in Ireland.

This involved working in tandem with the science and enterprise development agencies, and with industry, researchers and intellectual property owners for the continued development of the Irish economy and the continued attraction of inward investment.

### **FACILITATING THE ADOPTION OF NEW TECHNOLOGIES DEVELOPED IN IRELAND**

One of the ways NSAI can facilitate the adoption of new technologies developed in Ireland is helping companies by conducting metrology audits. These audits allow companies such as calibration laboratories to both benchmark their effectiveness in the lead up to accreditation and demonstrate their compliance afterwards, thereby strengthening their competitiveness and those of the companies they service. Activity in this area was strong in 2009. We expect 10–12 metrology audits to take place in 2010, against an undertaking to complete 20 audits by 2012.

Research is another way to assist the introduction of new technologies, and during 2009 the Authority had four research projects on fundamental measurement in progress. This type of research ensures NSAI is able to provide the right advice to Irish industry at the right time, keeping the Authority well positioned for supporting the technical demands of emerging and existing industries.

## IMPROVING INTEREST IN SCIENCE AND TECHNOLOGY CAREERS

NSAI instigated work on a number of educational and communication initiatives in 2009 as part of our goal of developing the potential of science and technology careers in Ireland, which in turn helps to foster the innovation and knowledge economy. This work included the development of a module for third level colleges in 2009 – important for highlighting the role of standards in developing product market strategy to the engineers and scientists of the future.

Through a number of published articles, educational material for primary and secondary schools, attendance at conferences and negotiations with other Government agencies and departments, we also contributed to educating Irish businesses on the benefits and competitive advantages to be gained through standardisation.

## SUPPORTING EMERGENT-TECHNOLOGY AND INNOVATIVE SECTORS

The efforts of a number of public service bodies in the recent past to foster the medical devices sector in Ireland have largely come to fruition, with the industry now positioned as a vibrant growth area and a cornerstone of the Irish economy. NSAI's strategic objective is to assist in growing these innovative industry sectors through our certification and precision measurement capabilities. We are, and in 2009 continued to be, an important service within the integrated Government approach in the medical devices arena and within the industry itself.

A key NSAI target for the medical devices sector is to be the market leader in quality and response time for CE Mark certification. With the certification process for a CE Marking now averaging an industry-leading four to six weeks, the Authority is strongly positioned as a world-class notified body working in partnership with the cutting edge companies in the medical devices industry.

Medical device companies are subjected to many regulatory systems and international and national standards. The regulatory environment is constantly changing, influenced by many national and international forums and the drive towards global harmonisation. NSAI is in a favourable position to interpret the EU and global situations and guide this industry on the emerging medical device standards, requirements and regulations. Coupled with Ireland's objective to grow this industry and its R&D activity, we are supporting the enterprise development agencies through a dedicated medical devices service. During 2009, our ongoing focus continued to provide both expert product-centred advisory services and speedy certification underpinning Ireland's position as a global centre of excellence for medical device certification.

The realisation of this objective enables companies to gain crucial advantages over their competitors in terms of time to market. It also enhances the potential for high net worth inward investment and development of the economy.



## STANDARDS DEVELOPMENT GIVES BOOST TO CORK FIRM

A growing Cork company has gained a significant boost to its customer base as a result of becoming involved in international standards development work.

Nomos Software, which builds large-scale testing software for businesses in the financial and aerospace sectors, has completed an important sale with a Tier 1 banking client and enhanced its commercial reputation as a result of its involvement with the standards development process.

The Enterprise Ireland-supported company realised the critical importance of standards to its future development soon after its start-up just three years ago.

After it initiated contact with NSAI in 2009, the Authority put Nomos in touch with participants working on the Standards Evaluation Group for ISO 20022 – Universal financial industry message scheme. This standard provides the financial industry with a common platform for the development of the financial ‘messages’ that take place electronically between institutions – an important area for Nomos.

Through the contacts and relationships developed Nomos was able to fast-track beta testing on one of its software products leading to a business deal and potential ongoing commercial relationship with, according to MD Tricia Balfe, “the best customer we could possibly have imagined.”

“Standards are critical to a young company’s development. But they are also a very good way to gain valuable market intelligence, find out about the needs of customers and learn about the latest developments in your industry and

the strategy of your competitors,” added Balfe. “Becoming involved can help you gain a toe-hold in a customer account, and give you that vital chance to show how good your company, your team and your products are.”

NSAI facilitates Irish companies’ involvement with international standards development at various levels. Participation can include attending meetings internationally as a contributor to the full standards development process, providing part of the official Irish input in the development of standards or participating in discussions that contribute to the Irish input to the eventual standard. All of these ways of participating provide vital networking and commercial opportunities.

At present around 100 Irish companies participate in international standards working groups. NSAI’s target is to double that number by 2012 so that Ireland gains the maximum influence and trade from participation on these bodies.

## SUPPORTING SUSTAINABILITY

More and more businesses and consumers are becoming concerned with the sustainability agenda, and in 2009 NSAI's strategy was to support Irish trade, the Irish consumer and the Irish Government by facilitating those who wanted to embrace energy efficiency, reduce carbon emissions, environmentally friendly principles and sustainable practices.

Our high-level goal is to boost the development of green building technology and innovative solutions and products to not only assist the hard-pressed construction sector, but also encourage Irish enterprise to exploit Ireland's strong potential in the global market for environmental goods and services.



