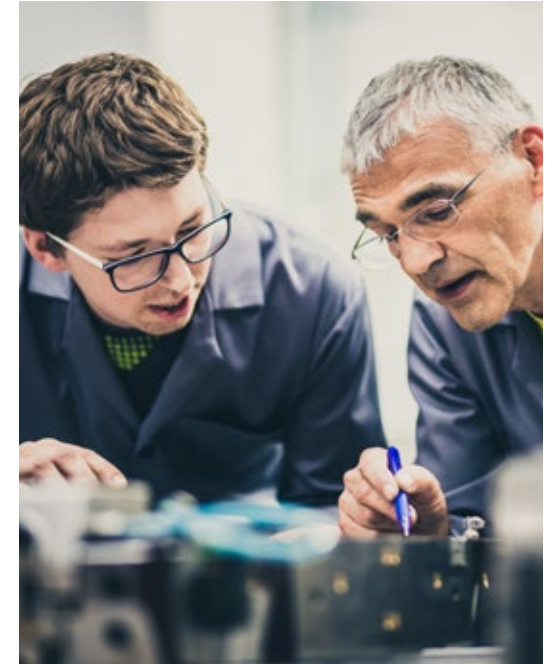


Annual Report & Accounts 2022



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Chairman & CEO Overview



Chairman & CEO Overview

We are at an inflection point in the global trade and investment landscape. Developments over the past twelve months, from industrial policy actions in the United States and Europe focused on green and digital sectors to the fast-moving deployment of artificial intelligence, have underlined once more the transformational nature of the current moment. Amid heightened geopolitical tensions, we have seen the realms of politics, security, climate, trade and investment become increasingly entwined.



Michael Lohan, CEO, IDA Ireland



Frank Ryan, Chairman, IDA Ireland

Central to Ireland's continued success will be embracing transformation to enable our economy, our enterprise base, and our people to thrive.

Central to Ireland's continued success will be embracing transformation to enable our economy, our enterprise base, and our people to thrive in a world where those who do not progress on the paths of digitalisation and decarbonisation will be left behind. In this context, the ambition of the White Paper on Enterprise in setting a vision for enterprise policy to 2030 is welcome. IDA Ireland is actively engaged with the Department of Enterprise, Trade and Employment (DETE) on the White Paper, the full implementation of which will enhance Ireland's competitiveness in a decarbonised and digitalised global economy.

Progressing with plans to improve the carrying capacity of the economy will be vitally important to enable Ireland to maintain existing levels of investment and to fully realise opportunities in the years ahead. IDA Ireland has frequently highlighted the need to efficiently deliver on key objectives including to increase the supply of new housing, make the planning system clearer and more consistent, and progress key infrastructure projects under the National Development Plan. The transformative nature of policy, geopolitical and technological developments over the past 12 months also place an added emphasis on the need to fast-track the roll-out of renewable energy, invest in the digital skills of our people, promote RD&I, and ensure we have a competitive green and digital incentive offering.

Ireland's Foreign Direct Investment (FDI) base arrives at this moment of inflection in a strong position following a year of record growth. Through the dynamism of client companies and with the support of DETE, Government, key stakeholders, and the tireless work of the IDA Ireland team at home and abroad, last year the Agency recorded another year of buoyant job creation, investment and economic impact by multinational companies (MNCs) in our client portfolio. For the first time, direct employment by IDA Ireland clients grew to over 300,000 and annual Irish economic expenditure by IDA Ireland clients exceeded €30bn.

These record figures demonstrate the scale of the contribution of FDI to Ireland and the role inward investment continues to play in providing jobs and opportunity for people across this island.

IDA Ireland acknowledges the significant contribution made to the Agency by Martin Shanahan, who stepped down as CEO during 2022 having steered IDA through a period of record FDI growth. IDA also recognises the leadership and contribution of Mary Buckley, who served as Interim CEO from October 2022 to April 2023.

Chairman & CEO Overview

Ireland has a long-standing track record as a reliable location to invest.

Investments won over the first half of 2023 are tracking in line with our expectations of a positive pipeline, albeit a weaker one than in H1 2022. The level of investment over the second half of the year is hard to predict given the degree of uncertainty in the global economy. IDA Ireland continues to engage with clients across our sectors of focus, which collectively play a crucial role in supporting Irish economic growth.

Notwithstanding the current challenges for individuals affected by job losses in the technology sector and our expectation of hiring freezes in the year ahead, the technology base in Ireland has been building for over 60 years and will continue to grow in the future.

As we look ahead, in a world where countries and companies adopt a more risk averse posture, Ireland's stable and consistent policy approach to enterprise development, and our long-standing track record as a reliable location to invest, is a key strength. We remain well placed to win investment from new and existing investors.

