



NSAI

ANNUAL REPORT **2014**

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INTRODUCING NSAI

NSAI is the National Standards Authority of Ireland. As the country's official standardization body, it is responsible for assuring quality and, consequently, confidence in Irish products and services at home and abroad. In addition to making a positive impact on society, standards also underpin Ireland's infrastructure for developing, trading and guaranteeing our economic outputs on both domestic and foreign shores, thereby stimulating international trade and inward investment whilst facilitating fair competition.

The role of NSAI is threefold. Where a need is identified, NSAI designs and develops new standards through close collaboration with industry and relevant national and international parties. For existing Irish and global standards, NSAI works in conjunction with businesses across all sectors to apply the standards and to test their compliance through certification or conformity assessment. Finally, NSAI is tasked with ensuring measurement standards by means of measuring instrument verification and inspection and by meeting the requirements of the international system of units.

From watching a child play sport knowing that the goalposts are safe, to weighing food in a supermarket knowing that the quantities are accurate. From surfing on the internet knowing that the data is secure, to using electrical equipment knowing that it is reliable. Just some of the thousands of everyday examples of how standards, and the work of NSAI, are integral and important to our lives.

VISION

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

MISSION

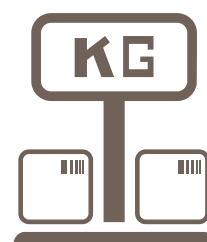
NSAI enables innovation, promotes trade, facilitates fair competition and protects consumers through measurement accuracy and the development, promotion and application of standards.

NSAI at a glance



NSAI BENEFITS

Standards are essential for business, the economy and society. Enabling enterprise and protecting consumers.



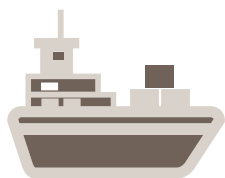
LEGAL METROLOGY

Inspections facilitate confidence in the accuracy of measuring instruments used in trade.

www.nsai.ie

STANDARDS

Enabling Irish input into the development of national and international standards.



ENABLE TRADE

Through the adoption of internationally recognised standards, Irish industry competes on a global stage.



BUSINESS

Bringing together the core technical components (Standards, Metrology & Certification) of an efficient trading economy.



METROLOGY LABORATORY

Maintenance of national reference measures and calibration for industry.



INTERNATIONAL REPRESENTATION

The national member of European and international bodies for standards and measurement.



CERTIFICATION

Accredited and internationally recognised certification services.



NSAI



NSAI
Media



@NSAI_
Standards



Technical Pillars for an Efficient Trading System – NSAI's Role

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

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

Areas of Operation

Legal Metrology

Legal metrology is the application of legal requirements of measurements and measuring instruments used in trade.

Metrology Laboratory

Scientific and Industrial Metrology establishes accurate, reliable, traceable measurements as a basis for performance requirements in standards.

Standardization

Standards facilitate trade and provide a basis for technical regulation. Developed by international or national standards bodies.

Conformity Assessment

Certification provides audit and independent verification to demonstrate that an organisation complies with the requisite standards for its market.

Chairman's Report



During 2014, NSAI has continued to support Irish economic activity by ensuring a strong and secure trading infrastructure for products and services through the development and application of national and international standards.

During 2014, NSAI has continued to support Irish economic activity by ensuring a strong and secure trading infrastructure for products and services through the development and application of national and international standards. Regular engagement with industry has been key to the sharing of knowledge and NSAI has had an overwhelming response to the industry events hosted over the past year.

I am delighted to announce the completion of the five measures, (under the specific headings of manufacturing, research and innovation), assigned to NSAI under the Government's third annual Action Plan for Jobs, which outlines clear actions to help create positive conditions for job creation.

A mid-term review of the 2013-2015 Strategic Plan has confirmed the organisation to be on track in terms of meeting its strategic aims. The formal review found that even though the economy was struggling somewhat, those companies that had adopted management system standards and other certifications tended to fare quite well, and the demand for NSAI's conformity assessment services remained very stable.

As we look to 2015, a major milestone will be the revisions to the world's leading standards for quality and environmental management systems. I am confident that NSAI played a significant role this year in helping business prepare for these fundamental changes in how companies will operate in the future. This work will continue throughout 2015 as we provide Irish industry with advance briefings on embracing these changes and applying them to gain advantage.

In accordance with the provisions of the NSAI Act 1996, three members of the Board retired in 2014 and on the Board's behalf I would like to sincerely thank James Collins and Edmond Stack for their invaluable contributions to the organisation during their tenures, while the reappointment of Terry Landers is affording us continuity of expertise and experience.

I would also like to welcome Valerie Bowens, Aidan O'Boyle and Deirdre Smith as new members of the Board and look forward to working alongside them.

My other thanks goes to the Chief Executive and staff of NSAI who can be proud of their achievements in maintaining high quality service levels despite a difficult operating environment characterised by cost reduction measures.

NSAI is very much a cog in a collaborative wheel and so I would like to pay tribute to the tireless efforts of our committee members, partners from industry and all of the other organisations which we have worked with throughout the year.

I would also like to express NSAI's gratitude to the Minister for Jobs, Enterprise and Innovation, Richard Bruton T.D., Minister for Business and Employment, Ged Nash T.D. and their colleagues at the Department for their support to NSAI during 2014.

Finally, in accordance with the provisions of the National Standards Authority of Ireland (NSAI) Act 1996, on behalf of the Board and Authority, I present the Annual Report and Accounts for the year ended 31 December 2014.



Julie O'Neill
Chairman

CEO's Report



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2014 – A Turning Point

2014 was a crucial year for NSAI as we continued to adjust to changing economic circumstances, from boom to bust to recovery, all the while focusing on creating an environment that enables businesses to operate efficiently and grow.

This is the last annual report under the Government's Recruitment Moratorium and downsizing era, as embodied in the Public Service Agreement 2010-2014, which aims to promote a leaner, more integrated, technology driven and customer oriented public service that can contribute to the country's economic recovery. Over the past five years, NSAI has played its role in reducing costs and staff numbers, to the degree that our staff numbers reduced from 203 in 2008 down to 141 by the end of 2014, alongside a simultaneous reduction of 30% in exchequer funding.

Throughout this time, we maintained our service levels, and even added some new initiatives, without service times rising so that industry did not lose out in any way. In striving to be the role model for public bodies in the application of the ISO 9001 quality management system standard, we extended this particular certification to our Legal Metrology and Finance sections so that every area of NSAI that can be certified is now certified. In the same context, we have embraced a very active LEAN/operational excellence programme throughout the organisation. This has helped us to preserve our service despite reductions in personnel numbers and the loss of specialist expertise through the retirements of senior staff.

Looking to the Future

The domestic housing construction sector is a good illustration of how a whole industry can change depending on economic circumstances. Before the downturn, a large number of new innovative construction products were coming on the Irish market approved through NSAI's agrément service, but this process virtually stopped in 2009.

NSAI is very involved in writing standards to support regulations by the Department of the Environment, which have evolved to be of an extremely high quality in line with international best practice. In parallel, a deficiency in building control was revealed through instances of poor building practices during the boom. This latter period provided an opportunity for the authorities to improve and tighten up on building control regulations. The result is the existence of good quality building regulations, supported by NSAI standards. We now have much firmer building control regulations which the regulator has introduced, so that by the end of 2014 the construction industry is repositioned to start off on a fresh foot.

A clear sign of the economy's move towards growth was the huge interest in industry events. Almost every one of the events we ran this year had a higher attendance – over 1,600 people in total – than anticipated and this trend looks set to continue into 2015. This is in stark contrast to 2007 onwards when, even if people had the time to go to conferences and seminars, they were too busy prioritising professional survival. 2014 is the year of an awakening, with the storm now weathered, and a sudden feeling that we need to move very quickly and establish what is state-of-the-art in terms of standards and technical practice.

CEO's Report (continued)

Early Mover Advantage

In this context, a significant activity over this past year has been the preparation for important revisions of ISO 9001 and 14001, quality and environmental management system standards respectively, which are in their final stages of production and due to be published in late 2015. These standards are hugely important. ISO 9001 alone has 1.1 million live certifications in 170 countries worldwide, and about once in every ten years, the standard undergoes a major update so as to align 9001 with modern best practice. A changed standard has an enormous impact on industry everywhere, not to mention the strategic and management philosophy impact as to the balance of priorities which will be adjusted to the latest best practice in how business should be run.

The overhaul of these standards presents a real early mover opportunity for Irish companies, especially small ones, if they can comprehend, accept and implement the new changes swiftly. They can thereby gain a considerable competitive advantage for a number of years while their competitors catch up.

Ireland has always been at the forefront of applying best practice through emerging international standards and was an early adopter of ISO 9000 when it first came out. In order for Irish industry to fully capitalise on this current opportunity, we hosted 140 business experts from 40 countries in Galway for a week in November. The objective was for these worldwide specialists to engage with domestic businesses in order to provide them with early access to the standard and to the people who wrote it. This gave them an early and deep understanding of the thinking behind the revisions with a view to being in a position to apply them advantageously in their operations.

Similarly, NSAI Business Excellence Certification ran a series of roadshows this past year, travelling to Galway, Limerick, Sligo, Waterford, Cork and Dublin, where we brought over 400 representatives from local businesses up to speed with the impending changes to the world's leading standard.

From the application of standards to pioneering their development, NSAI has launched an Irish standard, I.S. 399: Energy Efficient Design Management, which we hope to make a European and eventually an international standard. This is the second occasion SEAI and NSAI have collaborated together to produce an Energy Management Standard having published I.S. 393, the first of its kind worldwide and a predecessor to today's ISO 50001. This collaboration and the publication of I.S. 399 will serve to reinforce Ireland's position as a global leader in energy efficiency standards.

SME Focus

In another avenue of engagement with industry, we were delighted to see the increase in the Your Standards, Your Say online portal registrations in 2014. This is a powerful and readily available service that companies have yet to realise the full potential of and we are urging SMEs in particular to take advantage of it for their own business interests. Your Standards Your Say allows companies to share their invaluable input and their active involvement in the standards development process through an effective feedback facility.

We were also encouraged by the results of the stakeholder survey of EU Programmes for Research and Innovation, which recorded that 40% of the 1,300 experts volunteering to participate in standardization at national and international level are small businesses – who play a pivotal role in the future of the Irish and European economies.

A prime example of NSAI's support to small business is the Excellence Through People (ETP) HR management standard which serves as a badge for companies to show their commitment to their people and helps them to get the most from the talents and skills that they possess. When business is booming, as it was in 2005, it can be quite hard to get good people to apply for jobs in small companies. As the labour market starts to get tighter and as we hopefully approach full employment over the next five years, ETP is one of the structures which will allow smaller companies to compete for top talent, and, once recruited, ensure that the talent delivers for the business.

Industry-Specific Support

Another industry that is changing and whose regulations are getting increasingly stricter, medical devices is a key area for NSAI. Confirming our position as a top tier notified body, we doubled our activity in this domain in 2014 to support the industry. Given that so many of the Irish medical device participants are smaller companies concentrated in the west coast of the country, NSAI prepared the way to open an office in Galway in order to provide technical and regulatory advice and product approvals on their doorstep.