## REDUCING CARBON FOOTPRINTS IN BUILDINGS

Buildings are the single largest energy-consuming sector in developed countries, accounting for 40 to 60% of energy use. The NSAI strategy therefore includes sustainability initiatives that in sum will support companies in contributing to the Department of Environment's objective of reducing carbon emissions to zero from all new dwellings by 2013.

One of our objectives centres on encouraging strategic alliances with relevant State bodies to enable compliance with sustainability and environmental regulations. By means of NSAI participation in the Construction Forum, a cross-departmental grouping that involves the Department of Environment, Heritage and Local Government (DOEHLG), SEAI and Fáilte, the Authority has undertaken a central role in preparing the construction industry for the introduction of regulations to eliminate carbon emissions in accordance with the Government targets. In this context, NSAI has developed its alliance with SEAI, leading to the formation of a joint Energy Standards Consultative Committee. The purpose is to develop world-class standards in the field of energy management to help position Ireland in a global leadership role for the growing energy management industry.

A number of the Authority's sustainability initiatives centre on the built environment industry, and include encouraging the certification of new insulation, heating and waste management products and systems that will reduce carbon output, with a target of a 50% increase in the number of Agrément certificates issued in these areas by 2012. Work towards this target during the year included refocusing of the NSAI Agrément function to support the emerging insulation industry and the drafting, in conjunction with DOEHLG and SEAI, of a new national code of practice for the installation of solar panels.

NSAI also focused specific attention in 2009 on the objective of developing new insulation installer schemes to ensure consumer confidence during carbon reducing upgrades. To this end we offered registration to installers of blown loft insulation, full fill cavity wall insulation and external insulation and also introduced an independent WEP (Window Energy Performance) certification scheme for the Irish consumer market. The WEP rating is an overall energy rating, similar to the BER (Building Energy Rating) label, for a defined window and window frame

assembly. From this consumers are able to make informed choices when investing to reduce energy use and costs as well as greenhouse gas emissions.

## HELPING IRISH INDUSTRY MANAGE ENERGY AND MATERIALS USAGE

Promoting certification to I.S. EN 16001, the European standard for Energy Management Systems, is the key NSAI objective in terms of supporting sustainability by managing and reducing energy and energy materials. This European standard is based on the Irish standard IS 393:2008, which NSAI developed with the SEAI. The adoption of I.S. EN 16001 throughout Europe is a strong boost for NSAI and for Ireland, showing that we can be first in innovating new world-class standards. A group of Irish-based companies were the first to implement the new standard in Europe. Companies such as Diageo in Dublin and Heinz in Dundalk are now exporting their energy efficiency expertise to sister plants worldwide, which demonstrates that Ireland can lead the way in energy management in the global arena.

With the ongoing developments in the energy management sector, it is anticipated that the European standard will also heavily influence the new international standard on energy management, ISO 50001, currently in development. According to the International Organisation for Standardization (ISO), once published, ISO 50001 will establish a framework for industrial plants, commercial facilities or entire organizations to manage energy. Targeting broad applicability across national economic sectors, it is estimated that the standard could influence up to 60% of the world's energy use. The objective of the standard is to establish a systematic approach for improving energy performance continuously. It is based on plan-do-check-act cycle, with requirements for establishing an energy policy with concrete objectives, putting in place actions to reduce and monitor energy use, verifying energy savings, planning improvements and meeting carbon emissions reduction requirements. NSAI is a participating member on IC TC 242 Energy Management, the international committee responsible for developing this standard. Due to the global importance placed in energy management it is now likely that this standard will be as significant in the next decade as ISO 9000 quality management systems were in the 1990s.



## WORKING TOGETHER IS GOOD USE OF ENERGY

Irish homeowners and small businesses in the home insulation market are among the beneficiaries of collaboration between NSAI and the Sustainable Energy Authority of Ireland (SEAI).

The two agencies have been working closely together in recent times to provide a co-ordinated approach to raising Irish standards and practices in sustainable energy products and services, and in driving forward the national energy efficiency agenda.

NSAI is a named certifying body for certain insulation products and installation services under SEAI's Home Energy Saving scheme, which provides grants to homeowners for improving the energy efficiency of their homes. This certification is an assurance both to SEAI and to the homeowner that their insulation products and systems are fit for purpose and that the installers work to a recognised standard.

NSAI and SEAI also collaborate and play a leading part in the Construction Forum, a consultative alliance that includes DOEHLG and FÁS. The forum pools the expertise of these bodies to ensure co-ordinated, consistent and timely approaches in relation to various EU directives, product standards, certifications, schemes and issues within the construction industry, including energy efficiency and renewable energy products and services.

An example of this work, commenced in 2009, is a new national code of practice for the installation of solar panels, developed jointly between SEAI, NSAI and DOEHLG, and recently issued for public consultation.

"In the present economic climate there is a particular onus on all parts of the Irish public service to work cohesively together and take an integrated approach to providing supports and safeguards to enterprise and the consumer," says NSAI CEO Maurice Buckley.

"Working in partnership can benefit Ireland plc, especially in areas of growing economic importance such as sustainable energy. We value highly our collaboration with SEAI, not least because it has a strong and positive effect on industry and society."

The transformation of Ireland's built environment to low energy, low carbon performance levels is a key national goal. Central to our success in meeting this challenge in both the new build and retrofit markets will be the adoption across the building industry of radically improved products, installations and professional services.

