



HEALTH AND SAFETY AUTHORITY

AN tÚDARÁS SLÁINTE AGUS SÁBHÁILTEACHT

**Report and Financial Statements
for the year ended 31 December 2018**

HEALTH AND SAFETY AUTHORITY

Report and Financial Statements

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HEALTH AND SAFETY AUTHORITY

Information

Members of the Board	Mr. Tom Coughlan (Chairperson)	Appointed on 12/04/2017
	Dr. Michael Gillen (Deputy Chairperson)	Reappointed on 20/12/2016
	Mr. Pat Kenny	Reappointed on 20/12/2016
	Ms. Christine Rowland	Reappointed on 20/12/2016
	Mr. Frank Vaughan	Reappointed on 20/12/2016
	Mr. Andrew Bowers	Appointed on 20/12/2016
	Mr. Dermot Carey	Appointed on 20/12/2016
	Ms. Carol Bolger	Reappointed on 26/02/2017
	Dr. John McCartney	Reappointed on 26/02/2017
	Prof. James Phelan	Reappointed on 26/02/2017
	Ms. Deirdre Cullivan	Appointed on 08/03/2017
Mr. Stephen Curran (DBEI)	Appointed on 12/09/2017	

Chief Executive Dr. Sharon McGuinness

Head Office Health and Safety Authority
The Metropolitan Building
James Joyce Street
Dublin 1

Auditor Comptroller and Auditor General
3A Mayor Street Upper
Dublin 1

Accountants Crowleys DFK
Chartered Accountants
5 Lapps Quay
Cork

Internal Auditors Deloitte
Deloitte & Touche House
29 Earlsfort Terrace
Dublin 2

HEALTH AND SAFETY AUTHORITY

Governance Statement and Board Members' Report

Governance

The Board of the Health and Safety Authority was established on 1st November 1989 under the then Safety, Health and Welfare at Work Act, 1989. This Act was replaced by the Safety, Health and Welfare at Work Act, 2005. The functions of the Board are set out in Section 16 of the 2005 Act. The Board is accountable to the Minister for Business, Enterprise and Innovation and is responsible for ensuring good governance and performs this task by setting strategic objectives and targets and taking strategic decisions on all key business issues. The regular day-to-day management, control and direction of the Health and Safety Authority are the responsibility of the Chief Executive Officer (CEO) and the senior management team. The CEO and the senior management team must follow the broad strategic direction set by the Board and must ensure that all Board members have a clear understanding of the key activities and decisions related to the entity, and of any significant risks likely to arise. The CEO acts as a direct liaison between the Board and management of the Health and Safety Authority.

Board Responsibilities

The work and responsibilities of the Board are set out in the Safety, Health and Welfare at Work Act 2005, the Standing Orders approved by the Board, the Schedule of Reserved and Delegated functions of the Board which also contain the matters specifically reserved for Board decision. Standing items considered by the Board include:

- Declaration of interests;
- Reports from Committees;
- Financial reports/management accounts;
- Performance reports; and
- Reserved matters.

Section 48(1) of the Safety, Health and Welfare at Work Act, 2005 requires the Board of the Health and Safety Authority to keep, in such form as may be approved by the Minister for Business, Enterprise and Innovation with consent of the Minister for Public Expenditure and Reform, all proper and usual accounts of money received and expended by it.

In preparing these financial statements, the Board of the Health and Safety Authority is required to:

- Select suitable accounting policies and apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that it will continue in operation.

The Board is responsible for keeping adequate accounting records which disclose, with reasonable accuracy at any time, its financial position and enables it to ensure that the financial statements comply with Section 48(1) of the Safety, Health and Welfare at Work Act, 2005. The maintenance and integrity of the corporate and financial information on the Health and Safety Authority's website is the responsibility of the Board.

The Board is responsible for approving the annual plan and budget. An evaluation of the performance of the Health and Safety Authority by reference to the annual plan and budget is carried out regularly at Authority meetings.

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.

The Board considers that the financial statements of the Health and Safety Authority give a true and fair view of the financial performance and the financial position of the Health and Safety Authority at 31 December 2018.

HEALTH AND SAFETY AUTHORITY

Governance Statement and Board Members' Report

Board Structure

The Board consists of a Chairperson, Deputy Chairperson and 10 ordinary members, all of whom are appointed by the Minister for Business, Enterprise and Innovation. The members of the Board were appointed for a period of three years and meet on a regular basis. The table below details the appointment period for current members:

Board Member	Role	Date Appointed
Mr. Tom Coughlan	Chairperson	12 April 2017
Dr. Michael Gillen	Deputy Chairperson	20 December 2016
Mr. Pat Kenny		20 December 2016
Ms. Carol Bolger		26 February 2017
Mr. Andrew Bowers		20 December 2016
Mr Dermot Carey		20 December 2016
Ms. Christine Rowland		20 December 2016
Mr. Frank Vaughan		20 December 2016
Prof. James Phelan		26 February 2017
Dr. John McCartney		26 February 2017
Ms. Deirdre Cullivan		08 March 2017
Mr. Stephen Curran		12 September 2017

The Authority undertook an external Board self-assessment review over quarter one 2019.

The Board has established five (5) Committees, as follows:

- 1. Audit and Risk Committee:** comprises four Board members. The role of the Audit and Risk Committee (ARC) is to support the Board in relation to its responsibilities for issues of risk, control and governance and associated assurance. The ARC is independent from the financial management of the organisation. In particular the Committee ensures that the internal control systems including audit activities are monitored actively and independently. The ARC reports to the Board after each meeting, and formally in writing annually.

The members of the Audit and Risk Committee are: Carol Bolger (Chairperson), Deirdre Cullivan, Pat Kenny and John McCartney. There were four (4) meetings of the ARC in 2018.

- 2. Finance Committee:** comprises four Board members. The role of the Finance Committee is to monitor and review the financial policies and strategies of the Authority.

The members of the Finance Committee are: Carol Bolger (Chairperson), Deirdre Cullivan, Pat Kenny and John McCartney. There were six (6) meetings of the Finance Committee in 2018.

- 3. Strategy Review Committee:** comprises five Board members. The role of the Strategy Review Committee is to consider the development of the Authority's strategy; the strategic development of the Authority and to monitor the performance of the Chief Executive Officer.