Targeted inspection programmes in the metrology sphere are continuing in areas such as taximeters, oil meters and fish processing. With a high number of warning notices being issued, and more to be done, NSAI has been liaising closely with external bodies such as the National Transport Authority to ensure compliance.

NSAI is also participating in the European Metrology Programme for Research and Innovation (EMPIR), with the ultimate aim of tackling European challenges in sectors such as health, energy and the environment. We believe that this work in submitting research proposals in conjunction with a number of third level institutions is consistent with our strategy and we are pleased that a proposal in the area of thermal metrology has already been shortlisted for approval.

In Conclusion

Of course, none of these achievements would have been possible without the complete commitment and diligent dedication of the staff at NSAI who have worked through challenging conditions and to whom I extend my sincerest gratitude. I also convey my thanks to our partners in industry as well as in the Department of Jobs, Enterprise and Innovation, and finally to NSAI's Board and management for their unwavering support and hard work.

In conclusion, it is a positive time for our country as we find our way in the new reality of recovery and growth. Now we must determine what that means for companies – what should be different and what they should be thinking about – and, in turn, how this impacts on NSAI and how we should respond to business needs.



Maurice Buckley
Chief Executive Officer

Action Plan for Jobs

In pursuing its commitment to the medium-term strategic goal of having over 2.1 million people in employment by the end of the decade, the Irish Government publishes an Action Plan for Jobs each year, setting out clear actions and targets to help create positive conditions for job creation.

In recognising that it is enterprises, not governments, that create jobs, the objective is to create a positive environment to support business start-ups and growth, drive exports and facilitate job creation and retention by the enterprise sector.

There were 385 actions in the third annual plan involving all Government Departments and 46 Agencies. As such, NSAI was tasked with specific deliverables under the headings of manufacturing and research and innovation. All five of these measures were successfully completed in 2014

Build on the release of the "SWIFT 11-2013 – Driving Competitiveness using Lean" Guide by working with Enterprise Ireland (EI), Irish Development Authority (IDA), and Local Enterprise Offices (LEOs) to increase company awareness and use of the national Lean Guide.

NSAI held six roadshows promoting the Lean Guide in June 2014 in Dublin, Limerick, Galway, Sligo, Cork and Waterford, where 433 people attended across the locations. In the first six months of the year, Enterprise Ireland held 12 conferences/forums promoting the Lean concept to a total of 1,211 people. In the second half of 2014, both NSAI and EI promoted the Lean concept at NSAI's Quality Conference in Galway with over 110 people in attendance. EI promoted this work through the Consultants Forum in East Point, where 80 consultants were present, supported by NSAI.

NSAI is continuing to work with EI and has produced a simple brochure on standards for all 31 Local Enterprise Offices throughout the country. This brochure gives an explanation as to how standards can help in developing a product and service and how the Lean Guide can assist companies in becoming more productive and competitive, as well as highlighting the Innovation Guide (Swift 11).

Develop Irish participation in key global standardization activities supporting innovation and research.

In identifying which new and existing standardization activities support innovation and research of national interest and engaging with relevant support agencies to explore potential for creation of expert networks in identified areas, NSAI has progressed activity in respect of bio-banking (under biotechnology) and telecoms during 2014.

In May, NSAI co-hosted a telecoms standardization seminar with the European Telecommunications Standardization Institute (ETSI) to facilitate access to specialist standards bodies for emerging companies in the telecoms sector.

The Irish Centre for Fetal and Neo Natal Translational Research in University College Cork is performing research in the field of bio-banking and has a need to develop internationally accepted standards. Also in May, NSAI and UCC participated in the first plenary meeting of the ISO TC 276 on bio-banking in Berlin. As a follow up to this meeting, NSAI has identified the need for wider Irish participation and engaged with other stakeholders from industry. In December 2014, three Irish experts attended the ISO TC 276 meeting of working groups for bio-banking.

Engage with EI, IDA, LEOs, industry representative organisations, academia, consultants and industry to determine the feasibility of developing a standard for Lean.

A survey was developed by NSAI and circulated to over 500 EI and 105 NSAI clients.

In support of this action, FORFAS has carried out an evaluation of Development Agency programmes including the impact of the EI Lean Business Offer Programme. Analysis of these findings is currently in support of this action. Results of this independent evaluation indicate that 77% of those surveyed reported an improvement in productivity and/or capacity increases and not at the expense of jobs. The impact on sales was also very positive at 40%; unit costs were down by 24% and 50% of respondents reported that a culture of business improvement has been established in their company.

Support medical device innovation and research to reduce lead time to market for new and innovative products by assisting with the introduction of a regulatory quality management system in one innovation centre.

NSAI is committed to assessing the knowledge gained and ease of introduction of the quality management system standard in the pilot centre to explore the potential for expanding its introduction to similar relevant innovation centres (NSAI/Science Foundation Ireland).

From the engagement with a pilot innovation group in Electrical Engineering at University College Cork, it has been assessed that the requirements of I.S. EN ISO 13485 exceed the requirements of innovation activities, and though necessary, are not a 'good fit'.

I.S. EN ISO 13485 defines the requirements for a Quality Management System for design, manufacture and installation of Medical Devices, while Innovation Centres are exploring concepts leading to design, development and clinical studies.

While compliance with the requirements of this standard is the ultimate goal, the pilot has identified a need for a detailed guidance document to elaborate on the steps to be taken, from concept through clinical trials to CE marking. Such guidance should be fully harmonised and compatible with the relevant sections of the standard, yet offer far more detail and focussed direction to the emerging entity from the innovation centre.

During 2015, NSAI will consider the business case to develop such guidance and publish it as a SWiFT or other possible publication. Relevant stakeholders in such collaboration would include Innovation Centres, Notified Body services, Health Products Regulatory Authority, Molecular Medicine Ireland, Enterprise Ireland and others.

Promote take up of business management systems through establishment of a national award scheme for best-in-class businesses.

The inaugural Excellence in People Development Awards event was hosted in Dublin on 4th December 2014. The national awards, attended by over 130 people, were presented by Minister for Business and Employment, Ged Nash T.D., in four categories with an overall award:

Category 1 / Companies with 1 to 250 employees: Olive Media

Category 2 / Companies with 251 to 750 employees: Version 1

Category 3 / Companies with 751 to 2000 employees: Naval Service

Category 4 / Companies with more than 2000 employees: EMC

Overall Excellence in People Development Award: Version 1

For 2015, NSAI will review the success and impact of the national awards in the context of developing an annual event.

Standards

Standards are agreed definitions or specifications of units, methods, products, processes or services, which provide people and organisations with the basis for mutual understanding and are used as tools to facilitate communication, measurements, commerce and manufacturing. The development of, and certification to, standards creates a level playing field for Irish businesses trading both at home and abroad. Standards help to promote international trade and to strengthen procurer confidence in products and services.

23,000

**STANDARDS IN
OUR LIBRARY**



ACCESS TO

4,606

ACTIVE EUROPEAN
WORK ITEMS
ACROSS 18
BUSINESS
DOMAINS



1,529

STANDARDS
PUBLISHED IN
2014



Standards (continued)

As the globally recognised National Standards Body for Ireland, NSAI facilitates indigenous industry and public participation in the development of relevant standards at domestic, European and international levels. It does this by consulting with various stakeholders to formulate Ireland's national input into the international standardization processes.

Consultation

The network of consultative committees, appointed under Section 10 of the NSAI Act 1996, advise NSAI on which Irish standards and codes of practice are necessary, drafting appropriate standards, codes of practice and amendments, and ensuring that pertinent parties are consulted.

The 'Your Standards Your Say' online portal complements the committee consultation process in producing and publishing standards. It allows SMEs to contribute to the development of standards in their specialist areas, which means that they can change from 'standard takers' to 'standard makers' and expand their businesses more rapidly. There was an increase of 29% in registered users of this feedback facility from 1,240 in 2013 to 1,600 in 2014.

In situations where the standardization outputs at European and international levels do not address Irish needs, NSAI engages in appropriate consultation at the national level to develop and publish standards relevant to the domestic economy.

By adopting globally recognised standards and remaining at the forefront of the emergence of new standards, Irish businesses are in a position to gain first-mover advantage, which facilitates export-led growth through improved access to European and global markets and supply chains.

Furthermore, standards are pivotal to the innovation process in that they assist businesses in translating new ideas into competitive advantage by codifying, capturing and commercialising new products, business models, organisational structures and work practices.

2014 Facts & Figures

During 2014, NSAI published a total of 1,450 European and Irish standards, contributing to a library in the region of 23,000. While the majority are adopted European standards, NSAI also issued a number of new Irish Standards or amendments to national annexes to the Eurocodes and Standards Recommendations, all of which specifically deal with Irish standardization matters. Among these were standards for domestic gas installations, the remote monitoring of CCTV systems, and a code of practice for the energy efficient retrofit of existing dwellings.

In terms of ranking in the European realm, Ireland has advanced two places since 2013 and is now positioned 6th out of 33 countries, achieving over 99% on the implementation of CEN-CENELEC EN/HD [European Standard/Harmonised Document] per country. As a member of these European Standard Development Organisations, NSAI has instant access to the latest state-of-the art thinking with respect to standard development.

With a total of 4,606 active work items across 18 business domains in 2014, to which NSAI can provide invaluable input and access, the extensive European standardization programme is of vital importance to the trading environment in Ireland. Be it the packaging or transport industry or any of those in between, it is imperative for all sectors to be cognisant of this and to carefully monitor developments that may have a direct impact on their products and services.

Whilst the broad-based nature of the international consultative process necessitates a significant timeline for the development and publication of standards, the time to publication for European standards has in fact reduced from over five years per deliverable in 2006 to just over two years in 2014.

At a domestic level of the standardization process, there were 1,300 voluntary participants and 1,600 registered users of the NSAI 'Your Standards Your Say' online portal alongside 32 active national projects. Over €960,000 of revenue was generated mostly from the sale of 14,000 standards, an increase of 4,000 compared to 2013, with 4,000 sold in Ireland alone.

"Irish participation in European standardization is extremely important as it introduces additional structure and additional expert content to Irish standards. Irish industry gains significant knowledge through interacting with other European experts and this pooled technical knowledge proves invaluable when developing standards at the national level."

David Hughes, Technical Training Development and Delivery Manager, Gas Networks Ireland and Chairman of CEN TC 234 WG 10 Gas Service Lines

European & Irish Standards Adopted/Published in 2014

1st January to 31st December 2014

| | Standards | I.S. Amendment | Corrigendum | Amendment | S.R. | Interpretation Sheet | National Annex | SWiFT |
|-----------|-----------|-------------------|-------------|-----------|------|-------------------------|-------------------|-------|
| CENELEC | 349 | 0 | 13 | 54 | 19 | 11 | 0 | 0 |
| CEN | 768 | 24 | 18 | 32 | 150 | 0 | 0 | 0 |
| ISO/IEC * | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| NSAI | 2 | 4 | 3 | 0 | 2 | 0 | 1 | 0 |
| Totals | 1119 | 28 | 34 | 86 | 171 | 11 | 1 | 0 |

Total number of new editions or revisions = 1,291

* ISO published 1468 documents and IEC published 487 documents in 2014. Many of these were adopted as European Specifications and these are included in the above CEN/CENELEC numbers.