"Strong standards and codes of practice have a vital role to play in this," says Owen Lewis, CEO of SEAI.

"We particularly welcome the initiatives being taken by NSAI in support of this agenda, and the benefits of working closely together to ensure that a strong framework is in place to ensure that building products and services providers can play their full part in meeting this important and exciting challenge."

# CORPORATE GOVERNANCE STATEMENT

NSAI is a body corporate established by the National Standards Authority of Ireland (NSAI) Act, 1996.

The Board is committed to ensuring that high standards of corporate governance are maintained throughout NSAI. We have a formal Board Corporate Governance Manual in place that details the NSAI's position on all significant matters. The Board believes that maintaining high standards in this area is a fundamental part of discharging our responsibility.

For the purpose of applying the Code of Practice for the Governance of State Bodies 2009 NSAI qualifies as a non-commercial State Body.

## **STATEMENT OF COMPLIANCE WITH THE CODE OF PRACTICE FOR THE GOVERNANCE OF STATE BODIES**

In accordance with the requirements of *13.1 Additional Reporting Requirements*, the Chairman has furnished the Minister, in conjunction with the annual reports and accounts of NSAI, with a comprehensive report covering NSAI's compliance with the Code. Throughout the year ended December 31, 2009 NSAI has been in substantial compliance with the provisions of the Code.

# CORPORATE GOVERNANCE STATEMENT

## MEMBERS

### Board Effectiveness

During the 2009 financial year the Board comprised of 13 Members, the Chairman, nine independent non-executive Members, two Staff Representatives and the Chief Executive.

During the year the Board met formally six times. Attendance at meetings of the NSAI Board and its Committees for 2009 was as follows:

Committee	Board	Audit	Remuneration (Note2)	Governance
<b>Number of Meetings</b>	<b>6</b>	<b>4</b>	<b>2</b>	<b>2</b>
Ms A. Riordan <i>Chairman</i> <i>Chairman Governance Committee</i>	5	-	2	2
Mr M. Buckley <i>Chief Executive</i>	6	-	-	-
Mr B. Cunningham <i>Retired April 14 2009</i>	1 <sup>(1)</sup>	-	-	-
Ms H. Curley <i>Chief Executive</i>	6	4	2	-
Mr N. Fitzsimons <i>Deceased December 2009</i>	4 <sup>(5)</sup>	-	1 <sup>(2)</sup>	-
Mr D. Gargan <i>Appointed Chairman of</i> <i>Audit Committee Sept 2009</i>	6	4	1 <sup>(1)</sup>	-
Mr R. Hadfield <i>Appointed April 15 2009</i>	5 <sup>(5)</sup>	-	-	2
Dr S. McCarthy <i>Retired April 14 2009</i>	1 <sup>(1)</sup>	-	1 <sup>(1)</sup>	-
Ms J. Murnane <i>O'Connor</i>	4	-	-	1
Ms M. O'Leary <i>Chairman</i> <i>Remuneration Committee</i>	3	2	1 <sup>(1)</sup>	-
Mr K. Ryan <i>Appointed 15 April 2009</i>	5 <sup>(5)</sup>	0 <sup>(1)</sup>	-	-
Mr D. O'Loughlin <i>Re-appointed 15 April 2009</i>	4	-	-	2
Ms E. Stack <i>Resigned as Chairman of the</i> <i>Audit Committee Sept 2009</i>	6	4	-	-
Mr E. Wade	5	-	-	1 <sup>(1)</sup>
Ms M.I. Walsh	6	-	1 <sup>(1)</sup>	1 <sup>(1)</sup>
Mr P. Bracken <i>Secretary</i>	5	4	2	2

**Note 1** Superscript numbers in brackets indicate the number of meetings eligible to attend due to appointment / retirement during the year.

**Note 2** Official title of Remuneration Committee is the CEO Appointment and Performance Related Remuneration Committee



# CORPORATE GOVERNANCE STATEMENT

The Board has established four permanent committees, the Audit Committee, the Remuneration Committee, Governance Committee and the Nominations Advisory Committee. These operate within defined terms of reference, which are reviewed at regular intervals.

## **Chairman and Chief Executive**

There is a clear division of responsibilities between the effective running of the Board and the executive responsibility for running NSAI. The Board Corporate Governance Manual details the Statement of Division of Responsibilities between the Chairman and CEO.

## **Board Performance Evaluation**

During 2009 the Board commissioned a Board Effectiveness Review.

## **THE AUDIT COMMITTEE**

### **Membership and Duties**

During 2009 the Audit Committee consisted of the five independent non-executive Members as detailed in the schedule of Members and Committees.

As a qualified accountant Mr. D. Gargan has the relevant financial experience as required by the Code.

The Chairman of the Board is not a Member of the Audit Committee.

The duties of the Audit Committee include the review of NSAI's financial controls and accounting policies, the review of the findings of the auditors and assisting the Board in ensuring that the published financial statements give a true and fair view, and in securing reliable internal financial information for decision-making. The Committee also reviews the Risk Management process and Risk Register on behalf of the Board

### **Report of the Audit Committee**

The Audit Committee prepares a comprehensive annual report, for adoption of the Board, on the activities of the Audit Committee and the internal control environment. This report provides the Board with an assurance that sufficient audits have been conducted to provide a reasonable assurance of the effectiveness of the system of internal controls and an assessment on the internal control environment for the year under review.