The members of the Strategic Review Committee are: Tom Coughlan (Chairperson), Andrew Bowers, Stephen Curran, John McCartney and Christine Rowland. There was three (3) meeting of the Strategic Review Committee during 2018.

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Governance Statement and Board Members' Report

4. Legislation and Guidance Committee: comprises four Board members. The role of the Legislation and Guidance Committee (L&G) is to monitor the implementation of the legislation and guidance aspects of the Authority's programme of work and to examine proposals for legislation, Codes of Practice and, where necessary, related Guidance, and submit appropriate conclusions and/or recommendations to the Board.

The members of the Legislation and Guidance Committee are: Michael Gillen (Chairperson), Dermot Carey, Deirdre Cullivan, Christine Rowland and Frank Vaughan. There were five (5) meetings of the Legislation and Guidance Committee in 2018.

5. INAB Committee: The Irish National Accreditation Board (INAB) is a committee of the Health and Safety Authority. The Board of INAB, which makes decisions relating to the award of accreditation, has 12 members and is appointed by the Board of the Authority. There are no Board members on this Committee. The Committee met on six (6) occasions during 2018.

Schedule of Attendance, Fees and Expenses

A schedule of attendance at the Board and Committee meetings for 2018 is set out below including the fees and expenses received by each member:

	Board	Audit & Risk Committee	Finance Committee	Strategy Review Committee	L&G Committee	Fees 2018 €	Expenses 2018 €
Number of meetings	10	4	6	3	5		
Mr. Tom Coughlan	10			3		11,970	6,234
Dr. Michael Gillen	9				5	7,695	-
Mr. Pat Kenny	10	3	5			7,695	-
Ms. Carol Bolger	9	4	6			7,695	-
Mr. Andrew Bowers	10			2		7,695	-
Mr Dermot Carey	7				5	7,695	955
Ms. Christine Rowland	7			2	4	7,695	-
Mr. Frank Vaughan	8				4	7,695	169
Prof. James Phelan	8					7,695	-
Dr. John McCartney	10	2	4	2		7,695	419
Mrs. Deirdre Cullivan	9	4	6		5	7,695	1,511
Mr. Stephen Curran	10			3		-	185
						88,920	9,473

Mr. Stephen Curran did not receive Board fees under the One Person One Salary (OPOS) principle as he is a Department of Business, Enterprise and Innovation official.

Key Personnel Changes

There were no appointments or resignations of board members for the year under review. Dr. Sharon McGuinness was appointed Chief Executive of the Authority with effect from 1st of July 2018. Martin O'Halloran the Authority's previous Chief Executive retired on the 30th June 2018.

Disclosures Required by Code of Practice for the Governance of State Bodies (2016)

The Board is responsible for ensuring that the Health and Safety Authority has complied with the requirements of the Code of Practice for the Governance of State Bodies ("the Code"), as published by the Department of Public Expenditure and Reform in August 2016. The following disclosures are required by the Code:

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Governance Statement and Board Members' Report

Consultancy Costs

Consultancy costs include the cost of external advice to management and exclude outsourced 'business-as-usual' functions.

	2018	2017
	€	€
Legal advice	39,834	96,131
Financial/actuarial advice	32,111	22,541
IT Consultancy	30,281	20,997
External Communications	16,605	-
Occupational health consultancy	15,714	33,790
Strategy development	35,869	11,993
Human Resources	47,109	-
Total consultancy costs	217,523	185,452
Consultancy costs capitalised	-	-
Consultancy costs charged to the Income and Expenditure and Retained Revenue Reserves	217,523	185,452
Total	217,523	185,452

Legal Costs and Settlements

The table below provides a breakdown of amounts recognised as expenditure in the reporting period in relation to legal costs, settlements and conciliation and arbitration proceedings relating to contracts with third parties. This does not include expenditure incurred in relation to general legal advice received by the Health and Safety Authority which is disclosed in Consultancy costs above.

	2018	2017
	€	€
Legal fees - legal proceedings	81,687	96,131
Conciliation and arbitration payments	-	-
Settlements	-	-
Total	81,687	96,131

Included in these legal costs is an amount of €0 in relation to on-going matters involving other state agencies.

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Governance Statement and Board Members' Report

Travel and Subsistence Expenditure

Travel and subsistence expenditure are categorised as follows:

	2018 €	2017 €
Domestic		
- Board*	9,473	7,583
- Employees	892,660	791,438
International		
- Board*	-	1,220
- Employees	162,237	174,204
Total	1,064,370	974,445

Includes travel and subsistence of €9,473 paid directly to Board members in 2018 (2017: €8,802). There was no travel and subsistence expenditure paid by the Health & Safety Authority on behalf of the Board members in 2018 (2017: €0).


Hospitality Expenditure

The Income and Expenditure Account includes the following hospitality expenditure:

	2018 €	2017 €
Staff hospitality	8,106	1,789
Client hospitality	-	-
Total	8,106	1,789

Statement of Compliance

The Board has adopted the Code of Practice for the Governance of State Bodies in 2018 and has put procedures in place to ensure compliance with the Code. The Health and Safety Authority was in compliance with the Code of Practice for the Governance of State Bodies for 2018.



Tom Coughlan
Board Chairman



Date



Carol Bolger
Board Member



Date

HEALTH AND SAFETY AUTHORITY

Statement on Internal Control

Scope of Responsibility

On behalf of the Board of the Health and Safety Authority I acknowledge our responsibility for ensuring that an effective system of internal control is maintained and operated. This responsibility takes account of the requirements of the Code of Practice for the Governance of State Bodies (2016).

Purpose of the System of Internal Control

The system can only provide reasonable, and not absolute, assurance that the 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 Authority has taken steps to ensure an appropriate control environment by:

- Clearly defining management responsibilities and powers;
- Establishing formal procedures for reporting significant control failures and ensuring appropriate corrective action;
- Establishing a process to safeguard the assets of the Authority; and
- Developing a culture of accountability across all levels of the organisation.