IDA Ireland is focused on cross-sectoral green and digital opportunities in addition to sector specific growth areas including fintech, connected healthcare, advanced therapeutics medicinal products (ATMPs) and the digital economy.

Given the pace of change in the operating environment, the link between transformation and competitiveness will remain a key focus for IDA Ireland over the second half of our 2021-24 strategy. This means doubling down on our efforts to partner with companies on investments in RD&I, sustainability, digitalisation and talent development, to position them for future growth in a world of transformation.



Chairman & CEO Overview



IDA Ireland won 242 investments in 2022, including 89 expansions and 103 new name investments. 52% of all investments, or 127 projects, went to regional locations.

FDI performance in 2022

There are now almost 1,800 client operations in IDA Ireland's portfolio of MNCs who have chosen Ireland as a place to grow and succeed, with one-third of client operations located in Ireland for 20 years or more. Employment in IDA Ireland's client base reached record levels in 2022, the thirteenth

year of uninterrupted net job creation. As of October 31st, 2022, total direct employment reached 301,475, a 9% increase on 2021 and accounting for 12% of total national employment.¹ In addition to these direct employment numbers, an estimated 8 jobs are supported in the wider economy for every 10 jobs in an IDA Ireland client company,

resulting in a combined direct and indirect employment of over 542,000.²

IDA Ireland recorded job gains of 32,426 and losses of 8,407 for a net employment gain of 24,019.

¹ Department of Enterprise, Trade and Employment (DETE), Annual Employment Survey (AES) 2022. The AES captures job figures as at the end of October each year.

Gains or losses in the final two months of each year are captured in the following year's survey

² DETE/Indecon employment multiplier of 1.8

Regional clients make up 54% of total IDA Ireland client employment.



This represented the highest level of job creation on record and a relatively low level of losses as a share of the overall employment base. Employment gains were recorded across the country, with every region experiencing employment growth in 2022. Gains were particularly strong in the Mid-East (+13%), Midlands (+10.5%), and South-West (+7.5%). Total employment outside of Dublin increased to 163,653, a 7% increase on 2021. Regional clients make up 54% of total IDA Ireland client employment.

IDA Ireland won 242 investments in 2022, including 89 expansions and 103 new name investments. 52% of all investments, or 127 projects, went to regional locations. This brings the total number of regional investments under IDA Ireland's current strategy to 260, keeping us on track to achieve our 2021-24 target of 400. IDA Ireland's ongoing focus on competitiveness enhancing transformational investments in RD&I, digitalisation, sustainability, and talent

development continued to show progress in 2022. IDA Ireland supported over 70 of these investments, including 37 RD&I with associated expenditure of over €1bn, and 21 sustainability projects. The introduction of new environmental supports, particularly the Sustainable Recovery Scheme, and an increased emphasis by clients on efficiency and decarbonisation, were key drivers of the particularly strong sustainability performance.

Impact of FDI

The Department's latest Annual Business Survey of Economic Impact (ABSEI) provides deeper insights into the impact of IDA Ireland client companies. These companies make a sizeable contribution to our economy and society through job creation, opportunity and progression, innovation, local sourcing, global value chain integration, and taxation. Total expenditure in the Irish economy

Chairman & CEO Overview

reached €31.5bn in 2021, an 8.4% year-on-year increase and the highest level of expenditure on record.³ This figure is comprised of payroll (€19.6bn), Irish services (€8.9bn), and Irish materials (€3bn), all of which saw significant growth year-on-year. As we seek to enhance the impact of FDI in Ireland, IDA Ireland continues to proactively engage with Enterprise Ireland to build on the existing linkages between foreign and Irish enterprises.

In addition, IDA Ireland clients spent €9.2bn on capital expenditure in 2021, an 8% increase on the previous year. Client expenditure on in-house R&D saw substantial growth, increasing 17.9% to €4.8bn. Exports by MNCs, a key factor to Ireland's economic

recovery, grew to €315.5bn, approximately 70% of total national exports in 2021.⁴ Beyond expenditure in the Irish economy, IDA Ireland clients make a considerable contribution to the public finances. Sectors dominated by IDA Ireland client companies account for an estimated 70% of corporation tax receipts and make a significant contribution to income tax receipts.⁵

3 DETE, Annual Business Survey of Economic Impact (ABSEI) 2021

4 IDA Ireland calculations based on ABSEI data and CSO external trade data

5 IDA Ireland calculations based on Revenue Corporation Tax Payments and Returns; based on 2021 data.

6 DETE, ABSEI 2021 and AES 2022

Regional development

Regional client companies provide direct and indirect employment of over 294,000 and spend €15.9bn annually on payroll, Irish materials, and services.⁶ Given the importance of this contribution to the economic life in cities, towns and villages throughout Ireland, maintaining our momentum and ensuring that we support the substantial existing base of regional clients to adapt and grow in an era of transformation remains a key priority for IDA Ireland. Leveraging FDI to support balanced and equitable regional development is a key pillar of IDA Ireland's strategy.