Standard – Irish Standard (I.S.) – a national specification based on the consensus of an expert panel, subject to public consultation and published solely by NSAI. European Standard (EN) – is a standard adopted by CEN/CENELEC and carries with it an obligation of implementation as an identical national standard as well as the withdrawal of conflicting national standards. Once adopted by NSAI, a European Standard is published as an I.S. EN.

Corrigendum – A supplementary document to one, two or all three language versions (English, French and German) of a CEN/CENELEC publication, which corrects one or more errors or ambiguities inadvertently introduced in either drafting or printing, and which could lead to incorrect or unsafe application of those versions.

Amendment – A ratified supplementary document to an EN (and a Harmonisation Document (HD) for CENELEC) already circulated to CEN/CENELEC national members for national implementation, to be read in conjunction with that EN/HD and which alters and/or adds to previously agreed technical provisions in that EN/HD.

S.R. – Standard Recommendation is a recommendatory document based on the consensus of an expert panel and subject to public consultation.

Interpretation Sheet – This is a published sheet giving the interpretation of a CENELEC standard. In principle, a CENELEC standard is written in such a way that there is no need for interpretation by the user. However, the parties involved in the use of the standards, such as manufacturers, certifiers and legislators, read standards from their own perception and do not always understand the intentions expressed by the standards. Therefore, the Technical Body responsible for the published standard asks CCMC (CEN/CENELEC Management Centre) to issue, after due approval procedure, an Interpretation Sheet, which purpose is to clarify the meaning or the intention of a specific part of the standard.

National Annex – A supplementary element added to the back of an adopted European Standard (normally informative) to aid the reader in understanding the Standard and make it easier to implement. It can contain information that is unique to the relevant National Standards Body.

SWiFT – A Specification Written in Fast Track is a rapidly developed recommendatory document based on the consensus of the participants of an NSAI workshop.

The following National documents were published in 2014:

I.S. 201-4:2013/AC2:2014
Polyvinyl Chloride Insulated Cables of Rated Voltages up to and including 450/750V – Part 4: PVC and Low Smoke Halogen Free Sheathed cables for fixed wiring

I.S. 265:2000+A1:2014
Installation of Gas Service Pipes – Parts 1 and 2 (Fourth Edition) (including amendment No. 1)

I.S. 399:2014
Energy Efficient Design Management – Requirements with guidance for use

I.S. 440:2009+A1:2014
Timber frame dwellings

I.S. 813:2014
Domestic Gas installations

I.S. 813:2014/AC1:2014
Domestic gas installations (Edition 3)

I.S. 813:2014/AC2:2014
Domestic gas installations (Edition 3)

NA:2010+A1:2014 to I.S. EN 1996-1-1:2005+A1:2012
Revision to the National Annex to I.S. EN 1996-1-1 (Eurocode 6 – Design of masonry structures Part 1-1: General rules for reinforced and unreinforced masonry structures).

S.R. 21:2014
Guidance on the use of I.S. EN 13242: 2013 – Aggregates for unbound and hydraulically bound materials for use in civil engineering work and road construction

S.R. 325:2013+A1:2014
Recommendations for the design of masonry structures in Ireland to Eurocode 6

S.R. 45:2013+A1:2014
Remote monitoring of CCTV systems

S.R. 54:2014
Code of practice – Methodology for the energy efficient retrofit of existing dwellings

Research & Innovation

Over the past number of years, the role of standardization as a bridge between research activities and the market has been increasingly recognised, both by EU institutions and by Research & Development (R&D) stakeholders.

Consequently, more and more calls under the EU Programme for Research and Innovation – FP7 – are identifying standardization as a key activity, deliverable or expected outcome for potential projects. Horizon 2020, the current EU programme for R&D has introduced a new criteria for assessment, Technology Readiness Levels (TRL) and Standards must now be referred to in such applications.

In 2014, NSAI conducted a stakeholder survey about Horizon 2020 and FP7 among 1,300 experts, who volunteered to participate in standardization through NSAI at either national or international level. Results from the 235 respondents showed that 72% were familiar with the two European programmes, while 44% had actually applied for funding under the innovation initiatives. In terms of business size, the breakdown saw almost an equal percentage (40%) of SMEs with 50 employees or less and organisations with more than 250 staff, while medium sized enterprises represented the remaining 20%. Over half of the respondents confirmed the presence of an R&D department at their organisation. The most prevalent industries in the survey were engineering, consultancy, design and development, energy, construction and services, where ICT and utilities were in the majority.

Standards (continued)

These results are encouraging from the perspective of the participation of small businesses, who play a crucial role in the future of the Irish and European economies. NSAI actively encourages their involvement in the standards development process and continues to promote their invaluable input through the 'Your Standards Your Say' service.

Collaboration

The launch of I.S. 399: Energy Efficient Design Management (requirements with guidance for use) brought about by collaboration between the Sustainable Energy Authority of Ireland, NSAI and industry is the first of its kind anywhere in the world and is set to reinforce Ireland's position as a global leader in energy efficiency standards. The standard embeds consideration of energy from the start of new investment projects, thereby minimising energy consumption through their lifecycle and making significant savings for industry. World-class companies such as Diageo, Eli Lilly, GSK, Astellas and Pfizer are presently implementing the design process saving tens of millions of euro in energy costs as a result.

In terms of explaining revisions to certain Irish Standards, some 200 people attended a Fire Safety Seminar in early April at Carlton Hotel to learn about the changes in I.S. 3217 and 3218 concerning emergency lighting and fire detection and alarm systems for buildings respectively. The former standard gives requirements for the clear indication of escape routes, the minimum level of illumination and the minimum duration of operation for emergency escape lighting in the event of failure of supply to the normal lighting, while the latter provides requirements and recommendations for the planning, design, installation, commissioning, servicing and maintenance of fire detection and alarm systems in premises including those used for residential or domestic purposes.

The following month, industry speakers at the free European Telecommunications Standards Institute/NSAI Telecommunications Standards Seminar held in Malahide addressed an audience of 45 about how participation in standardization can be used as a basis for achieving technology leadership, competitive advantage and company growth.

1,600
REGISTERED YOUR
STANDARDS YOUR
SAY USERS



29%
INCREASE IN
REGISTERED
USERS



Delegates at the NSAI Fire Safety Seminar in April



Gerard Joyce, NSAI Risk Standards Consultative Committee speaking at the Quality Conference

Information was also shared about the Telecoms Standards Initiative, an innovative Enterprise Ireland scheme which has been providing funds to encourage Irish companies to participate and to take a leading role in international telecoms standardization work. In addition to greater growth over a longer period, benefits include direct access to potential partners and customers and intelligence on competitors as well as technical opportunities such as developing in-house expertise and insight into the standardized technology, aligning product development with standards development, and being able to influence the future direction of a standard.

A series of evening events during the year in Dublin, Cork, Galway and Kilkenny gathered roughly 700 people for the promotion of the new edition of I.S. 813, namely a Code of Practice for domestic gas installations. This standard covers the installation of natural gas or liquefied petroleum gas, in domestic premises, from the point of delivery to the gas appliance.

NSAI hosted 15 major international gatherings in Ireland during 2014, the most prestigious being a week-long series of meetings and workshops held in November for over 140 experts from 40 countries who are working on the 2015 revision of ISO 9001 quality management systems standard. Significant progress was made over the period in Galway while NSAI seized the opportunity of having these global quality experts in the country

to stage an industry seminar for local Irish businesses to be brought up to speed on the upcoming changes to the world's leading standard, currently used by over one million companies.

NSAI took an Irish Delegation of 22 industry, academic, Enterprise Ireland and Science Foundation Ireland professionals to the CEN [European Committee for Standardization] Conference on Standards and Innovation in Brussels, where the participants engaged with leading experts to discuss, challenge and learn how standardization can enhance the impact of innovation in Europe.

2014 in Figures:

- ▶ 1,529 European and Irish Standards Published
- ▶ 14,000 Standards Sold – 4,000 in Ireland
- ▶ 23,000 Standards in NSAI's Library
- ▶ 1,300 Standardization Participants
- ▶ 1,600 Registered 'Your Standards Your Say' Portal Users

14,000
STANDARDS SOLD

700
ATTENDED
I.S. 813
SEMINARS

Conformity Assessment

NSAI provides businesses with a range of product and systems certification, leading to an independent and internationally recognised certificate of compliance, thus enabling indigenous and multinational companies to successfully compete in domestic and foreign markets and to create further employment opportunities.



3,000

COMPANIES
CERTIFIED
WORLDWIDE



10,000

CERTIFICATES
ISSUED

500

**GLOBAL MEDICAL
DEVICE COMPANIES
CERTIFIED**

400

**ATTENDED
NSAI REGIONAL
ROADSHOWS**



Conformity Assessment (continued)

Access to national and international markets is increasingly being dictated by the requirement for evidence of compliance with standards. Recent research shows that more than 82% of Managing Directors believe that multinationals are more likely to do business with an Irish company that adheres to internationally recognised standards.

NSAI provides businesses with a range of product and systems certification (CE marking), leading to an independent and internationally recognised certificate of compliance, thus enabling indigenous and multinational companies to successfully compete in domestic and foreign markets and to create further employment opportunities. Not only does certification increase competitiveness, but it also makes companies more sustainable and better places to work.

Within the area of certification or conformity assessment, NSAI has implemented an extensive programme of outsourcing, auditing and inspection services across the key areas of business excellence, sustainability and the built environment, market and regulatory support and medical devices. It is the national Notified Body for 10 EU Directives ranging from construction products to active implantable medical devices and it has certified or registered 3,000 organisations worldwide with in excess of 10,000 certificates issued internationally, across all its certification schemes.

Business Excellence

Business Excellence Certification is the means for companies to prove that they operate according to best practice within the main internationally recognised management systems in the areas of quality (ISO 9001), environment (ISO 14001), and occupational health and safety (OHSAS 18001) among others. In fact, these certifications often serve as a prerequisite for competitive tenders and/or as a prequalification for tender submissions for many of NSAI's clients. Applicable to multinationals, indigenous companies, SMEs, state and semi-state companies, there are currently 870 companies registered to these various standards.

In seeking to create business excellence and to achieve competitive advantage in support of Ireland's economic recovery and job creation plans, the unique Excellence Through People national HR management specification along with quality management system certification play a key role in driving and enabling change management.

According to research by the Association of Accredited Certification Bodies in Ireland, NSAI provides approximately 60-65% of the domestic certification for ISO 9001, ISO 14001 and OHSAS 18001, and 100% for the other schemes. NSAI are the Competent Body for the EU Eco-label and offers certification for Packaging Materials for Medicinal Products, and PEFC – Forest Management.

Organisations may be certified to one, two, or more of these standards, in which latter cases NSAI recommends that the business adopt an integrated approach to both documentation and systems application, while itself striving to replicate this integration by providing a team of competent auditors that match clients' needs.