Capacity to Handle Risk

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

- Identifying the nature, extent and financial implications of risks facing the Authority including the extent and categories which it regards as acceptable;
- Assessing the likelihood of identified risks occurring;
- Assessing the Authority's ability to manage and mitigate the risks that do occur;
- Assessing the costs of operating particular controls relative to the benefit obtained; and
- Working closely with Government and various agencies to ensure that there is a clear understanding of the Authority's goals and support for the strategies to achieve those goals.

Risk and Control Framework

The system of internal 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:

- A comprehensive budgeting system with an annual budget, which is reviewed and agreed by the Board;
- Regular reviews by the Board of periodic and annual reports, which indicate financial performance against forecasts;
- Setting targets to measure financial and other performance;
- Clearly defined purchasing and approval guidelines; and
- Formal project management disciplines.

An active Audit and Risk Committee, which met four times during the year and works closely with the Board on areas of risk that may impact on the Authority. The Board sets out the risk appetite for the Authority, ensures risk management processes are in place and details the roles and responsibilities of staff in relation to risk. A risk register which identifies key risks of the Authority, evaluates the risks and ranks the risks in accordance with the likelihood and consequences for the Authority using an agreed scoring matrix. The risk register is reviewed and updated by the Audit and Risk Committee and the Board up to three times each year.

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Statement on Internal Control

We can confirm that a control environment is in place for the following areas:

- Procedures for all key business processes have been documented;
- Financial responsibilities have been assigned at management level with corresponding accountability;
- There is an appropriate budgeting system with an annual budget which is kept under review by senior management;
- There are systems aimed at ensuring the security of the information and communication technology systems, to safeguard the assets; and

The Authority has put in place an internal audit function, which operates in accordance with the principles set out in the Code of Practice on the Governance of State Bodies published in September 2016. A firm of independent internal auditors assist the Authority in implementing the internal audit plan approved by the board. The work of internal audit is informed by analysis of the risk to which the Authority 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 and Risk Committee and approved by the Board of the Authority. At least annually, the Internal Auditor will provide the Authority with a report of internal audit activity. The report includes the Internal Auditor's opinion on the adequacy and effectiveness of the system of internal control.

The Authority's monitoring and review of the effectiveness of the system of internal control is informed by the work of the internal auditor, the Audit Committee which oversees the work of the internal auditor, the Executive within the Authority who have the responsibility for the development and maintenance of the financial control framework, and comments made by the Office of the Comptroller and Auditor General in management letters or other reports.

Procurement

I confirm that the Health and Safety Authority has procedures in place to ensure compliance with current procurement rules and guidelines and that during 2018 the Health and Safety Authority complied with those procedures with the exception of the instances reflected under the internal control issues below.

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Statement on Internal Control

Review of Effectiveness

The Statement on the system of Internal Control has been reviewed by the Audit and Risk Committee and the Board to ensure it accurately reflects the control system in operation during the reporting period.

I confirm that the Board conducted an annual review of the effectiveness of internal controls for 2018 in March 2019.

The Authority is reasonably assured that the systems of internal controls instituted and implemented in the Health and Safety Authority for the financial year end 31 December 2018 and up to the date of approval of the financial statements are effective.


Internal Control Issues

No weaknesses in internal control were identified in relation to 2018 that require disclosure in the financial statements with the following exception. The Authority uses the Office of Government Procurement stationery contract for most core stationery items. During 2018 there were a number of occasions where the alternative supplier was used, and prices would have been sought for comparative purposes. The total amount expended during the year was €44,000, inclusive of VAT. All staff in the Authority will be reminded of ensuring full compliance with the public procurement guidelines, the need to seek competitive quotations and the need to keep all procurement records on file for future inspection. The Authority remains acutely conscious of the need to ensure the highest standards of corporate governance and value for money.

On behalf of the Board.



Tom Coughlan
Board Chairman



Date

HEALTH AND SAFETY AUTHORITY

Report of the Comptroller and Auditor General



Ard Reachtaire Cuntas agus Ciste Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas Health and Safety Authority

Opinion on the financial statements

I have audited the financial statements of the Health and Safety Authority for the year ended 31 December 2018 as required under the provisions of section 48 of the Safety, Health and Welfare at Work Act 2005. The financial statements comprise

- the statement of income and expenditure and retained revenue reserves
- the statement of comprehensive income
- the statement of financial position
- the statement of cash flows and
- the related notes, including a summary of significant accounting policies.

In my opinion, the financial statements give a true and fair view of the assets, liabilities and financial position of Health and Safety Authority at 31 December 2018 and of its income and expenditure for 2018 in accordance with Financial Reporting Standard (FRS) 102 — *The Financial Reporting Standard applicable in the UK and the Republic of Ireland*.

Basis of opinion

I conducted my audit of the financial statements in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the appendix to this report. I am independent of the Health and Safety Authority and have fulfilled my other ethical responsibilities in accordance with the standards.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Report on information other than the financial statements, and on other matters

The Health and Safety Authority has presented certain other information together with the financial statements. This comprises the annual report, the governance statement and Board members' report and the statement on internal control. My responsibilities to report in relation to such information, and on certain other matters upon which I report by exception, are described in the appendix to this report.

I have nothing to report in that regard.

Andrew Harkness
For and on behalf of the
Comptroller and Auditor General

24 October 2019

HEALTH AND SAFETY AUTHORITY

Report of the Comptroller and Auditor General

Appendix to the report

Responsibilities of Board members

As detailed in the governance statement and Board members' report, the Board members are responsible for

- the preparation of financial statements in the form prescribed under section 48 of the Safety, Health and Welfare at Work Act 2005
- ensuring that the financial statements give a true and fair view in accordance with FRS 102
- ensuring the regularity of transactions
- assessing whether the use of the going concern basis of accounting is appropriate, and
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibilities of the Comptroller and Auditor General

I am required under section 48 of the Safety, Health and Welfare at Work Act 2005 to audit the financial statements of the Health and Safety Authority and to report thereon to the Houses of the Oireachtas.

My objective in carrying out the audit is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement due to fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. In doing so,

- I identify and assess the risks of material misstatement of the financial statements whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- I obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.
- I evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures.