# CORPORATE GOVERNANCE STATEMENT

## THE REMUNERATION COMMITTEE

In accordance with the requirements of the Code and the Review Body on Higher Remuneration in the Public Service the Board has established a CEO Appointment and Performance Related Remuneration Committee to advise upon and make recommendations to the Board on the Chief Executive's performance related remuneration and business objectives. The Committee consisted of the six independent non-executive Members as detailed in the schedule of Members and Committees.

The Secretary attends the meetings and provides secretarial support for the operations of the Committee.

### Members' Remuneration

The remuneration of Members is set by reference to Government pay policies as contained in the warrant of appointment issued by the Minister.

NSAI is in compliance with Government policy on pay of Chief Executives and State body employees and with Government guidelines on the payment of fees to Board Members. Further details in respect of Members and Chief Executive Remuneration are set out in Note 14 to the Financial Statements.

## THE NOMINATIONS ADVISORY COMMITTEE

During 2009 the Board established a Nominations Advisory Committee to review the structure and composition of the Board within the requirements of the NSAI Act 1996.

The first meeting of the Committee will be convened in advance of the 2010 Anniversary of the Establishment Day of NSAI to consider the requirements for appointees to the Board and advise the Minister. All appointments to the Board are at the discretion of the Minister.

## THE GOVERNANCE COMMITTEE

The Board Governance Committee operates oversight in respect of NSAI's governance framework. Duties include articulating NSAI's overall corporate governance structures; reviewing NSAI governance documentation, including policies, procedures, codes of conduct, Board Corporate Governance Manual and assessing NSAI compliance with the Code of Practice for the Governance of State Bodies and makes appropriate recommendations to the Board.

# CORPORATE GOVERNANCE STATEMENT

## RELATIONS WITH DEPARTMENT

The Chairman and Chief Executive meet at regular intervals with the Minister to discuss the NSAI's performance and objectives.

In addition to the ongoing interactions, the Department of Enterprise, Trade and Employment, the Chief Executive and executive directors meet with officials of the Department of Enterprise, Trade and Employment on an agreed schedule of liaison meetings during the year.

## FINANCIAL REPORTING

The directors' responsibilities in respect of the annual financial statements are described in the Statement of Board Members' Responsibilities on page 28.

## RESPONSIBILITY FOR RISK AND INTERNAL CONTROL

NSAI has an internal control system in place, in line with the requirements of the Code of Practice for the Governance of State Bodies, which is designed to safeguard the assets of NSAI and facilitate its efficient operation. The Board considers that strong internal controls are integral to the sound management of the NSAI, and it is committed to maintaining strict financial, operational and risk management control over all its activities.

The Members are responsible for the system of internal control and for reviewing its effectiveness. Such a system is designed to manage, rather than eliminate, the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against material misstatement or loss. There is an ongoing process for identifying, evaluating and managing risks that are faced by NSAI through the management reporting structures.

The Board has adopted the Audit Committee annual report on the effectiveness of the system of internal control for the period covered by the accounts in accordance with the requirements of the Code. During the year no significant weaknesses have been found.

The key elements of internal control within NSAI to monitor the key risks are described below.

### Control Environment

There is a clear organisation structure in place, levels of authority are defined and responsibility for operational control is delegated to the Chief Executive. Whilst management guidelines and management reporting is in place for all business units, the Audit Committee also monitors these controls through a three-year internal audit programme.



# CORPORATE GOVERNANCE STATEMENT

## Identification and Evaluation of Risks and Control Objectives

The Board has the primary responsibility for NSAI risk management and ensuring the development of appropriate policies and procedures to manage them. The Audit Committee reviews the Risk Register at every meeting of the Committee. The Board delegates responsibility for managing those risks to senior management. The effectiveness of the risk control procedures in place is reported at least annually to the Board.

## Financial Reporting

NSAI operates a comprehensive budgeting, financial reporting and forecasting system. These are reviewed at both executive and Board level meetings to ensure that variances and discrepancies are identified and acted upon on a timely basis. A financial review is presented at each Board meeting, accompanied by relevant business unit accounts and a Chief Executive's report on key performance indicators for each business unit. Towards the end of each financial year the operating businesses prepare budgets for the following year. The Board reviews budgets before they are formally adopted.

## MAIN CONTROL PROCEDURES AND MONITORING SYSTEMS USED BY THE BOARD

There are a number of key control procedures in place that are reviewed on a regular basis by the Board. These cover the key risks faced by NSAI and are predominantly of an operational and financial nature.

In addition the Board considers the following matters.

**Commercial risk:** significant commercial contracts are reported to the Board and are controlled by the use of appropriate authorisation levels.

**Investment appraisal:** NSAI has procedures for the appraisal and management of capital expenditure projects. These procedures comply with the principles set out in the *Guidelines for the Appraisal and Management of Capital Expenditure Proposals*.

**Legal matters:** significant litigation and legal matters are reported to the Board.

# CORPORATE GOVERNANCE STATEMENT

**Legislation compliance:** NSAI monitors legislative developments to ensure maintenance of a compliance regime. In particular, NSAI has procedures in place for the following:

- Freedom of Information Acts, 1997 and 2003
- Safety, Health and Welfare at Work Act, 2005
- Prompt Payments of Accounts Act, 1997
- Ethics in Public Office Acts, 1995 and 2001
- Data Protection Acts, 1988 and 2003
- Employment Equality Acts, 1998 and 2004

**Operating business financial controls:** the executive management has defined the financial controls and procedures that each operating business is required to comply with.