2014 Highlights

The past year saw a significant increase in visibility of NSAI through a series of 24 events, with 400 people attending the 'DIS ISO 9001:2015' and the 'DIS ISO 14001:2015' roadshows, 120 at the 'Quality in Ireland, Operational Excellence' Conference, and more than this again at the Excellence in People Development Awards. These awards are part of a Government Action Plan for Jobs initiative to promote the important role that standards play in Ireland's economy and to recognise the remarkable work done with employees within business. Investment in people management standards results in increased efficiencies in processes, improved capacity to adopt new technologies and methods and a higher level of innovation in strategies and products.

The six free country-wide seminars for SMEs were aimed at helping local businesses get up to speed with the forthcoming changes to the ISO 9001 and ISO 14001 standards so that they could understand the principles behind the changes and how these could best be applied to benefit their businesses. In the meantime,

"Certification allows us to prove that we have meaningful quality, environmental, health and safety, and people processes."

Ciara Turner,
Head of HR, Fónua

24

INDUSTRY EVENTS



Excellence in People Development Awards

870

COMPANIES CERTIFIED TO MANAGEMENT SYSTEMS

over 70 private, public and SME bodies from diverse industries, who attended the two NSAI group certificate presentation events, are set to see a good return due to their investments in various certifications over the past year.

Main Certification Standard Schemes offered by Business Excellence:

1. ISO 9001 Quality Management Systems;
2. ISO 14001 Environmental Management Systems;
3. OHSAS 18001 Occupational Health & Safety Management Systems;
4. I.S. EN 15038 Translation Service;
5. ETP 1000 Excellence Through People;
6. I.S. EN 15838 Contact Centres;
7. Business Working Responsibly Mark (Corporate Social Responsibility in conjunction with BiTC).

2014 in Figures:

- ▶ 70 Companies Received Certificates at NSAI Group Certificate Presentations
- ▶ 24 Outreach Events (e.g. Roadshows, Conferences, Training Courses, Certificate Presentations, Sales and Marketing Days)
- ▶ 400 attended ISO 9001 and ISO 14001 Roadshows

Sustainability and the Built Environment

Certification in the area of Sustainability and the Built Environment enables Irish companies in the construction sectors to meet their legal requirements (under EU Regulation) in being able to place their products on the market, both in Ireland and abroad.

Construction Product Certification

NSAI is currently the sole national notified body which gives Irish manufacturers the methodology to CE mark their products for the home and export markets as prescribed for under the 2013 Construction Product Regulation for all products covered by a harmonised European Standard (hEN). As such, NSAI is a Notified Body for a large number of construction products. With more manufacturers realising their obligations in this area, there was strong performance of the CE marking scheme in the last quarter of 2014.

Where a hEN does not exist for a construction product, it is not mandatory to have the product CE marked although a manufacturer or agent can choose to do so by applying for a European Technical Approval through a Technical Assessment Body such as NSAI.

In 2014, we carried out 545 construction related audits in areas such as external wall insulation systems, window energy ratings, product certifications, air tightness and cavity bead insulation.



NSAI customers celebrate receiving their certificates at November's Group Certificate Presentation

Conformity Assessment (continued)

Agrément Certification

Alternatively, where a manufacturer or agent decides to have a performance characteristic of a product declared or where it is required that a system be used to provide specific building solutions, a manufacturer or agent may choose to opt for certification of the product to show compliance with Irish Building Regulations. NSAI's Agrément services provide a route to show how products or complete building systems can be used to conform to these national regulations; 12 such product certificates were issued in 2014.

NSAI continues to offer certification of the competency of installers of construction products and systems, namely through a register of installers of different insulations such as those for external walls and cavity

insulations. NSAI also operate a window energy performance scheme which gives an energy rating to windows. Our Thermal Modelling scheme verifies the competence of individuals involved in developing construction details that are in compliance with the national Building Regulations.

Energy Management

The ISO 50001 Energy Management Standard has international recognition and is now considered the benchmark standard worldwide for energy management and is compatible with the other widely used management standards.

It has been estimated that this standard could have a positive impact on some 60% of the world's energy use by providing public and private sector organisations with management strategies to increase energy efficiency, reduce costs and improve energy performance.

Whilst suitable for all businesses regardless of their size, geography or industry, ISO 50001 is particularly effective if the business operates in an energy intensive industry or one that faces green house gas emissions regulation or legislation. This standard formalises energy policies and objectives and embeds them into energy efficient thinking throughout the organisation.

Nine new Energy Management System (ISO 50001) certificates were issued by NSAI in 2014, providing confidence to consumers that energy issues are being managed in accordance with internationally recognised standards and procedures.



545
**CONSTRUCTION
RELATED
AUDITS**

9
**NEW ISO 50001
CERTIFICATES
ISSUED**

2014 in Figures:

- ▶ 9 New ISO 50001 Energy Management Certificates Issued
- ▶ 12 Irish Agrément Product Certificates Issued
- ▶ 545 Audits Carried Out



4,665

**NATIONAL
VEHICLE
APPROVALS**

2,894

**EUROPEAN
VEHICLE
APPROVALS**

Market & Regulatory Support

The Market and Regulatory Support Division provides domestic and export orientated companies with approvals and independent third party certification services confirming compliance with national and EU regulations.

Automotive

NSAI supports the automotive sector through the development and dissemination of systematic technical advice and schemes aimed at improving the quality and safety of new automotive products, and through the continuing development of requirements for the improvement of vehicle safety and environmental aspects.

As a result of the significant changes to the automotive sector brought about by the EU Re-cast Motor Vehicle Framework Directive in 2007, including the implementation of National Vehicle Approval schemes for the modification and conversion of vehicles done on a local level, NSAI has worked to provide component, system and vehicle approval schemes to allow manufacturers to compete on an even footing with international competitors. 2014 saw nearly 3,000 European and 5,000 national vehicle approvals.

NSAI cooperates closely with industry and the many stakeholders affected by these changes and participates in information seminars to provide advice on them. As of October 2014, the new Approved Vehicle Body Builder Scheme allows for Irish companies who fit bodies to new (unregistered) heavy goods commercial vehicles to be approved by NSAI to carry out this work. Only those companies approved by NSAI will be issued with approval certificates for their vehicles. If the new vehicle does not have an approval certificate then it cannot be registered and placed on the market.

As the Irish Type Approval Authority, NSAI has established a number of technical services and appointed Approved Test Centres to carry out the relevant tests and inspections in the areas of Commercial Vehicles, Trailer Certification, Licence Scheme for the Adaption of New

Vehicles for Disabled Drivers, EU Motor Vehicle Type Approval (EU Directives), Individual Vehicle Approval and National Small Series Type Approval. In addition, NSAI is authorised to licence and monitor workshops who provide Tachograph, Road Speed Limiters and Plating Services.

Food

Food safety is of continued global concern, not only because of the importance for public health, but also because of its impact on international trade. Increasingly, the large players in the international food sectors are adopting the Food Safety System Certification (FSSC) and are encouraging their suppliers to adopt this certification, which consequently has an impact on Irish food manufacturers.



NSAI customers celebrate receiving their certificates at November's Group Certificate Presentation

Conformity Assessment (continued)

“As a creative and commercial organisation dealing with highly innovative and cutting edge medical technologies, we need strong partnerships with a Notified Body to facilitate timely CE Mark approvals. NSAI has provided us with an in-depth understanding of the regulatory standards in the EU, which is essential when we do business with the world's leading companies. Having a professional world-class Notified Body such as NSAI right on our doorstep has benefited Trinitas greatly.”

Dr James Coleman,
CEO, Trinitas Ventures

NSAI is therefore concentrating on promoting the FSSC and the Food Safety Management System (ISO 22000) in addition to Energy Management Systems, Quality Management Systems, Environmental Management Systems and Occupational Health and Safety Systems certification to the food industry.

Before food reaches the consumer, many organisations may be involved in the chain of production, distribution and sale. The Food Safety Management System is relevant to any business along the food chain such as animal feed producers, food producers, transport and storage operators, hotels, restaurants or retailers. The standard is based on the most advanced technological, managerial and scientific expertise and aims to create a level playing field across regional, continental and global markets by replacing divergent local standards with harmonised food safety management systems, benchmarked against best practices. Certification to ISO 22000 declares to potential customers and trading partners that the highest global standards of food hygiene and safety are being met.

Overseen by the Foundation for Food Safety Certification, FSSC 22000 comprises ISO 22000 and ISO/TS 22002-1. Food manufacturers audited to these standards by accredited certification bodies, such as NSAI, may be certified to the Food Safety System standard. NSAI is authorised under a service contract with the FSAI to provide inspection services for producers of natural mineral water and food contact material suppliers and producers.



Version 1, Overall Winner at the Excellence in People Development Awards

ISO 22000 Food Safety Management Standard:

- ▶ Reduces the incidence of food-borne disease;
- ▶ Improves the quality and safety of jobs in the food industry;
- ▶ Makes the food industry more efficient and more profitable;
- ▶ Reduces red tape by cutting down on duplicated and overlapping audits.

2014 in Figures:

- ▶ 2,894 Component and System EU/UNECE Approvals
- ▶ 4,665 National Vehicle Approvals

Medical Devices

As Ireland's medical device notified body, NSAI plays a pivotal role in developing the medical device industry in this country while working to provide market access to the latest device technologies in hospitals and the wider European healthcare system. Our subsidiary located in Nashua, New Hampshire, USA, provide a full range of Management System Certification and Medical Device Approval services. With bases in Ireland and the US we are able to offer certification services to companies operating in over 30 countries.

As such, NSAI offers Medical Device CE Marking Approvals to help accelerate the successful entry of medical devices into the EU marketplace (given the recognition of the EU System, CE Marking provides broad global access). NSAI works closely with the relevant competent authorities and, with expertise in areas like microbiology, engineering, bio-compatibility and medicine, provides unique quality, clinical and regulatory guidance for high risk medical devices, drug-device combinations and animal tissue products.



NSAI customers celebrate receiving their certificates at May's Group Certificate Presentation

NSAI provides similar services for Canadian Medical Device Conformity Assessment System Certification required to sell medical devices in Canada and, finally, for Quality Management System Certification specific to medical devices (ISO 13485).

NSAI currently services some 25-30% of the Irish marketplace, approximately 6% of the global marketplace and over 500 global medical device corporations. Certification activity in this domain has grown by some 10% a year over the last five years to an income of €4.5 million (US\$4.9m), while 2014 saw a strong financial performance for our American office.

In the past year, NSAI processed 71 and 15 medical applications in the US and Ireland respectively and conducted 3,429 audit days with 17 unannounced. The Authority ensured a presence at important industry conferences including those of the Irish Medical Devices Association, Medtec Ireland and the Irish Medical and Surgical Trade Association.

The Future

In light of the proposed Transatlantic Trade and Investment Partnership between the US and EU, NSAI Inc. is in the process of applying to participate in the Medical Device Single Audit Program advocated by the International Medical Devices Regulatory Forum. On the basis that it possesses the necessary technical and clinical expertise, NSAI Inc. sees potential opportunity around US medical device corporations relocating to Ireland to take advantage of the competitive business environment.