- I conclude on the appropriateness of the use of the going concern basis of accounting and, based on the audit evidence obtained, on whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Health and Safety Authority's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause the Health and Safety Authority to cease to continue as a going concern.
- I evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Information other than the financial statements

My opinion on the financial statements does not cover the other information presented with those statements, and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, I am required under the ISAs to read the other information presented and, in doing so, consider whether the other information is materially inconsistent with the financial statements or with knowledge obtained during the audit, or if it otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

Reporting on other matters

My audit is conducted by reference to the special considerations which attach to State bodies in relation to their management and operation. I report if I identify material matters relating to the manner in which public business has been conducted.

I seek to obtain evidence about the regularity of financial transactions in the course of audit. I report if I identify any material instance where public money has not been applied for the purposes intended or where transactions did not conform to the authorities governing them.

I also report by exception if, in my opinion,


- I have not received all the information and explanations I required for my audit, or
- the accounting records were not sufficient to permit the financial statements to be readily and properly audited, or
- the financial statements are not in agreement with the accounting records.

HEALTH AND SAFETY AUTHORITY

Statement of Income and Expenditure and Retained Revenue Reserves for the year ended 31 December 2018

	Notes	Year Ended 31 December 2018 €	Year Ended 31 December 2017 €
Income			
Department of Business, Enterprise and Innovation - Oireachtas Grant	2	18,390,154	17,700,265
Accreditation Income	3	2,709,790	2,343,798
COMAH Income	4	103,711	175,650
Other Income	5	137,214	169,312
Transfer (to)/from Capital Account	12	(139,256)	(35,280)
Deferred retirement benefit funding	13	4,009,000	3,926,000
		25,210,613	24,279,745
Expenditure			
Salaries Costs	6	11,322,888	10,949,293
Retirement Benefit Costs	13	4,755,154	4,661,265
Operational Expenses	8	9,113,794	8,210,831
		25,191,836	23,821,389
Surplus/(Deficit) for the year		18,777	458,356
Balance Brought Forward at 1 January		1,185,257	726,901
Balance Carried Forward at 31 December		1,204,034	1,185,257


The Statement of Cash Flows and Notes 1 to 19 form part of these Financial Statements.



 Tom Coughlan
 Board Chairman



 Date



 Carol Bolger
 Board Member

17.10.18

 Date

HEALTH AND SAFETY AUTHORITY

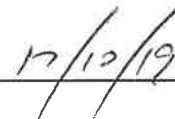
**Statement of Comprehensive Income
for the year ended 31 December 2018**

	Notes	Year Ended 31 December 2018 €	Year Ended 31 December 2017 €
Surplus for the year		<u>18,777</u>	<u>458,356</u>
Experience losses on retirement benefit obligations		(3,959,000)	(1,821,000)
Change in assumptions underlying the present value of retirement benefit obligations		<u>(2,998,000)</u>	<u>(900,000)</u>
Actuarial gains in the year	13	(6,957,000)	(2,721,000)
Adjustment to deferred retirement benefit funding		<u>6,957,000</u>	<u>2,721,000</u>
Total Comprehensive Income for the year		<u><u>18,777</u></u>	<u><u>458,356</u></u>

The Statement of Cash Flows and Notes 1 to 19 from part of these Financial Statements.



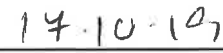
Tom Coughlan
 Board Chairman



 Date



Carol Bolger
 Board Member



 Date


HEALTH AND SAFETY AUTHORITY
Statement of Financial Position
For the year ended 31 December 2018

	Notes	Year Ended 31 December 2018 €	Year Ended 31 December 2017 €
Fixed Assets			
Property, plant & equipment	9	912,248	772,993
Current Assets			
Receivables	10	821,965	1,396,838
Cash and cash equivalents		<u>1,075,542</u>	<u>474,191</u>
		1,897,507	1,871,029
Current Liabilities (amounts due within one year)			
Payables	11	<u>(693,475)</u>	<u>(685,774)</u>
Net Current Assets		<u>1,204,032</u>	<u>1,185,255</u>
Total Assets Less Current Liabilities before Retirement Benefits			
		<u>2,116,280</u>	<u>1,958,248</u>
Deferred retirement benefit funding asset	13	102,835,000	105,783,000
Retirement benefit obligation	13	<u>(102,835,000)</u>	<u>(105,783,000)</u>
Total Net Assets		<u>2,116,280</u>	<u>1,958,248</u>
Representing			
Retained revenue reserves		1,204,034	1,185,257
Capital account	12	<u>912,246</u>	<u>772,991</u>
		<u>2,116,280</u>	<u>1,958,248</u>

The Statement of Cash Flows and Notes 1 to 19 form part of these Financial Statements.



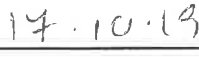
Tom Coughlan
 Board Chairman



 Date



Carol Bolger
 Board Member



 Date

HEALTH AND SAFETY AUTHORITY

Statement of Cash Flows for the year ended 31 December 2018

	Notes	Year Ended 31 December 2018 €	Year Ended 31 December 2017 €
Net Cash Flows from Operating Activities			
Operating surplus/(deficit) for year		18,777	458,356
Depreciation	9	242,823	256,949
Transfer to Capital reserve	12	139,256	35,280
(Decrease)/Increase in payables	11	7,701	(476,555)
(Increase)/Decrease in receivables	10	574,873	(210,632)
Net cash inflow from operating activities		983,430	63,398
Cash Flows from Investing Activities			
Net Cash Flows from Financing Activities		983,430	63,398
Payments to acquire property, plant and equipment	9	(382,079)	(292,229)
Net (Decrease)/Increase in Cash and Cash Equivalents		601,351	(228,831)
Cash and Cash Equivalents at 31 December 2017		474,191	703,022
Cash and Cash Equivalents at 31 December 2018		1,075,542	474,191

Notes 1 to 19 form part of these Financial Statements.

HEALTH AND SAFETY AUTHORITY

Notes *(forming part of the financial statements)*

1. ACCOUNTING POLICIES

The basis of accounting and significant accounting policies adopted by the Health and Safety Authority are set out below. They have been applied consistently throughout the year and preceding year.

a) General Information

The Health and Safety Authority was set up under the Safety, Health and Welfare at Work Act, 1989 (this Act was replaced by the Safety, Health and Welfare at Work Act, 2005), with a Head Office at The Metropolitan Building, James Joyce Street, Dublin 1 D01 K0Y8.