**Strategic planning:** the Chief Executive is responsible for keeping the Board apprised on progress against NSAI strategy objectives. The Board reviews strategic plans as part of the ongoing business planning process.

**Computer systems:** much of the NSAI's financial management information is processed by and stored on computer systems. Accordingly NSAI has established controls and procedures over the security of data held on computer systems.

**Internal audit:** NSAI has outsourced its internal audit function by way of a three-year contract.

The Board is satisfied that the governance structures implemented provide reasonable, though not absolute, assurance that assets are safeguarded, transactions authorised and properly recorded, that material errors or irregularities are either prevented or would be detected in a timely period and that NSAI is in compliance with its obligations under the Code of Practice for the Governance of State Bodies 2009 and relevant legislation requirements.

By order of the Board  
June 29, 2010

# 2009 ANNUAL FINANCIAL STATEMENTS

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# STATEMENT OF BOARD MEMBERS' RESPONSIBILITIES

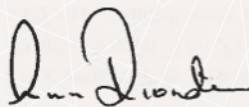
For 2009 Annual Financial Statements

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 Enterprise, Trade, and Employment, with the consent of the Minister for Finance, all proper and usual accounts of money received and expended by it and, in particular, to keep in such form as aforesaid all special accounts as the Minister for Enterprise, Trade, and Employment may from time to time direct. In preparing 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:



**Ann Riordan**  
Chairman



**David Gargan**  
Board Member

# 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.
- Executive Management is responsible for the identification and evaluation of significant risks and for the design and implementation of appropriate internal controls.
- Executive Management reports to the Board on significant changes in the operations of the Authority and their associated risks.

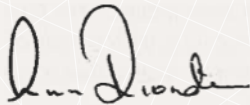
The system of internal financial control is based on a framework of regular management information, administration procedures including segregation of duties, and a system of delegation and accountability. In particular it includes:

- 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 2009, the Board conducted a review of the effectiveness of the system of internal financial controls.



**Ann Riordan**  
Chairman



# REPORT OF THE COMPTROLLER & AUDITOR GENERAL FOR PRESENTATION TO THE HOUSES OF THE OIREACHTAS

I have audited the financial statements of the National Standards Authority of Ireland for the year ended 31 December 2009 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 Total Recognised Gains and Losses, the Consolidated Balance Sheet, the Consolidated Cash Flow Statement and the related notes.

## RESPECTIVE RESPONSIBILITIES OF THE BOARD AND THE COMPTROLLER AND AUDITOR GENERAL

The National Standards Authority of Ireland is responsible for preparing the financial statements in accordance with the National Standards Authority of Ireland Act 1996, and for ensuring the regularity of transactions. The National Standards Authority of Ireland prepares the financial statements in accordance with Generally Accepted Accounting Practice in Ireland. The accounting responsibilities of the Members of the Board are set out in the Statement of Board Members' Responsibilities.

My responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

I report my opinion as to whether the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland. I also report whether in my opinion proper books of account have been kept. In addition, I state whether the financial statements are in agreement with the books of account.

I report any material instance where moneys have not been applied for the purposes intended or where the transactions do not conform to the authorities governing them.

I also report if I have not obtained all the information and explanations necessary for the purposes of my audit.

I review whether the Statement on Internal Financial Control reflects the Authority's compliance with the Code of Practice for the Governance of State Bodies and report any material instance where it does not do so, or if the statement is misleading or inconsistent with other information of which I am aware from my audit of the financial statements. I am not required to consider whether the Statement on Internal Financial Control covers all financial risks and controls, or to form an opinion on the effectiveness of the risk and control procedures.

I read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the financial statements.

## **BASIS OF AUDIT OPINION**

In the exercise of my function as Comptroller and Auditor General, I conducted my audit of the financial statements in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board and by reference to the special considerations which attach to State bodies in relation to their management and operation. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures and regularity of the financial transactions included in the financial statements. It also includes an assessment of the significant estimates and judgments made in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Authority's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations that I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

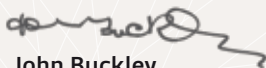
## **EMPHASIS OF MATTER – DEFERRED PENSION FUNDING**

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.

## **OPINION**

In my opinion, the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of the Group's affairs at 31 December 2009 and of its income and expenditure for the year then ended.

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



**John Buckley**

Comptroller and Auditor General  
30 September 2010

# BOARD MEMBERS & GENERAL INFORMATION

## BOARD OF THE NSAI

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

### Board Members:

Ms A. Riordan – Chairman  
Mr M. Buckley – Chief Executive Officer  
Mr B. Cunningham – Retired 14 April 2009  
Ms H. Curley  
Mr N. Fitzsimons – Deceased December 2009  
Mr D. Gargan  
Mr R. Hadfield – Appointed 15 April 2009  
Dr S. J. McCarthy – Retired 14 April 2009  
Ms J. Murnane O'Connor  
Ms M. O'Leary  
Mr K. Ryan – Appointed 15 April 2009  
Mr D. O'Loughlin – Re-appointed 15 April 2009  
Mr E. Stack  
Mr E. Wade  
Ms M. I. Walsh

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 Enterprise, Trade & Employment 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.

### C) OIREACHTAS GRANT

This is accounted for on a cash basis except that when a grant is received in the year in respect of the discharge of liabilities in the following year, 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. 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 Enterprise, Trade and Employment 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 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 Enterprise, Trade and Employment.