There are presently over 250 significant medical technology companies exporting some €7.9 billion in product from Irish shores. Given that the largest cluster of these is located in Galway, Sligo, Limerick and throughout the West, NSAI is focused on establishing a localised team of experts to service this industry hub.

This expertise would also support state initiatives by the IDA and Enterprise Ireland who promote NSAI as Ireland's only/representing notified body in supplying the complete package for start-up or relocation of manufacturing organisations to Ireland.

The expected consolidation of notified body numbers and the even tighter concentration of top-tier notified bodies means that there will be a growing demand for services in the foreseeable future, where competition will be based on quality, competence, range, and service levels. There is also rising demand for the approval of in-vitro devices in Ireland and abroad given significant changes in the EU Directives that cover these types of devices.

"NSAI has truly and genuinely demonstrated its strong customer commitment and partnership by helping us complete our existing ISO certificate transfer to Excelitas Technologies Inc., for all of our sites worldwide in record time and hence helped us satisfy our customer needs. In addition, NSAI continues to offer value added Integrated Programs, high caliber auditors and most important of all a very dependable and reliable management team who see us more as partner than customer."

Justin Choy,
Global Regulatory Affairs and Compliance, Senior Manager,
Excelitas Technologies

2014 in Figures:

- ▶ 3,429 Audit Days Performed
- ▶ 71 New Medical Applications in the US
- ▶ 91 New Non-Medical Applications in the US
- ▶ 17 Unannounced Medical Audits in the US
- ▶ 15 New Medical Applications in Ireland

3,429
MEDICAL
DEVICES AUDIT
DAYS DELIVERED

Metrology

Metrology is the science of measurement. Legal Metrology focuses on the statutory requirements and inspections of measures and measuring instruments used in trade, while the National Metrology Laboratory is tasked with maintaining the international traceability of measurement standards and providing high precision calibration to Irish industry.

34,619

INSPECTIONS
BY AUTHORISED
VERIFIERS

4,400

INSTRUMENT
CALIBRATION
CERTIFICATES
ISSUED





5,659

SITE VISITS



15,032

**INSTRUMENTS
INSPECTED**



Metrology (continued)

"We've worked closely with NSAI since the introduction of the Authorised Verifier Scheme in 2008 to fully understand the requirements of Section 12 and give feedback on any potential concerns. These were discussed and we found that a resolution was arrived at that gave consideration to all parties while adhering to legislation. From the initial stages until present day, we have found that NSAI has provided a high level of professional support, so that we can effectively and efficiently carry out the service required within the scheme. With its dedicated staff, support is easily accessible and is evident in both addressing specific issues as well as the day-to-day operational process."

Alan Morrison, Business Regional Manager, Avery Weigh-Tronix

Legal Metrology

Legal Metrology verifies and inspects measuring instruments used for trade in order to ensure that businesses and consumers get exactly what they pay for. From buying petrol to taking a taxi, the accuracy by which quantities are measured impacts directly on confidence, reliability and trust in the Irish market. Legal Metrology therefore protects end-users by checking that measures are precise and true to their claims through a team of specialised inspectors.

NSAI oversees 70,000 different measuring instruments in 35,000 companies nationwide ranging from convenience stores to mass production environments. To ensure that measuring instruments used for trade are accurate, risk assessment techniques are used to focus the inspections programme, targeting sectors with a high risk of noncompliance.

Legal Metrology also guarantees that companies providing pre-packaged food and other goods have robust systems in place to measure, sample and check that the quantities contained are correct.

Legal Metrology activities, distinct but inter-related, are threefold:

1. Assessing whether the design of a new measuring instrument meets legal requirements (type approval) and verifying it against either European standards or the manufacturer's own approved quality management system;
2. Re-verifying measuring instruments that may have been repaired, altered or adjusted to ensure that they are still accurate and in compliance with regulations before they can be used for trade again;
3. Checking that measures used for trade are accurate through on-site inspections of measuring instruments and packaged goods.

Targeted Campaigns

Throughout 2014 there were 5,659 site visits where 15,032 instruments – from dispensers for liquid fuel and liquor to scales for retail and point of sale – were tested.

| Inspections in Fuel Pump, Retail, Taxi and Weighbridge Sectors | | | |
|--|---|--|-------|
| Measuring Type | Description | Measuring Type Category | Total |
| Liquid Fuel Dispenser | Petrol or diesel pump | Flow | 5,941 |
| Retail Scale | An instrument of up to 15kg capacity intended for retail or postal use – e.g. fruit and veg weighing | NAWI (Non Automated Weighing Instrument) | 2,358 |
| Point of Sale | An instrument used for selling directly to the customer normally at a retail outlet and may or may not also display the unit – weighing scale at the till | NAWI | 2,343 |
| Taximeter | Taxi meter | Taximeter | 2,130 |
| Weighbridge – vehicle | An instrument of capacity of one or more tonnes capacity having a fixed platform used for determining the weight of a vehicle | NAWI | 490 |

Out of the inspections of the 5,941 liquid fuel dispensers (petrol/diesel pumps) and 2,343 point of sale (weighing scales linked to a shop till), 393 and 494 instruments respectively failed to pass for various reasons and were issued with warnings to rectify the issue within a certain time frame.



A Legal Metrology Inspector checks a petrol pump for accuracy

Liquid Fuel Dispenser Inspections – Reasons for Failure

| Reason for Fail | No |
|--|-------|
| -10%(deficiency) of MPE* | 4 |
| +10%(excess) of MPE* | 7 |
| Broken or damaged | 12 |
| Incorrect or missing descriptive marks | 28 |
| Modified – no longer conforms | 10 |
| Never verified | 39 |
| Non compliance with warning | 1 |
| Non-significant non-conformity | 1 |
| Other non-conformity | 11 |
| Repaired, altered or adjusted | 267 |
| Within – 10% excess of MPE* | 7 |
| Within +10% excess of MPE* | 3 |
| Total Passed | 5,551 |
| Total Tested | 5,941 |

Point of Sale Inspections – Reasons for Failure

| Reason for Fail | No |
|--|-------|
| Set up hinders tetsing | 4 |
| -10%(deficiency) of MPE* | 72 |
| +10%(excess) of MPE* | 15 |
| Broken or damaged | 17 |
| Incorrect or missing descriptive marks | 1 |
| Modified – no longer conforms | 1 |
| Never verified | 120 |
| Non compliance with warning | 4 |
| Other non-conformity | 17 |
| Repaired, altered or adjusted | 205 |
| Within – 10% excess of MPE* | 34 |
| Within +10% excess of MPE* | 1 |
| Total Passed | 1,852 |
| Total Tested | 2,343 |

NSAI's nationwide network of 28 authorised verifiers carried out 34,619 inspections ranging from liquor dispensers and taximeters to truck mounted meters for oil and milk. The Authorised Verifier Scheme has proved to be a great success creating a sustainable private verification service whilst enabling Legal Metrology to focus on its inspection activities.

Number of Third Party Verifications per Sector

| | |
|-------------------------------|--------|
| Taximeter Systems | 5,637 |
| Weighing | 926 |
| Liquor Dispensers | 25,214 |
| Truck Mounted Meters for Oil | 400 |
| Truck Mounted Meters for Milk | 376 |
| Liquid Fuel Dispensers | 2,066 |

5,941
LIQUID FUEL
DISPENSERS
INSPECTED

* Maximum Permissible Error

Metrology (continued)

A targeted taxi inspection campaign oversaw 2,130 investigations resulting in 653 warning notices issued; this joint taxi enforcement activity was part of ongoing cooperation with the National Transport Authority enforcement officers. Highlighting enforcement in this area was the successful outcome of a case in Cork District Court in December, where a defendant pleaded guilty and was fined €500 plus the same amount again in costs awarded against him. Legal Metrology is working with potential suppliers on an improved tamper proof label for taximeters that will lead to increased security and reduce the risk of non compliance, and which will be introduced to coincide with the implementation of the new Maximum Fares Order for taxis.

A campaign for oil meters issued 43 warning notices out of 434 inspections, while a collaborative effort with the Sea Fisheries Protection Agency, the Gardaí and Irish Navy at a number of fish processing facilities in Donegal, Galway, Cork and Kerry also facilitated a series of Legal Metrology investigations.

Raising Awareness

Legal Metrology staff presented at the Chartered Institution of Waste Management Conference in Limerick to inform the waste sector of obligations to have their instruments in compliance with the Legal Metrology Act in preparation for the new Department of Environment regulations due to come into force in 2015. They joined their National Metrology Laboratory colleagues in meeting with the UK Weighing Federation to plan a joint NSAI Metrology Seminar for the weighing sector in November 2015.

“Since the mobilisation and commencement of the taximeter system verification services and external service delivery for automotive approvals, Applus Automotive has found the NSAI to be extremely professional in their conduct. They approach the work with a passion and commitment which is highly valued in a partner and which allows challenges to be overcome in a constructive and speedy manner. Applus Automotive has benefited from our experiences in working with the NSAI as we have developed our understanding of the environment in which the NSAI operates and have gained a greater appreciation for the role they play in using measures and standards to the benefit of Irish society.”

Mark Synnott, Development Manager, Applus Automotive



Mass calibrations in progress in the National Metrology Laboratory

Legal Metrology representatives participated in the NSAI stand at the National Ploughing Championships to promote the legal obligations of traders in relation to measuring instruments used for trade, while investigating 128 consumer complaints in this regard during the year.

Legal Metrology experts attended several WELMEC Working Group meetings on various topics as well as market surveillance meetings with Irish Government departments.

For its own part, Legal Metrology achieved certification to ISO 9001 Quality Management Systems this year.

2014 in Figures:

- ▶ 5,659 Visits to 4,582 Traders
- ▶ 15,032 Instruments Tested
- ▶ 34,619 Inspections by Authorised Verifiers

14

**NATIONAL
MEASUREMENT
STANDARDS
MAINTAINED**

23

**TRAINING
COURSES
DELIVERED**



National Metrology Laboratory

The National Metrology Laboratory (NML) is charged with establishing, maintaining and development of measurement standards within Ireland. It ensures that the country meets the requirements of the international system of units, known as the SI [Le Système International d'unités] system, in measuring physical quantities such as acoustics, electricity, frequency, length, mass, temperature, pressure, force, humidity and torque.

This globally agreed system of units is at the centre of all modern science and technology and underpins global trade, innovation and research & development.

An internationally recognised metrology infrastructure is essential in attracting foreign direct investment, particularly from high tech industries, to Ireland. Furthermore, the availability of local, readily accessible measurement expertise creates an important competitive advantage to the Irish economy.

In helping to provide industry with international traceability, the NML maintained 14 national measurement standards, from units of force and frequency to temperature and torque. In order to ensure that measuring instruments are traceable to these measurement standards, the Laboratory issued 4,400 calibration certificates to customers covering all sectors of the Irish economy.

National Measurement Standards for Units

- ▶ Length
- ▶ Mass
- ▶ Temperature
- ▶ Humidity
- ▶ Sound level
- ▶ Force
- ▶ Torque
- ▶ Electrical voltage
- ▶ Electrical current
- ▶ Electrical resistance
- ▶ Electrical capacitance
- ▶ Electrical inductance
- ▶ Frequency
- ▶ Pressure

"I would just like to thank the NSAI team for your help and time on the NML 'Uncertainty' training course. It was well thought out and for a subject that can be very difficult made easier by your training methods."