The Authority's primary objectives are set out in Section 34 of the 2005 Act. The Health and Safety Authority (HSA) has overall responsibility for the administration and enforcement of health and safety at work in Ireland. The Authority monitors compliance with legislation at the workplace and can take enforcement action (up to and including prosecutions). The Authority is the national centre for information and advice to employers, employees and self-employed on all aspects of workplace health and safety. The Authority also promotes education, training and research in the field of health and safety. There are a wide range of activities that fall under the Authority's remit including:

- Promotion of good standards of health and safety at work;
- Inspection of all places of work and monitoring of compliance with health and safety laws;
- Investigation of serious accidents, causes of ill health and complaints;
- Undertaking and sponsoring research on health and safety at work;
- Developing and publishing codes of practice, guidance and information documents;
- Providing an information service during office hours;
- Developing new laws and standards on health and safety at work.

The Irish National Accreditation Board (INAB) is the national body with responsibility for accreditation in accordance with the relevant International Organisation for Standardisation (ISO) 17000 series of standards. It is Ireland's national body within a European network of accreditation bodies. INAB assesses certification bodies, laboratories and inspection bodies for conformity against internationally harmonised standards providing assurance that these bodies demonstrate competence and performance capability in carrying out their work.

INAB was established as a Committee of Forfás under Section 10 of the Industrial Development Act, 1993 as amended by Section 46 of the Industrial Development (Enterprise Ireland) Act, 1998.

Under the Industrial Development (Forfás Dissolution) Act 2014 INAB was transferred as a Committee of the Health and Safety Authority, with the transfer of all INAB functions and staff to the Authority.

The Authority is the body legally responsible for accreditation. This responsibility is delegated to the Committee (referred to in the 2014 legislation as the Accreditation Board). The Accreditation Board members are appointed by the Board of the Authority and the staff assigned to INAB to carry out day to day functions, are employees of the Authority.

The Authority is a Public Benefit Entity (PBE).

HEALTH AND SAFETY AUTHORITY

Notes *(forming part of the financial statements)*

b) **Statement of Compliance**

The financial statements of the Health and Safety Authority for the year ended 31 December 2018 have been prepared in accordance with FRS 102, the financial reporting standard applicable in the UK and Ireland issued by the Financial Reporting Council (FRC), as promulgated by Chartered Accountants Ireland.

c) **Basis of Preparation**

The financial statements have been prepared under the historical cost convention, except for certain assets and liabilities that are measured at fair values as explained in the accounting policies below. The financial statements are in the form approved by the Minister for Business, Enterprise and Innovation with the concurrence of the Minister for Public Expenditure and Reform under the Safety, Health and Welfare at Work Act 2005. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Authority's financial statements.

d) **Revenue**

Oireachtas Grants

Revenue is generally recognised on an accruals basis; one exception to this is in the case of Oireachtas Grants which are recognised on a cash receipts basis. Oireachtas grants shown in the Statement of Income and Expenditure and Retained Revenue Reserves Account reflect the amounts received from the Department of Business, Enterprise and Innovation (DBEI) in respect of the year.

INAB Income

Income for the Irish National Accreditation Board (INAB) represents income invoiced during the year.

COMAH Income

Income from recoverable costs invoiced during the year for performing inspections and investigations under the Chemicals Act Regulations 2015.

Other Income

All other income is recorded in the period which it relates to within the Statement of Income and Expenditure and Retained Revenue Reserves.

HEALTH AND SAFETY AUTHORITY

Notes (forming part of the financial statements)

e) Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation, adjusted for any provision for impairment. Depreciation is provided on all property, plant and equipment, at rates estimated to write off the cost less the estimated residual value of each asset on a straight line basis over their estimated useful lives, as follows:

Office furniture & equipment	20%	Straight Line
Computer equipment	33.33%	Straight Line
Scientific equipment	20%	Straight Line
Fixtures and fittings	10%	Straight Line

The Authority operates a capitalisation threshold policy of €1,000.

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of an age and in the condition expected at the end of its useful life.

If there is objective evidence of impairment of the value of an asset, an impairment loss is recognised in the Statement of Income and Expenditure and Retained Revenue Reserves in the year.

f) Capital Account

The Capital Account comprise the unamortised value of capital grants used to fund fixed assets.

g) Foreign Currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates ruling at the Statement of Financial Position 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 and on settlement of amounts receivable and payable are dealt with in the Statement of Income and Expenditure and Retained Reserves Account.

h) Receivables

Receivables are recognised at fair value, less a provision for doubtful debts. The provision for doubtful debts is a specific provision and is established when there is objective evidence that the Health and Safety Authority will not be able to collect all amounts owed to it. All movements in the provision for doubtful debts are recognised in the Statement of Income and Expenditure and Retained Revenue Reserves.

HEALTH AND SAFETY AUTHORITY

Notes (forming part of the financial statements)

i) Operating Leases

Rental expenditure under operating leases is recognised in the Statement of Income and Expenditure and Retained Revenue Reserves over the life of the lease. Expenditure is recognised on a straight-line basis over the lease period, except where there are rental increases linked to the expected rate of inflation, in which case these increases are recognised when incurred. Any lease incentives received are recognised over the life of the lease.

j) Employee Benefits

Short-term Benefits

Short term benefits such as holiday pay are recognised as an expense in the year, and benefits that are accrued at year-end are included in the Payables figure in the Statement of Financial Position.

Retirement Benefits

The Health and Safety Authority previously established its own defined benefit pension scheme, funded annually on a pay-as-you-go basis from monies provided by the Department of Business, Enterprise and Innovation (DBEI) and from contributions deducted from staff and members' salaries. The Authority also operates the Single Public Services Pension Scheme ("Single Scheme"), which is a defined benefit scheme for pensionable public servants appointed on or after 1 January 2013. Single Scheme members' contributions are paid over to the Department of Public Expenditure and Reform (DPER).

Pension costs reflect pension benefits earned by employees and are shown net of staff pension contributions which are remitted to the DBEI and DPER. 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 on scheme liabilities are reflected in the Statement of Comprehensive Income, and a corresponding adjustment is recognised in the amount recoverable from the DBEI.