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 Enterprise, Trade and Employment.



# CONSOLIDATED INCOME & EXPENDITURE ACCOUNT

For Year Ended 31 December 2009

	Notes	2009 (€)	2008 (€)
<b>Income</b>	2	<b>17,499,425</b>	17,476,724
<b>Expenditure</b>			
Administration and General Expenses	3	<b>25,808,204</b>	24,595,983
<b>Deficit before Oireachtas Grant</b>		<b>(8,308,779)</b>	(7,119,259)
<b>Oireachtas Grant</b>	4	<b>8,339,148</b>	7,939,931
<b>Operating Surplus for year</b>		<b>30,369</b>	820,672
Transfer (to)/from Capital Account	5	<b>297,717</b>	(468,444)
Translation Adjustment		<b>(52,787)</b>	39,826
<b>Surplus for Year</b>		<b>275,299</b>	392,054
Balance at 1 January		<b>2,049,678</b>	1,657,624
Balance at 31 December		<b>2,324,977</b>	2,049,678

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:



**Ann Riordan**  
Chairman



**David Gargan**  
Board Member

# STATEMENT OF TOTAL RECOGNISED GAINS & LOSSES

As at 31 December 2009

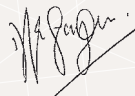
	Notes	2009 (€)	2008 (€)
<b>Surplus for year</b>		<b>275,299</b>	392,054
Experience Gains/(Losses) on pension scheme liabilities	11 (d)	1,900,000	346,000
Changes in assumptions underlying the present value of pension scheme liabilities	11	(3,429,000)	-
<b>Actuarial Gains/(Losses) on Pension Liabilities</b>		<b>(1,529,000)</b>	346,000
<b>Adjustment to Deferred Pension Funding</b>	11	<b>1,529,000</b>	(346,000)
<b>Total Recognised Gains for the year</b>		<b>275,299</b>	392,054

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

On behalf of the Board:



**Ann Riordan**  
Chairman



**David Gargan**  
Board Member

# CONSOLIDATED BALANCE SHEET

As at 31 December 2009

	Notes	2009 (€)	2008 (€)
<b>Fixed Assets</b>			
Tangible Fixed Assets	6	3,879,735	4,149,495
<b>Current Assets</b>			
Debtors and Prepayments	7	3,655,591	3,981,218
Bank		1,114,809	757,885
		<b>4,770,400</b>	<b>4,739,103</b>
Creditors: Amounts falling due within one year	8	2,445,423	2,689,425
<b>Net Current Assets</b>		<b>2,324,977</b>	<b>2,049,678</b>
<b>Total Assets less current liabilities before Pensions</b>		<b>6,204,712</b>	<b>6,199,173</b>
Deferred funding Asset for Pensions	11 (c)	30,000,000	25,400,000
Pension Liabilities	11 (b)	(30,000,000)	(25,400,000)
<b>Total Assets less current liabilities after Pensions</b>		<b>6,204,712</b>	<b>6,199,173</b>
<b>Net Assets</b>		<b>6,204,712</b>	<b>6,199,173</b>
<b>Financed by:</b>			
Capital Account	4	3,879,735	4,149,495
Income and Expenditure Account		2,324,977	2,049,678
		<b>6,204,712</b>	<b>6,199,173</b>

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

On behalf of the Board:



**Ann Riordan**  
Chairman



**David Gargan**  
Board Member



# CONSOLIDATED CASH FLOW STATEMENT

For Year Ended 31 December 2009

	Notes	2009 (€)	2008 (€)
<b>Reconciliation of Operating Surplus for Year to Net Cash Inflow from Operations</b>			
<b>Operating Surplus for the year</b>		<b>30,369</b>	<b>820,672</b>
Depreciation Charge	6	766,241	678,795
Profit on disposal of Tangible Fixed Assets		(200)	-
(Increase)/Decrease in Debtors and Prepayments		325,627	(287,018)
Increase/(Decrease) in Creditors and Accruals		(244,002)	46,238
Currency Translation Adjustment		(52,787)	39,826
<b>Net Cash Inflow from Operations</b>		<b>825,248</b>	<b>1,298,513</b>
<b>Cash Flow Statement</b>			
<b>Net Cash Inflow from Operations</b>		<b>825,248</b>	<b>1,298,513</b>
Purchase of Tangible Fixed Assets	6	(468,524)	(1,147,239)
Sale of Tangible Fixed Assets		200	-
<b>Increase in Cash</b>		<b>356,924</b>	<b>151,274</b>
<b>Reconciliation of Net Cash Flow to Movement in Net Funds</b>			
<b>Movement in Net Funds in the Year</b>		<b>356,924</b>	<b>151,274</b>
<b>Net Funds at 1 January</b>		<b>757,885</b>	<b>606,611</b>
<b>Net Funds at 31 December</b>		<b>1,114,809</b>	<b>757,885</b>

# NOTES TO THE ACCOUNTS

For Year Ended 31 December 2009

## 1 Transfer of National Metrology Laboratory

The activities of the National Metrology Laboratory were transferred to the NSAI on the 2nd of June 2009 following the enactment of the Industrial Development Act 1998.

The income and costs generated by the National Metrology Laboratory up to the 1st of June 2009 were accounted for by Enterprise Ireland. The net deficit for this period was funded by the transfer of NSAI grant as per Note 4. The income and costs generated by the National Metrology Laboratory with effect from the 2nd of June 2009 are accounted for by NSAI and are reflected in the 2009 figures.