**Pierre Lemmer
Nypro**

NML Training Courses 2014

- ▶ CT001: Foundation Course in Measurement and Calibration
- ▶ CT002: Evaluating Measurement Uncertainty
- ▶ CT003: Practical Dimensional Calibration
- ▶ CT004: Practical Temperature Measurement and Calibration
- ▶ CT005: Weights and Balance Calibration
- ▶ CT006: Electrical Measurement and Calibration
- ▶ CT007: Practical CMM Verification
- ▶ CT009: Temperature/Humidity Mapping of Enclosures
- ▶ CT010: Calibration – Tailored Course
- ▶ CT011: Humidity Measurement and Calibration

Metrology (continued)

Research

The National Metrology Laboratory allocated 340 days to conducting collaborative research in measurement-related areas. Work is progressing well on a collaborative research project with Dublin City University (DCU) on the development of an automated system for the calibration of 20kg cast iron weights. A working system is now operational in DCU, with further input required on the control electronics, software and measurement repeatability and uncertainty. It is hoped that the system will be complete by mid-2015.

The NML commenced a joint initiative with the Metrology Institute of Slovenia on the development of a non-contact thermometry measurement capability in the NSAI's Laboratory.

The Temperature/Humidity Laboratory is undertaking a research evaluation of a new Dew-Point Generator being manufactured by MBW (the Swiss designated Metrology Institute for Humidity), while the Electrical Laboratory is carrying out investigations on the upgrade and development of NML's DC Millivolt Standard and Picoamp Source.

EMPIR

As a €600 million, ten year measurement-related research programme run in accordance with Horizon 2020, the European Metrology Programme for Innovation and Research (EMPIR) will comprise top-end research on developing and improving the international measurement units with the aim of addressing the so-called 'grand challenges' in sectors such as health, energy and the environment.

Ireland is proving to be an active member of EMPIR; during the first call under the Programme in 2014, the NML registered Ireland's interest in participating in three projects in the fields of temperature, humidity, and time and frequency. One of the research proposals that the Laboratory is a partner to – SrT04 "Developing traceable capabilities in thermal metrology" – has been shortlisted for approval with a final decision due in early 2015.

Training & Proficiency Testing

2014 saw a strong demand for the provision of metrology training courses across the range of calibration and measurement-related areas. In total, 23 courses were delivered to 150 technical staff from some 56 companies.

The take-up of the new Proficiency Testing Service operated by the NML was also on the rise during the year, with 24 Proficiency Tests being run (up from 14 in 2013). This measurement audit scheme is also being availed of by legal metrology's authorised verifiers.

On the education front, eight secondary school students were placed on NSAI's Transition Year (TY) Programme, which is designed to give these students a structured opportunity to benefit from a week's work experience at a leading scientific institute and to introduce them to the fundamentals of metrology.



International

In meeting its ongoing obligations as Ireland's signatory to the International Committee of Weights and Measures (CIPM) Mutual Recognition Arrangement, established to enable National Metrology Institutes to recognise and accept national measurement standards and calibration and measurement certificates issued by their counterparts around the world, NSAI participated in international measurement intercomparisons with other European national metrology institutes and with the International Bureau of Weights and Measures (BIPM).

The NML's Calibration and Measurement Capabilities (CMCs), approved under the CIPM Multilateral Arrangement, underwent some changes during 2014. Updated CMC tables for humidity were submitted for technical review by the European Association of National Metrology Institutes (EURAMET) at the end of the year, and the results of measurements for key comparisons of our electrical resistance capabilities, carried out by the Electrical Standards Lab, were sent to BIPM for review.



Approval of the CMC tables for pressure measurements has been severely delayed pending the publication of the results of an interlaboratory comparison. The revised CMC figures for electrical measurements, submitted in 2013, have been reviewed and approved at European level. The National Metrology Laboratory also successfully completed a peer audit of its temperature/humidity section by a EURAMET technical expert from MIKES in Finland, which confirms NSAI's continued compliance with international regulations.

2014 in Figures:

- ▶ 14 National Measurement Standards Maintained
- ▶ 4,400 Instrument Calibration Certificates Issued
- ▶ 340 Research Days
- ▶ 23 Training Courses for 150 People from 56 Companies
- ▶ 12 Consultancy Assignments
- ▶ 24 Proficiency Tests
- ▶ 8 Transition Year Students Placed

340

RESEARCH
DAYS

24

PROFICIENCY
TESTS
CONDUCTED

Corporate Governance

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

The Authority operates in accordance with provisions of the National Standards Authority of Ireland Act 1996; Metrology Act 1996; Packaged Goods (Quantity Control) Act 1980; Industrial Development Acts 1998 – 2009 and under the aegis of the Minister for Jobs, Enterprise and Innovation who is empowered to; provide funds to the Authority to enable it to discharge its obligations; to issue general policy directives; and to seek information on the Authority's activities. In addition to its own governing legislation, the Authority is also required to comply with a range of other statutory (national and EU) and administrative requirements. In particular, it has put in place procedures to ensure compliance with the following specific requirements:

EU Regulation No. 1025/2012 on European Standardization

Since 2012, NSAI has been notified by the Department of Jobs, Enterprise and Innovation as the national standards body for CEN, CENELEC and ETSI under the EU Regulation on Standardization and is required to publish an annual report on standardization activities.

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

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

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

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

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

NSAI is committed to a policy of equal opportunity and adopts a positive approach to equality in the organisation. A policy on Dignity at Work is in operation and has been communicated to all staff. NSAI is committed to maintaining and developing a balanced work/life environment for all staff.

Safety, Health and Welfare at Work Act 2005

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

Worker Participation (State Enterprises) Acts 1998

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

Freedom of Information 2014

NSAI is a prescribed organisation under provisions of these Acts. The Acts establish the following statutory rights:

- ▶ Access to information held by public bodies;
- ▶ To have official information held by a public body relating to that individual amended where it is incomplete, incorrect or misleading; and
- ▶ Access to records on decisions affecting oneself taken by that public body. Requests for information should be addressed to the Freedom of Information Officer, NSAI, 1 Swift Square, Northwood, Santry, Dublin 9.

Data Protection Acts 1988 and 2003

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

Guidelines for the Appraisal and Management of Capital Expenditure Proposals 2005

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

Prompt Payment of Accounts Act 1997

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

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

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

In accordance with the National Energy Efficiency Action Plan 2014

NSAI is committed to taking every effort possible to be energy efficient. During 2014, the Authority consumed the following energy over nine facilities:

- ▶ 1,128,993 kWh of electricity
- ▶ 1,033,125 kWh of natural gas

The Authority participates in framework agreements for the supply of electricity and gas procured centrally by the National Procurement Service. The NSAI Headquarter building has an energy rating of B2.

Customer Charter

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

Official Languages Act 2003

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

Financial Emergency Measures in the Public Interest (FEMPI) Acts 2010 to 2013 and Haddington Road Agreement

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

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

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

The Board



Julie O'Neill
Chairman



Maurice Buckley
Chief Executive Officer



Valerie Bowens



Kieran Cox



Eugene Forde



Aileen Goggin



Terry Landers



Peter Oates



Aidan O'Boyle



Deirdre O'Hara



Kieran Ryan



Deirdre Smith



James Collins
Retired



Edmond Stack
Retired

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

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

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

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

This is achieved through an internal control infrastructure which includes Matters Reserved to the Board, a clear division of roles between the Chairman and Chief Executive Officer, a schedule of meetings with regular reporting and presentations to the Board and an active Audit and Risk Committee. The Executive Management are responsible for the operational implementation of the strategy, policies and procedures.

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

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

| Board Members | Appointed/ Retired | Sector | Meetings eligible to attend | Meetings attended |
|----------------------------|-----------------------|-------------------------------|-----------------------------|-------------------|
| Ms J. O'Neill | | Pharmaceutical | 6 | 6 |
| Mr M. Buckley (ex-officio) | | Chief Executive | 6 | 6 |
| Ms V. Bowens | Appointed 2014 | Finance – Compliance | 4 | 3 |
| Mr J. Collins | Retired 2014 | Public Sector – Education | 1 | 1 |
| Mr K. Cox | | Staff | 6 | 3 |
| Mr E. Forde | | Public Sector – DJEI Official | 6 | 5 |
| Ms A. Goggin | | Public Sector – Banking | 6 | 6 |
| Mr T. Landers | Reappointed 2014 | ICT | 6 | 4 |
| Mr P. Oates | | Staff | 6 | 5 |
| Dr A. O'Boyle | Appointed 2014 | Medical | 4 | 4 |
| Ms D. O'Hara | | Energy | 6 | 5 |
| Ms B. O'Leary | | Public Sector – Environment | 6 | 5 |
| Mr K. Ryan | | Medical | 6 | 6 |
| Ms D. Smith | Appointed 2014 | ICT | 4 | 3 |
| Mr E. Stack | Retired April 2014 | Engineering | 1 | 1 |

The Board (continued)

Board Committees

Audit Committee

The Audit Committee is a core component of governance and of the systems of internal financial controls implemented by the Board. The scope of the Committee incorporates the internal control environment, Risk Management and protected disclosures provisions. The Committee operates under a terms of reference approved by the Board and convened 3 meetings in 2014.

| Member | Meetings eligible to attend | Meetings Attended |
|---|-----------------------------|-------------------|
| Mr. J Collins – Chairman (Retired April, 2014) | 1 | 1 |
| Mr. K Ryan – Chairman (Appointed September, 2014) | 3 | 3 |
| Mr. E Stack – (Retired April, 2014) | 1 | 1 |
| Ms. D O'Hara – (Retired September, 2014) | 1 | 0 |
| Ms. B O'Leary – (Appointed September, 2014) | 2 | 2 |
| Dr A. O'Boyle (Appointed September, 2014) | 2 | 2 |
| Mr. E Forde | 3 | 2 |

Governance Committee

The Governance Committee was reconstituted as a core component of the governance infrastructure by the Board in 2013. The scope of the Committee incorporates defining and articulating the NSAI's overall corporate governance structures to ensure it complies with the Code of Practice for the Governance of State Bodies, develops and recommends to the Board for approval corporate governance guidelines applicable to the NSAI. The Committee operates under a terms of reference approved by the Board and convened 2 meetings in 2014.

| Member | Meetings eligible to attend | Meetings Attended |
|--|-----------------------------|-------------------|
| Ms. D. O'Hara – Chairman | 2 | 2 |
| Ms. V. Bowens – (Appointed October 2014) | 1 | 1 |
| Mr. K Cox | 2 | 0 |
| Ms. A. Goggin | 2 | 2 |
| Mr. P. Oates | 2 | 2 |
| Ms. B. O'Leary | 1 | 1 |

2014

Annual Financial Statements

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Statement of Board Members' Responsibilities

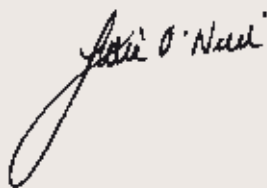
FOR 2014 ANNUAL FINANCIAL STATEMENTS

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

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

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

On behalf of the Board:



Julie O'Neill
Chairman

25 June 2015



Maurice Buckley
Chief Executive Officer

25 June 2015

Statement on Internal Financial Control

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

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

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

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

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

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

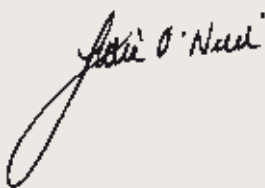
The system of internal financial control is based on a framework of regular management information, administration procedures including segregation of duties, and a system of delegation and accountability. In particular it includes:

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

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

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

I confirm that in respect of the year to 31 December 2014, the Board conducted a review of the effectiveness of the system of internal financial controls.