The financial statements reflect, at fair value, the assets and liabilities arising from the Authority's pension obligations and any related funding and recognises the costs of providing pension benefits in the accounting periods in which they are earned by employees. Retirement benefit scheme liabilities are measured on an actuarial basis using the projected unit credit method.

HEALTH AND SAFETY AUTHORITY

Notes *(forming part of the financial statements)*

k) Provisions

Provisions are recognised when the Authority has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

l) Contingencies

Contingent liabilities arising as a result of past events, are not recognised when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the Authority's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

HEALTH AND SAFETY AUTHORITY

Notes (forming part of the financial statements)

m) Critical Accounting Judgements and Estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the reporting date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements have had the most significant effect on amounts recognised in the financial statements.

Impairment of Property, Plant and Equipment

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

Depreciation and Residual Values

The Directors have reviewed the asset lives and associated residual values of all fixed asset classes, and in particular, the useful economic life and residual values of fixtures and fittings and have concluded that asset lives and residual values are appropriate.

Provisions

The Health and Safety Authority makes provisions for legal and constructive obligations, which it knows to be outstanding at the period end date. These provisions are generally made based on historical or other pertinent information, adjusted for recent trends where relevant. However, they are estimates of the financial costs of events that may not occur for some years. As a result of this and the level of uncertainty attaching to the final outcomes, the actual out-turn may differ significantly from that estimated.

Retirement Benefit Obligation

The assumptions underlying the actuarial valuations for which the amounts recognised in the financial statements are determined (including discount rates, rates of increase in future compensation levels, mortality rates and healthcare cost trend rates) are updated annually based on current economic conditions, and for any relevant changes to the terms and conditions of the pension and post-retirement plans.

The assumptions can be affected by:

- (i) the discount rate, changes in the rate of return on high-quality corporate bonds
- (ii) future compensation levels, future labour market conditions
- (iii) health care cost trend rates, the rate of medical cost inflation in the relevant regions.

HEALTH AND SAFETY AUTHORITY

Notes (forming part of the financial statements)

2. OIREACHTAS GRANTS

	Year Ended 31 December 2018	Year Ended 31 December 2017
	€	€
D/BEI - Vote 32 - Subhead C5	19,075,000	18,372,000
Employee Pension Contributions remitted to D/BEI	(651,082)	(669,583)
Single Scheme Contributions remitted to D/PER	(33,764)	(2,152)
	18,390,154	17,700,265

3. ACCREDITATION INCOME

	Year Ended 31 December 2018	Year Ended 31 December 2017
	€	€
Accreditation income	2,709,790	2,343,798

Following the dissolution of Forfas in 2014, the Irish National Accreditation Board (INAB) transferred to the Health and Safety Authority. INAB is responsible for accreditation activities and invoice clients for work undertaken.

4. COMAH INCOME

	Year Ended 31 December 2018	Year Ended 31 December 2017
	€	€
COMAH income	103,711	175,650

In 2016 the Authority introduced a fee schedule for various inspection and investigation activities under the Chemicals Act (Control of Major Accident Hazards Involving Dangerous Substances) Regulations 2015.

5. OTHER INCOME

	Year Ended 31 December 2018	Year Ended 31 December 2017
	€	€
Driver Training Course Income	67,500	81,495
ADR Fines	6,700	-
Sale of Authority's Publications	825	2,397
ECHA Income	42,556	36,541
Miscellaneous (Seminars, Legal, Witness Expenses, EU Commission)	19,633	48,879
	137,214	169,312

HEALTH AND SAFETY AUTHORITY

Notes (forming part of the financial statements)

6. SALARY COSTS

	Year Ended 31 December 2018 €	Year Ended 31 December 2017 €
Staff short-term benefits	10,392,625	10,079,254
Employer PRSI	930,263	870,039
Total Salary Costs	11,322,888	10,949,293

Staff Short Term Benefits

	Year Ended 31 December 2018 €	Year Ended 31 December 2017 €
Basic Pay	10,348,256	10,023,261
Overtime	21,722	38,379
Allowances	22,647	17,614
	10,392,625	10,079,254

The Authority can confirm that there were no termination payments during the year 2018.

Staff Numbers

Actual Staffing Levels at year end – Professional/technical	132.2	111.7
Actual Staffing Levels at year end – Administration	39.3	50.4
	171.5	162.1

€580,610 (2017: €551,913) of pension levy has been deducted from staff and paid over to the Department of Business, Enterprise and Innovation.

	Year Ended 31 December 2018 €	Year Ended 31 December 2017 €
CEO Remuneration		
Chief Executive Officer (CEO) Remuneration (Dr Sharon McGuinness) Gross Pay	67,557	0
Chief Executive Officer (CEO) Remuneration (Mr Martin O'Halloran) Gross Pay	90,986	145,605
CEO Travel & Subsistence (T&S)		
Chief Executive Officer (CEO) Travel Costs (Dr Sharon McGuinness)	5,658	0
Chief Executive Officer (CEO) Travel Costs (Mr Martin O'Halloran)	6,781	10,011

HEALTH AND SAFETY AUTHORITY

Notes (forming part of the financial statements)

During the year under review a new Chief Executive Officer was appointed on the 1st July 2018 and received a salary of €67,557 and expenses to the value of €5,658 in respect of the position. The annual contracted remuneration for this post is €140,497 in 2018.

The previous Chief Executive Officer retired on the 30th June 2018 and received a salary of €90,986 and expenses to the value of €6,781 in 2018.

The CEO did not receive any bonus or perquisites in the year.

The CEO's retirement benefit entitlements are in line with standard entitlements in the model public sector defined benefit superannuation scheme.

Employee Benefits Breakdown

Range of total employee benefits		Number of Employees	
From	To	2018	2017
€60,000	- €69,999	43	63
€70,000	- €79,999	27	17
€80,000	- €89,999	16	11
€90,000	- €99,999	7	3
€100,000	- €109,999	3	3
€110,000	- €119,999	1	1
€120,000	- €149,999	1	1
Total		98	99

Note: For the purposes of this disclosure, short-term employee benefits in relation to services rendered during the reporting period include salary, overtime allowances and other payments made on behalf of the employee but exclude employer's PRSI.