Assets and liabilities of the National Metrology Laboratory were retained by Enterprise Ireland with the exception of fixed assets. All fixed assets other than land and buildings were transferred by Enterprise Ireland to NSAI during 2009. (Note 6) Ownership of the land and buildings associated with National Metrology Laboratory remains with Enterprise Ireland pending transfer of ownership to NSAI. This is expected to be completed in 2010.

	Notes	2009 (€)	2008 (€)
<b>2 Income</b>			
Certification Fees		<b>13,281,122</b>	13,349,906
Sale of Standards		<b>805,790</b>	891,885
Other Income		<b>330,568</b>	280,766
Bank Interest		<b>10,945</b>	8,167
		<b>14,428,425</b>	14,530,724
<b>Net deferred funding for pensions</b>	11 (c)	<b>3,071,000</b>	2,946,000
		<b>17,499,425</b>	17,476,724

# NOTES TO THE ACCOUNTS (Cont.)

For Year Ended 31 December 2009

	Notes	2009 (€)	2008 (€)
<b>3 Administration and General Expenses</b>			
Pay and Superannuation costs		<b>14,145,057</b>	13,129,758
Pension costs	11 (a)	<b>2,588,710</b>	2,300,606
Board Members Remuneration and Expenses	14	<b>98,129</b>	105,597
Travelling Expenses		<b>1,335,789</b>	1,569,256
Sub-contracted and Professional Services		<b>2,604,868</b>	2,501,540
Rents, Rates, Repairs and Maintenance		<b>1,848,178</b>	1,327,845
Other Operating Expenses		<b>1,792,034</b>	2,286,227
Profit on disposal of Fixed Assets		<b>(200)</b>	0
Subscriptions to Organisations		<b>603,547</b>	668,859
Depreciation		<b>766,242</b>	678,795
Audit Fee	6	<b>25,850</b>	27,500
		<b>25,808,204</b>	24,595,983

#### Pay and Superannuation Costs of staff comprise :

Wages and Salaries	<b>13,325,381</b>	12,377,911
Social Welfare Costs	<b>676,619</b>	751,847
Superannuation Costs	<b>143,057</b>	-
	<b>14,145,057</b>	13,129,758

The number of persons employed at 31 December 2009 was 189. This includes 27 employees of the National Metrology Laboratory who transferred during the year on a secondment basis.

<b>4 Oireachtas Grant</b>			
Grant for Administration and General Expenses		<b>8,546,974</b>	9,237,000
Grant transfer to Enterprise Ireland re National Metrology Laboratory		<b>(207,826)</b>	(1,297,069)
		<b>8,339,148</b>	7,939,931
<b>5 Capital Account</b>			
Opening balance		<b>4,149,495</b>	3,680,005
Net Movements on Tangible Fixed Assets		<b>(297,717)</b>	468,444
Transfer (to) / from Income & Expenditure Account		<b>(297,717)</b>	468,444
Transfer of NML assets from Enterprise Ireland (Note 1)		<b>28,514</b>	
Currency Translation Adjustment		<b>(557)</b>	1,046
<b>At 31 December</b>		<b>(3,879,735)</b>	4,149,495

# NOTES TO THE ACCOUNTS (Cont.)

For Year Ended 31 December 2009

		2009 (€)			2008 (€)	
<b>6</b>	<b>Tangible Fixed Assets</b>	<b>Equipment, Fixtures &amp; Fittings</b>	<b>Computer Equipment</b>	<b>Land &amp; Buildings</b>	<b>Motor Vehicles</b>	<b>Total</b>
	<b>COST</b>	(€)	(€)	(€)	(€)	(€)
	At 1 January 2009	2,549,940	2,032,576	2,895,201	289,404	7,767,121
	Additions	194,032	259,668	(0)	14,824	468,524
	Disposals	0	(6,670)		(0)	(6,670)
	Transfer of NML assets from EI (Note1)	1,368,900	5,648		11,000	1,385,548
	Translation Adjustment	(1,610)	(3,128)			(4,738)
	At 31 December 2009	4,111,262	2,288,094	2,895,201	315,228	9,609,785
	<b>DEPRECIATION</b>					
	At 1 January 2009	1,308,683	1,532,878	596,129	179,936	3,617,626
	Charge for year	377,367	282,047	57,904	48,923	766,241
	Disposals	0	(6,670)	0	(0)	(6,670)
	Transfer of NML assets from EI (Note1)	1,343,995	2,039		11,000	1,357,034
	Translation Adjustment	(1,277)	(2,904)			(4,181)
		3,028,768	1,807,390	654,033	239,859	5,730,050
	<b>NET BOOK VALUE</b>					
	At 1 January 2009	1,241,257	499,698	2,299,072	109,468	4,149,495
	Net movement for year	(183,335)	(22,379)	(57,904)	(34,099)	(297,717)
	Transfer of NML assets from EI (Note1)	24,905	3,609	0	0	28,514
	Translation adjustment	(333)	(224)			(557)
	At 31 December 2009	1,082,494	480,704	2,241,168	75,369	3,879,735
<b>7</b>	<b>Debtors and Prepayments</b>					
	Trade Debtors			2,944,039		3,122,181
	Accrued Income			381,716		530,277
	Prepayments			329,836		328,760
				3,655,591		3,981,218
<b>8</b>	<b>Creditors : amounts falling due within 1 year</b>					
	Trade Creditors			318,538		853,226
	Other Creditors and Accruals			988,708		1,345,413
	Deferred Income			734,268		369,803
	Taxation, Social Insurance and VAT			403,909		120,983
				2,445,423		2,689,425