Julie O'Neill
Chairman

25 June 2015

Comptroller and Auditor General

REPORT 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 2014 under the National Standards Authority of Ireland Act 1996. The financial statements, which have been prepared under the accounting policies set out therein, comprise the accounting policies, the consolidated income and expenditure account, the statement of consolidated total recognised gains and losses, the consolidated balance sheet, the consolidated cash flow statement and the related notes. The financial statements have been prepared under paragraph 8 of the first schedule of the Act, and in accordance with generally accepted accounting practice in Ireland.

Responsibilities of the Members of the Authority

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

Responsibilities of the Comptroller and Auditor General

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

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

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

Scope of Audit of the Financial Statements

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

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

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

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

Deferred Pension Funding

Without qualifying my opinion I draw attention to note 12 (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 on the Financial Statements

In my opinion, the financial statements, which have been properly prepared in accordance with generally accepted accounting practice in Ireland, give a true and fair view of the state of the Authority's affairs at 31 December 2014 and of its income and expenditure for 2014.

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

Matters on which I Report by Exception

I report by exception if

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

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



Patricia Sheehan

For and on behalf of the Comptroller and Auditor General

30 June 2015

Board Members and General Information

Board of the NSAI

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

Board Members

Ms. J. O'Neill – *Chairman*
Mr. M. Buckley – *Chief Executive Officer*
Ms. V. Bowens – *Appointed 12th May 2014*
Mr. J. Collins – *Retired 14th April 2014*
Mr. K. Cox
Mr. E. Forde
Ms. A. Goggin
Mr. T. Landers – *Reappointed 28th March 2014*
Mr. P. Oates
Dr. A. O'Boyle – *Appointed 12th May 2014*
Ms. D. O'Hara
Ms. B. O'Leary
Mr K. Ryan
Ms D. Smith – *Appointed 12th May 2014*
Mr. E. Stack – *Retired 14th April 2014*
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.

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

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

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

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

(a) Basis of Accounting

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

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

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

(b) Income

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

(c) Oireachtas Grant

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

(d) Translation of Foreign Currencies

Foreign Currency Transactions

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

Foreign Operations

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

Accounting Policies (continued)

(e) Fixed Assets

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

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

(f) Capital Account

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

(g) Debtors

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

(h) Leases

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

(i) Superannuation

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

Forfás Scheme

With effect from the 16th of July 2014, under part 5 of the Industrial Development (Forfás Dissolution) Act 2014, 39 Forfás staff working in NSAI became members of the staff of NSAI and accordingly responsibility for all pension entitlements of the serving staff transferred from Forfás to NSAI.

NSAI Scheme

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

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

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

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

Consolidated Income and Expenditure Account

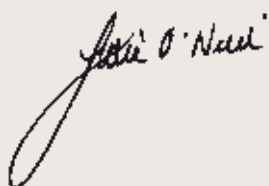
FOR YEAR ENDED 31 DECEMBER 2014

| | Notes | 2014 € | 2013 € |
|--|----------|--------------------|-------------|
| Income | 1 | 19,181,512 | 18,710,504 |
| Expenditure | | | |
| Administration and General Expenses | 2 | 23,929,815 | 24,153,562 |
| Deficit before Oireachtas Grant | | (4,748,303) | (5,443,058) |
| Oireachtas Grant | 3 | 4,803,999 | 5,641,000 |
| Operating Surplus for year | | 55,696 | 197,942 |
| Transfer from Capital Account | 4 | 156,049 | 66,798 |
| Translation Adjustment | | 279,322 | (126,305) |
| Surplus for year | | 491,067 | 138,435 |
| Contribution to Exchequer | 5 | 1,000,000 | – |
| (Deficit)/Surplus for year after Exchequer Return | | (508,933) | 138,435 |
| Balance at 1 January | | 4,645,830 | 4,507,395 |
| Balance at 31 December | | 4,136,897 | 4,645,830 |

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

The Accounting Policies, Cashflow Statement and Notes 1 to 16 form part of the Financial Statements.

On behalf of the Board:



Julie O'Neill
Chairman

25 June 2015



Maurice Buckley
Chief Executive Officer

25 June 2015

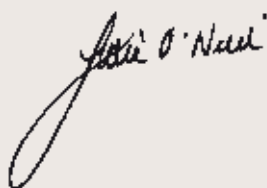
Statement of Consolidated Total Recognised Gains and Losses

AS AT 31 DECEMBER 2014

| | Notes | 2014 € | 2013 € |
|---|--------|---------------------|-------------|
| Surplus for year | | 491,067 | 138,435 |
| Experience (Losses)/Gains on pension scheme liabilities | 12 (d) | (16,393,000) | 2,520,000 |
| Changes in assumptions underlying the present value of pension scheme liabilities | 12 | – | – |
| Actuarial (Loss)/Gain on Pension Liabilities | | (16,393,000) | 2,520,000 |
| Adjustment to Deferred Pension Funding | 12 | 16,393,000 | (2,520,000) |
| Total Recognised Gains for the year | | 491,067 | 138,435 |

The Accounting Policies, Cashflow Statement and Notes 1 to 16 form part of the Financial Statements.

On behalf of the Board:



Julie O'Neill
Chairman

25 June 2015



Maurice Buckley
Chief Executive Officer

25 June 2015

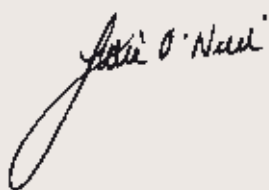
Consolidated Balance Sheet

AS AT 31 DECEMBER 2014

| | Notes | 2014 € | 2013 € |
|--|--------|---------------------|--------------|
| Fixed Assets | | | |
| Tangible Fixed Assets | 6 | 4,318,454 | 4,470,152 |
| Current Assets | | | |
| Debtors and Prepayments | 8 | 3,820,396 | 3,763,160 |
| Bank | | 2,365,709 | 2,071,845 |
| | | 6,186,105 | 5,835,005 |
| Creditors: amounts falling due within one year | 9 | 2,049,208 | 1,189,175 |
| Net Current Assets | | 4,136,897 | 4,645,830 |
| Total Assets less current liabilities before Pensions | | 8,455,351 | 9,115,982 |
| Deferred funding Asset for Pensions | 12 (c) | 52,800,000 | 33,600,000 |
| Pension Liabilities | 12 (b) | (52,800,000) | (33,600,000) |
| | | – | – |
| Total Assets less current liabilities after Pensions | | 8,455,351 | 9,115,982 |
| Net Assets | | 8,455,351 | 9,115,982 |
| Financed By: | | | |
| Capital Account | 4 | 4,318,454 | 4,470,152 |
| Income and Expenditure Account | | 4,136,897 | 4,645,830 |
| | | 8,455,351 | 9,115,982 |

The Accounting Policies, Cashflow Statement and Notes 1 to 16 form part of the Financial Statements.

On behalf of the Board:



Julie O'Neill
Chairman

25 June 2015



Maurice Buckley
Chief Executive Officer

25 June 2015

Consolidated Cash Flow Statement

FOR YEAR ENDED 31 DECEMBER 2014

| | Notes | 2014 € | 2013 € |
|--|-------|------------------|-----------|
| Reconciliation of Operating Surplus for Year to Net Cash Inflow from Operations | | | |
| Operating Surplus for the Year | | 55,696 | 197,942 |
| Bank Interest | | 3,366 | (4,886) |
| Depreciation Charge | 6 | 611,663 | 605,486 |
| Profit on disposal of Tangible Fixed Assets | | (763) | (16,451) |
| (Increase)/Decrease in Debtors and Prepayments | | (57,236) | 165,625 |
| (Decrease)/Increase in Creditors and Accruals excluding Contribution to Exchequer | | (139,967) | 62,843 |
| Currency Translation Adjustment | | 279,322 | (126,305) |
| Net Cash Inflow from Operations | | 752,081 | 884,254 |
| CASH FLOW STATEMENT | | | |
| Net Cash Inflow from Operations | | 752,081 | 884,254 |
| Returns on Investment and Servicing of Finance | | | |
| Bank Interest | | (3,366) | 4,886 |
| Cash Flow before Capital Expenditure | | 748,715 | 889,140 |
| Capital Funding | | | |
| Purchase of Tangible Fixed Assets | 6 | (455,614) | (538,787) |
| Sale of Tangible Fixed Assets | | 763 | 16,550 |
| Increase in Cash | | 293,864 | 366,903 |
| Reconciliation of Net Cash Flow to Movement in Net Funds | | | |
| Movement in Net Funds in the year | | 293,864 | 366,903 |
| Net Funds at 1 January | | 2,071,845 | 1,704,942 |
| Net Funds at 31 December | | 2,365,709 | 2,071,845 |

Notes to the Accounts

FOR YEAR ENDED 31 DECEMBER 2014

(1) Income

| | | 2014 € | 2013 € |
|-----------------------------------|-------------|-------------------|------------|
| Certification Fees | | 15,388,574 | 14,980,685 |
| Sale of Standards | | 832,674 | 779,757 |
| Other Income | | 156,630 | 125,176 |
| Bank Interest | | (3,366) | 4,886 |
| | | 16,374,512 | 15,890,504 |
| Net deferred funding for pensions | Note 12 (c) | 2,807,000 | 2,820,000 |
| | | 19,181,512 | 18,710,504 |

(2) Administration and General Expenses

| | | 2014 € | 2013 € |
|--|-------------|-------------------|------------|
| Pay and Superannuation costs | | 10,669,918 | 11,054,538 |
| Pension costs | Note 12 (a) | 2,800,319 | 2,891,350 |
| Board Members Remuneration and Expenses | Note 15 | 61,867 | 51,080 |
| Travelling Expenses | | 1,237,374 | 1,245,339 |
| Sub-contracted and Professional Services | | 4,225,299 | 3,856,597 |
| Rents, Rates, Repairs and Maintenance | | 1,809,933 | 2,021,819 |
| Other Operating Expenses | | 1,867,312 | 1,746,416 |
| Profit on disposal of Fixed Assets | | (763) | (16,451) |
| Subscriptions to Organisations | | 622,493 | 672,988 |
| Depreciation | Note 6 | 611,663 | 605,486 |
| Audit Fee | | 24,400 | 24,400 |
| | | 23,929,815 | 24,153,562 |
| Pay and Superannuation Costs of staff comprise: | | | |
| Wages and Salaries | | 9,983,849 | 10,326,259 |
| Social Welfare Costs | | 667,448 | 695,792 |
| Superannuation Costs | | 18,621 | 32,487 |
| | | 10,669,918 | 11,054,538 |

Wages and Salaries includes the cost of termination payments issued to 1 individual. The number of persons employed (whole time equivalent) at 31 December 2014 was 140. (2013: 141).