HEALTH AND SAFETY AUTHORITY

Notes (forming part of the financial statements)

7. MEMBERS' FEES AND EXPENSES

Board Member	2018 Fees €	2018 Expenses €	2017 Fees €	2017 Expenses €
Ms. Carol Bolger	7,695	-	7,695	-
Mr. Andrew Bowers	7,695	-	7,695	-
Mr. Dermot Carey	7,695	955	7,695	1,130
Mr. Tom Coughlan (Chairman)	11,970	6,234	11,970	6,003
Mr. Stephen Curran (DBEI)	-	185	-	-
Mrs. Deirdre Cullivan	7,695	1,511	7,695	1,260
Dr. Michael Gillen	7,695	-	7,695	-
Mr. Pat Kenny	7,695	-	7,695	-
Mr. John McCartney	7,695	419	7,695	292
Professor James Phelan	7,695	-	7,695	-
Ms. Christine Rowland	7,695	-	7,695	-
Mr. Frank Vaughan	7,695	169	7,695	117
	88,920	9,473	88,920	8,802

8. OPERATIONAL EXPENSES

	Total 2018 €	Total 2017 €
Accommodation	1,697,481	1,621,760
Communications costs	402,980	456,360
Travel & subsistence – national	892,660	791,438
Travel & subsistence – international	162,237	174,204
Publications & marketing	2,023,778	1,397,652
Legal services	121,521	106,823
Research	149,733	2,571
Financial services	257,885	293,095
Pensions and human resources	15,509	17,557
Other consultancy	444,834	453,719
Accreditation – external assessor costs (note 3)	860,216	812,573
Business process review	455,283	323,217
Staffing costs	343,034	250,586
General equipment supplies	160,758	149,827
Investment in learning	195,668	188,751
Technology costs	427,580	625,910
Depreciation	242,823	256,949
Internal audit fees	19,319	19,835
External audit fees	16,000	27,100
Members' fees	88,920	88,920
Other	135,575	151,984
	9,113,794	8,210,831

HEALTH AND SAFETY AUTHORITY

Notes (forming part of the financial statements)

Included in operational expenses is a charge of €8,106 (2017: €1,789) in respect of amounts paid by the Authority for staff hospitality.

Note that comparative figures have been reclassified where necessary on a basis consistent with the current year presentation.

9. PROPERTY, PLANT & EQUIPMENT

	Fixtures & Fittings	Furniture & Equipment	Computer Equipment	Scientific Equipment	Software Development	Total
Cost	€	€	€	€	€	€
At 1 January 2018	512,551	1,012,594	1,896,715	166,052	855,947	4,443,858
Additions in year	162,013	-	220,066	-	-	382,079
Disposals	-	-	-	-	-	-
At 31 December 2018	<u>674,564</u>	<u>1,012,594</u>	<u>2,116,781</u>	<u>166,052</u>	<u>855,947</u>	<u>4,825,937</u>
Accumulated depreciation						
At 1 January 2018	248,993	1,001,592	1,777,617	165,247	477,417	3,670,866
Charge for the year	52,319	5,974	141,666	805	42,059	242,823
Disposals	-	-	-	-	-	-
At 31 December 2018	<u>301,312</u>	<u>1,007,566</u>	<u>1,919,283</u>	<u>166,052</u>	<u>519,476</u>	<u>3,913,689</u>
Net book value						
At 31 December 2018	<u>373,252</u>	<u>5,028</u>	<u>197,498</u>	<u>0</u>	<u>336,471</u>	<u>912,248</u>
At 31 December 2017	<u>263,558</u>	<u>11,002</u>	<u>119,098</u>	<u>805</u>	<u>378,530</u>	<u>772,992</u>

10. RECEIVABLES

	31 December 2018	31 December 2017
	€	€
Prepayment	576,506	1,222,128
Accreditation and COMAH receivables	203,463	132,131
Other receivables	41,996	42,579
	<u>821,965</u>	<u>1,396,838</u>

The fair values of receivables and prepayments approximate to their carrying amounts. All receivables are due within one year.

HEALTH AND SAFETY AUTHORITY

Notes (forming part of the financial statements)

11. PAYABLES

	31 December 2018	31 December 2017
	€	€
Trade creditors	25,191	128,551
Accruals	494,669	469,675
Tax creditors – VAT & PSWT	160,143	75,395
Other creditors	36	3,100
Payroll creditors	13,436	9,053
	693,475	685,774

Tax and social insurance are subject to the terms of the relevant legislation. Interest accrues on late payment. No interest was due at the financial year end date. The terms of accruals are based on the underlying contracts.

12. CAPITAL ACCOUNT

	31 December 2018	31 December 2017
	€	€
Opening Balance	772,990	737,710
Transfer to Statement of Income and Expenditure		
Funding to acquire Assets	382,079	292,229
Amortisation in line with asset depreciation	(242,823)	(256,949)
	139,256	35,280
Closing Balance at 31 December	912,246	772,990

HEALTH AND SAFETY AUTHORITY

Notes (forming part of the financial statements)

13. RETIREMENT BENEFIT COSTS

i. Analysis of total retirement benefit costs charged to the Statement of Income and Expenditure and Retained Revenue Reserves

	31 December 2018	31 December 2017
	€	€
Current service cost	3,407,000	3,477,000
Interest on retirement benefit scheme liabilities	2,033,000	1,856,000
Employee contribution	(684,846)	(671,735)
	4,755,154	4,661,265

ii. Movement in retirement benefit obligations during the financial year

	31 December 2018	31 December 2017
	€	€
Net retirement benefit liability at 1 January	(105,783,000)	(99,136,000)
Current service cost	(3,407,000)	(3,477,000)
Past service costs	-	-
Interest cost	(2,033,000)	(1,856,000)
Retirement benefits paid in year	1,431,000	1,407,000
Actuarial gain/loss	6,957,000	(2,721,000)
	(102,835,000)	(105,783,000)

Retirement benefits paid in the year include lump sum retirement costs of €371,771.

iii. Deferred funding asset for retirement benefits

The Authority recognises amounts owing from the State for the unfunded deferred liability for retirement benefits on the basis of the set of assumptions described above and a number of past events. These events include the statutory basis for the establishment of the retirement benefit scheme, and the policy and practice currently in place in relation to funding public service retirement benefits including contributions by employees and the annual estimates process. The Authority has no evidence that this funding policy will not continue to meet such sums in accordance with current practice.