# NOTES TO THE ACCOUNTS (Cont.)

For Year Ended 31 December 2009

2009 (€)

2008 (€)

## 9 Commitments under Operating Leases

Payments made under Operating Leases on Buildings charged in the financial statements amounted to €953,299 (2008: €718,567). Payments under Operating Leases on Buildings amounting to €947,640 are due to be made in 2010. These are in respect of leases which expire as follows:

Expiry of Lease:	2009	2008
Within one year	0	0
One to five years	40,690	40,284
After five years	906,950	906,950
	<b>947,640</b>	<b>947,234</b>

## 10 Taxation

The Authority is exempt from taxation on its income.

## 11 Pension Costs

### (a) Analysis of total pension costs charged to Expenditure

Current service costs	1,900,000	1,750,000
Interest on pension scheme liabilities	1,400,000	1,250,000
Employee Contributions	(711,290)	(699,394)
	<b>2,588,710</b>	<b>2,300,606</b>

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

Net pension liability at 1 January	25,400,000	22,800,000
Current service cost	1,900,000	1,750,000
Interest costs	1,400,000	1,250,000
Actuarial loss/(gain)	1,529,000	(346,000)
Pensions paid in the year	(229,000)	(54,000)
Net pension liability at 31 December	<b>30,000,000</b>	<b>25,400,000</b>

# NOTES TO THE ACCOUNTS (Cont.)

For Year Ended 31 December 2009

2009 (€)

2008 (€)

## Note (11) continued

### (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:

Funding recoverable in respect of current year pension costs	3,300,000	3,000,000
State grant applied to pay pensioners	(229,000)	(54,000)
	3,071,000	2,946,000

The deferred funding asset for pensions as at 31 December 2009 amounted to €30.0 million (2008: €25.4 million).

### (d) History of defined benefit obligations

	2009	2008	2007	2006
Defined benefit obligations	€30,000,000	€25,400,000	€22,800,000	€20,200,000
Experience (gains)/losses on scheme liabilities				
Amount	(€1,900,000)	(€346,000)	(€142,000)	€85,000
Percentage of scheme liabilities	(6%)	(1%)	(1%)	(0.4%)

The cumulative actuarial gain recognised in the Statement of Total Recognised Gains and Losses amounts to €1,113,000.

# NOTES TO THE ACCOUNTS (Cont.)

For Year Ended 31 December 2009

## Note (11) 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 18th March by a qualified independent actuary taking account of the requirements of the FRS in order to assess the scheme liabilities at 31 December 2009.

The principal actuarial assumptions were as follows:

	2009	2008	2007
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

	2009	2008	2007
Male aged 65	22	18	18
Female aged 65	25	22	22

## 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 €172,670.

# NOTES TO THE ACCOUNTS (Cont.)

For Year Ended 31 December 2009

## 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.

## 14 Directors fees and CEO salary

### (a) Directors fees paid in 2009

	(€)	
Ms A. Riordan	13,034	Chairman
Mr N. Fitzsimons	8,068	Deceased December 2009
Mr D.Gargan	8,379	
Dr S.J. McCarthy	2,659	Retired 14 April 2009
Ms J. Murnane O'Connor	8,379	
Ms M. O'Leary	8,379	
Mr K. Ryan	5,712	Appointed 15 April 2009
Mr E Stack	8,379	
Mr E. Wade	8,379	
Ms M.I. Walsh	8,379	
Mr M. Buckley	0	Chief Executive Officer
Ms H. Curley	0	Dept. Enterprise Trade & Employment Representative
Mr B. Cunningham	2,659	Staff Rep - Retired 14 April 2009
Mr R. Hadfield	0	Staff Rep - Appointed 15 April 2009
Mr D. O'Loughlin	2,659	Staff Rep - Re-appointed 15 April 2009

### (b) Directors Expenses

The total Directors expenses for 2009 was €12,389

### (c) CEO salary

The Chief Executive's annual basic salary paid in 2009 was €158,371. Actual payments made to the Chief Executive under performance related schemes in 2009 was €0. The before overall cost of the Chief Executive remuneration package (including superannuation provision, company car and any other benefits) for 2009 was €173,309. 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.

## 15 Approval of Financial Statements

The financial statements were approved by the Board on 29th June 2010.



# APPENDIX 1: INTERNATIONAL MEMBERSHIPS

## **NSAI Legal Metrology Service**

WELMEC, The European Cooperation in Legal Metrology  
OIML, International Organization of Legal Metrology  
BIPM, Bureau International des Poids et Mesures

## **NSAI National Metrology Laboratory**

EURAMET, European Association of National Metrology Institutes

## **NSAI Agrément**

EOTA, European Organisation for Technical Approvals  
UEAtc, European Union of Agrément Institutes for Construction

## **NSAI Standards**

CEN, European Committee for Standardization  
ISO, International Organization for Standardization  
Sponsor of the Irish member of CENELEC,  
European Committee for Electrotechnical Standardization  
Sponsor of the Irish member of IEC,  
The International Electrotechnical Commission

## **NSAI Certification**

IQNet, The International Certification Network

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