Other Operating Expenses includes an amount of €7,683 in relation to Employee engagement/staff welfare (2013: €7,398). These costs include a contribution to staff social club events and staff team building exercises.

Notes to the Accounts (continued)

(3) Oireachtas Grant

| | 2014 € | 2013 € |
|---|------------------|-----------|
| Grant for Administration and General Expenses | 4,803,999 | 5,641,000 |
| | 4,803,999 | 5,641,000 |

The Oireachtas Grant is issued by The Department of Jobs, Enterprise and Innovation and includes an amount of €500,000 in relation to capital purchases in 2014. Funding is from Vote 32, Subhead A.11.

(4) Capital Account

| | 2014 € | 2013 € |
|--|------------------|-----------|
| Opening balance | 4,470,152 | 4,537,120 |
| Net Movements on Tangible Fixed Assets | (156,049) | (66,798) |
| Transfer to Income & Expenditure Account | (156,049) | (66,798) |
| Currency Translation Adjustment | 4,351 | (170) |
| At 31 December | 4,318,454 | 4,470,152 |

(5) Contribution to Exchequer

Refund of an accumulation of previous year's Surplus Operating Reserves €1.0m (2013: Nil).

Over the last number of years NSAI has reported operating performances resulting in an accumulation of surplus operating reserves and cash balance. NSAI consulted with DJEI in September 2014 and advised that it was proposing an exchequer return to address the matter. It was agreed in May 2015 that making an exchequer return from the accumulated reserves at 31 December 2014 was appropriate.

(6) Tangible Fixed Assets

| | Equipment, Fixtures & Fittings | Computer Equipment | Land & Buildings | Motor Vehicles | Total |
|------------------------|--------------------------------------|-----------------------|---------------------|-------------------|------------|
| | € | € | € | € | € |
| In Euro | | | | | |
| COST | | | | | |
| At 1 January 2014 | 4,673,801 | 3,184,970 | 4,264,287 | 354,848 | 12,477,906 |
| Additions | 115,928 | 336,843 | 2,843 | 0 | 455,614 |
| Disposals | (13,915) | (88,863) | | 0 | (102,778) |
| Translation Adjustment | 7,646 | 26,155 | | | 33,801 |
| At 31 December 2014 | 4,783,460 | 3,459,105 | 4,267,130 | 354,848 | 12,864,543 |
| DEPRECIATION | | | | | |
| At 1 January 2014 | 4,191,694 | 2,705,669 | 940,721 | 169,670 | 8,007,754 |
| Charge for Year | 178,906 | 289,373 | 85,343 | 58,041 | 611,663 |
| Disposals | (13,915) | (88,863) | | 0 | (102,778) |
| Translation Adjustment | 6,916 | 22,534 | | | 29,450 |
| At 31 December 2014 | 4,363,601 | 2,928,713 | 1,026,064 | 227,711 | 8,546,089 |
| NET BOOK VALUE | | | | | |
| At 1 January 2014 | 482,107 | 479,301 | 3,323,566 | 185,178 | 4,470,152 |
| Net movement for year | (62,978) | 47,470 | (82,500) | (58,041) | (156,049) |
| Translation adjustment | 730 | 3,621 | | | 4,351 |
| At 31 December 2014 | 419,859 | 530,392 | 3,241,066 | 127,137 | 4,318,454 |

(7) Property

NSAI occupies premises at a number of locations. Our head office is located at 1 Swift Square, Santry, Dublin 9. These premises are leased, the lease was entered into in January 2008 for a period of 20 years. There was a nil increase in respect of the first 5 year rent review, completed in 2014. The next 5 year rent review is due to be undertaken in January 2018 covering the period commencing 1 January 2018.

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

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

Notes to the Accounts (continued)

(8) Debtors and Prepayments

| | 2014 € | 2013 € |
|---|------------------|-----------|
| Trade Debtors (net of bad debt provision) | 2,835,683 | 2,802,387 |
| Accrued Income | 398,803 | 385,886 |
| Prepayments | 585,910 | 574,887 |
| | 3,820,396 | 3,763,160 |

(9) Creditors: amounts falling due within 1 year

| | 2014 € | 2013 € |
|---|------------------|-----------|
| Trade Creditors | 111,409 | 245,424 |
| Other Creditors and Accruals | 567,227 | 645,706 |
| Deferred Income | 347,119 | 309,895 |
| Taxation, Social Insurance and VAT | 23,453 | (11,850) |
| Contribution to Exchequer <i>Note 5</i> | 1,000,000 | – |
| | 2,049,208 | 1,189,175 |

(10) Commitments under Operating Leases

Payments made under Operating Leases on Buildings charged in the financial statements amounted to €933,005 (2013: €933,482). Payments under Operating Leases on Buildings amounting to €921,391 are due to be made in 2015. These are in respect of leases which expire as follows:

| | 2014 € | 2013 € |
|-------------------|----------------|-----------|
| Expiry of Lease: | | |
| Within one year | – | – |
| One to five years | 29,440 | 40,889 |
| After five years | 891,951 | 891,951 |
| | 921,391 | 932,840 |

(11) Taxation

The Authority is exempt from taxation on its income.

(12) Pension Costs

(a) Analysis of Total Pension Costs Charged to Expenditure

| | 2014 € | 2013 € |
|--|------------------|-----------|
| Current service costs | 1,400,000 | 1,500,000 |
| Interest on pension scheme liabilities | 1,800,000 | 1,800,000 |
| Employee contributions | (399,681) | (408,650) |
| | 2,800,319 | 2,891,350 |

(b) Movement in Net Pension Liability during the Financial Year

| | 2014 € | 2013 € |
|---|-------------------|-------------|
| Net pension liability at 1 January | 33,600,000 | 33,300,000 |
| Current service cost | 1,400,000 | 1,500,000 |
| Interest costs | 1,800,000 | 1,800,000 |
| Actuarial loss/(gain) | 16,393,000 | (2,520,000) |
| Pensions paid in the year | (393,000) | (480,000) |
| Net pension liability at 31 December | 52,800,000 | 33,600,000 |

As at 15 July 2014 there was 39 Forfás staff working in NSAI. Under Paragraph 3 of the Second Schedule of the Industrial Development Act, 1993, Forfás was responsible for the employee pension entitlements of these staff. With effect from the 16th of July 2014, under part 5 of the Industrial Development (Forfás Dissolution) Act 2014 the said serving staff became members of the staff of NSAI and accordingly responsibility for all pension entitlements of the serving staff transferred from Forfás to NSAI.

The liability in respect of the transferred staff was not calculated at the date of transfer. It is however included in the year end valuation above and is recognised in the STRGL as part of the experience loss figure of €16.39m.

Notes to the Accounts (continued)

(12) Pension Costs (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:

| | 2014 | 2013 |
|--|------------------|-------------|
| | € | € |
| Funding recoverable in respect of current year pension costs | 3,200,000 | 3,300,000 |
| State grant applied to pay pensioners | (393,000) | (480,000) |
| | 2,807,000 | 2,820,000 |

The deferred funding asset for pensions as at 31 December 2014 amounted to €52.8 million (2013: €33.6 million).

(d) History of Defined Benefit Obligations

| | 2014 | 2013 | 2012 | 2011 |
|--|-------------|--------------|--------------|-------------|
| Defined benefit obligations | €52,800,000 | €33,600,000 | €33,300,000 | €32,000,000 |
| Experience loss/(gain) on scheme liabilities | | | | |
| Amount | €16,393,000 | (€2,520,000) | (€1,390,000) | (€620,000) |
| Percentage of scheme liabilities | 31% | (8%) | (4%) | (2%) |

The cumulative actuarial loss recognised in the Statement of Total Recognised Gains and Losses amounts to €7,300,000.

(12) Pension Costs (continued)

(e) General Description of the Scheme

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

The valuation used for FRS17 (Revised) disclosures has been based on a full actuarial valuation dated 7th February 2015 by a qualified independent actuary taking account of the requirements of the FRS in order to assess the scheme liabilities at 31 December 2014.

The principal actuarial assumptions were as follows:

| | 2014 | 2013 | 2012 |
|---|-------------|-------------|-------------|
| | % | % | % |
| 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.

| | 2014 | 2013 | 2012 |
|----------------|--------------|--------------|--------------|
| | Years | Years | Years |
| Male aged 65 | 22 | 22 | 22 |
| Female aged 65 | 25 | 25 | 25 |

(13) NSAI Inc.

NSAI Inc. was established in New Hampshire, USA on July 1, 1997 as a not for profit corporation wholly-owned by the NSAI for the purpose of distribution and dissemination of information on current and proposed Irish and EU standards, the provision of technical reviews and evaluation of products, processes and practices and certification for conformity to EU, Irish and International standards. The balances and transactions of NSAI Inc. have been included in these financial statements. The Consolidated Operating Surplus for the year includes a surplus from the operations of NSAI Inc. of €569,986. (2013: €404,648).

(14) Board Members – Disclosure of Transactions

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

Notes to the Accounts (continued)

(15) Directors remuneration and CEO Salary

(a) Directors Remuneration Paid in 2014

| | | |
|------------------------------|---------|-----------------------------|
| Ms. J. O'Neill | €11,929 | Chairman |
| Ms. V. Bowens | €4,719 | Appointed 12th May 2014 |
| Mr. J. Collins [Note (i)] | €0 | Retired 14th April 2014 |
| Mr. K. Cox | €7,668 | |
| Mr. E. Forde | €0 | DJEI Representative |
| Ms. A. Goggin [Note (i)] | €0 | |
| Mr. T. Landers [Note (ii)] | €0 | Reappointed 28th March 2014 |
| Mr. P. Oates | €7,668 | |
| Dr. A. O'Boyle | €4,719 | Appointed 12th May 2014 |
| Ms. D. O'Hara | €7,668 | |
| Ms. B. O'Leary [Note (i)] | €0 | |
| Mr. K. Ryan | €7,668 | |
| Ms. D. Smith | €4,719 | Appointed 12th May 2014 |
| Mr. E. Stack | €2,389 | Retired 14 April 2014 |
| Mr. M. Buckley | €0 | Chief Executive Officer |

The total Directors remuneration for 2014 was €59,147 (2013: €44,175)

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

(ii) Member voluntarily forgoing Directors remuneration.

(b) Directors Expenses

The total Directors expenses for 2014 was €2,720 (2013: €6,905)

(c) CEO Salary

The Chief Executive's annual basic salary paid in 2014 was €143,311 (2013: €148,680). The total remuneration package consisting of superannuation provision, company car and any other benefits (subject to benefit in kind) for 2014 was €163,250 (2013: €158,824). The Chief Executive is a member of the NSAI staff superannuation scheme and his pension entitlements do not extend beyond the standard entitlements of the model public sector scheme. The Chief Executive did not receive any performance related payments in either 2014 or 2013.

(16) Approval of Financial Statements

The financial statements were approved by the Board on the 25th of June 2015.



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