The Net Deferred Funding for Retirement benefits recognised in the Statement of Income & Expenditure was as follows:

	31 December 2018	31 December 2017
	€	€
Funding recoverable in respect of current year costs	5,440,000	5,333,000
State Grant applied to pay pensioners	(1,431,000)	(1,407,000)
	4,009,000	3,926,000

The deferred funding asset for retirement benefits as at 31 December 2018 amounted to €102,835,000 (2017: €105,783,000).

HEALTH AND SAFETY AUTHORITY

Notes *(forming part of the financial statements)*

iv. History of defined benefit obligations

	31 December 2018	31 December 2017
	€	€
Experience losses / (gains) on scheme liabilities		
Amount	2,998,000	1,821,000
Percentage of scheme liabilities	(1.9%)	(1.7%)

The cumulative actuarial gain/loss recognised in the Statement of Comprehensive Income amounts to €6,957,000.

v. Description of scheme

The Health and Safety Authority operates unfunded defined benefit superannuation schemes for staff. Superannuation entitlements arising under the schemes are paid out of current income and are charged to the Statement of Income and Expenditure and Retained Revenue Reserves Account, net of employee superannuation contributions, in the year in which they become payable.

The valuation used for FRS 102 disclosures been based on a full actuarial valuation by a qualified independent actuary taking account of the requirements of the FRS in order to assess the scheme liabilities at 31 December 2018.

The principal actuarial assumptions used to calculate the components of the defined benefit cost for the year ended 31 December 2018 were as follows:

	31 December 2018	31 December 2017
Discount rate	1.90%	1.88%
Inflation rate	1.70%	1.80%
Salary increases	2.90%	3.00%
Retirement benefit increases	2.90%	2.75%

The mortality basis adopted allows for improvements in life expectancy over time, so that life expectancy at retirement will depend on the year in which a member attains retirement age (age 65). The number of members in the Scheme and the number of deaths are too small to analyse and produce any meaningful Scheme-specific estimates of future levels of mortality. Average future life expectancy according to the mortality tables used to determine the retirement benefit liabilities are:

	Male aged 65	Female aged 65
Current pensioners	21.4	23.9
Future pensioners retiring 2037	23.8	25.9

HEALTH AND SAFETY AUTHORITY

Notes (forming part of the financial statements)

14. CONTINGENT LIABILITIES

A contingent liability may exist as a result of a commercial dispute between a supplier and the Authority. The supplier is seeking to have matters relating to the contract considered by the Courts. It is not possible to quantify the value at this stage.

15. OPERATING LEASES

At 31 December 2018 the Authority had the following future minimum lease payments under non-cancellable operating leases for each of the following periods.

	2018	2017
	€	€
Payable within one year	1,111,572	1,131,198
Payable within two to five years	4,229,936	4,194,421
Payable after five years	2,964,435	3,859,780
	<u>8,305,943</u>	<u>9,185,399</u>

Operating lease payments recognised as an expense were €1,148,598 (2017: €1,155,535).

16. CAPITAL COMMITMENTS

There were no capital commitments at 31st December 2018.

17. RELATED PARTY DISCLOSURES

The Authority has adopted procedures in accordance with guidelines issued by the Department of Public Expenditure and Reform in relation to the disclosure of interests by Authority Members and these procedures have been adhered to in the year. There were no transactions in the period in relation to the Authority's activities in which the Authority Members had any beneficial interest. The Authority is recognised as a public body under the Ethics in Public Office Acts, 1995 and 2001 and in accordance with Statutory Instrument No 607 of 2008, which came into operation on 1 January 2009. The Authority Members are obliged to submit declarations of interest in respect of the period ended 31 December 2018 to the Standards in Public Office Commission.

Key management personnel in the Health and Safety Authority consist of the Chief Executive and members of the Authority. Total compensation paid to key management personnel, including Authority members' fees and total CEO remuneration, amounted to €247,463 (2017: €234,525). For a breakdown of the remuneration and benefits paid to key management personnel please refer to Notes 6 and 7.

HEALTH AND SAFETY AUTHORITY

Notes (forming part of the financial statements)

18. PREMISES

- a) Land and Buildings: The Health and Safety Authority owns no land and buildings.
- b) All the premises are leased by the Authority. The Authority owns no freehold office or industrial premises. Most of the leases are with private landlords but in the case of the Cork and Waterford offices the Authority is in premises managed by the Office of Public Works. The Authority regularly reviews its network of offices to ensure that it continues to meet our ongoing operational requirements.
- c) The Authority's head office is in Dublin.
- d) Details of the various offices occupied by the Health and Safety Authority are set out in the table below. In addition to the offices occupied by the Authority there is an industrial unit in Co. Tipperary which is used for the purpose of storing large items of evidential material that may be required in connection with investigations undertaken by the Authority.

Location	Address	Expiry Date	Annual Premium €
Head Office Dublin	5 th and 6 th Floor The Metropolitan Building James Joyce Street Dublin 1	2026	964,945
Athlone	Monksland Business Park Athlone	-	-
Evidence store	Tipperary	2019	18,180
Cork	1A South Mall Cork	-	25,964
Galway	The Plaza Offices Headford Road Galway	2023	20,000
Kilkenny	Hebron House 1 (3 rd Floor) MacDonagh Junction Kilkenny	2022	38,643
Limerick	The Loughmore Centre Raheen Business Park Limerick	2022	21,965
Sligo	Unit 1 Beulah Buildings Finisklin Road Sligo	2019	20,756
Waterford	Government Buildings The Glen Waterford	-	3,719

The Lease of the Authority's Athlone Field Office expired in 2016 and the Authority is seeking to agree new lease terms with the landlord.

19. APPROVAL OF FINANCIAL STATEMENTS

The Financial Statements when approved by the Board on Friday 22nd March 2019.