We are on track against our overall target of 400 regional investments (half of our total investment target) and the individual targets for the seven regions outside Dublin. Investment to the capital also performed in line with our expectations during the first half of the strategy. The regional performance over 2021 and 2022 has included a welcome mix of expansions, first time investors, and projects of scale. Winning these projects has required a collaborative effort with the wide range of public and private sector stakeholders that make up the regional ecosystem. A repeat of these efforts on issues ranging from local infrastructure and utility provision to talent development will be required in the months and years ahead

Chairman & CEO Overview

to ensure we partner with companies to successfully implement the projects won over the strategy period to date.

IDA Ireland is also mindful of the continued importance of Dublin as Ireland's leading global city and a key attractor of investment and talent. Dublin remains an engine of national and regional growth, with many clients choosing the capital as their first port of call when investing in Ireland before later expanding into second sites in regional locations. Addressing capacity constraints in Dublin, of which housing availability is the most acute, is essential to ensure the city can compete with other urban centres of scale for the next generation of FDI projects.

Strategic initiatives

IDA Ireland has several strategic initiatives underway to advance progress towards the objectives of our 2021-24 strategy. IDA Ireland acknowledges the Exchequer support we have received to date in pursuing these initiatives given the demands that have been placed on the public finances over the past three years by Brexit, the pandemic, and the cost-of-living crisis.

Initiatives underway in support of strategy delivery include two key projects focused on Industry 5.0 to support the digital transformation of our well-established advanced manufacturing sector. Digital Manufacturing Ireland (DMI) was officially opened in March 2023.

DMI provides a place for companies to develop and scale advanced digital solutions and acts as a hub for training, collaboration, and innovation across the manufacturing sector. In addition, the expansion of the National Institute for Bioprocessing Research & Training (NIBRT) facility in Dublin will become operational shortly, increasing the site's capacities for research and training in advanced therapeutics.

IDA Ireland's Regional Property Programme ensures the supply of land, buildings, and infrastructure in regional locations, as required by current and prospective clients of both IDA Ireland and Enterprise Ireland.

IDA Ireland's Property team has completed delivery of 8 of the 19 advanced building solutions targeted under the Programme for 2021-24, doing so despite the considerable impact of COVID-19, inflation, supply chain bottlenecks, and resourcing challenges in the construction sector. IDA Ireland is also maintaining a focus on land banks and utility intensive strategic sites to future proof the ability of our property portfolio to support the project pipeline, most notably large-scale capital-intensive projects which can have significant regional and national economic impacts.

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The overall aim of the programme is to enable IDA Ireland to be a more effective and efficient partner for client companies and to enhance our client targeting and pipeline building processes.

IDA Ireland's Digital Transformation Programme is proceeding as planned with a new client relationship management platform due to be rolled out in the coming months. The overall aim of the programme is to enable IDA Ireland to be a more effective and efficient partner for client companies and to enhance our client targeting and pipeline building processes.

Upon completion, the programme aims to position IDA Ireland among the most digitally enabled investment promotion agencies (IPAs) in the world.

IDA Ireland held a landmark event in collaboration with Bloomberg in County Wicklow in April 2023, gathering approximately 200 C-suite leaders and influential global decision makers from the public and private sector for a range of keynote panels and bilateral engagements.

The inaugural Bloomberg New Economy Gateway Europe, the theme of which was 'Reglobalisation', provided a unique opportunity to showcase Ireland to a curated audience of global decision makers. It allowed IDA Ireland's Executive Leadership team to network with existing and target client companies at a high level, forging relationships and enhancing our efforts to win new investment.

A key focus will be to build momentum in winning transformation – focused investments given the pace of change associated with the digital and green transitions.

Strategy review

IDA Ireland’s 2021-24 strategy, Driving Recovery and Sustainable Growth, aims to capitalise on the opportunities provided by FDI to encourage growth, bolster impact and innovation, and support a balanced economic recovery. The mid-term review of the strategy commenced in Q3 2022. The review assessed the Agency’s performance against targets to date and the implications of the changing global and national economic environment for the second half of the strategy period. The review was informed by inputs from IDA Ireland operational teams in Ireland and overseas, external experts, and national policy developments since the strategy’s publication, including the White Paper on Enterprise and the Climate Action Plan.

IDA Ireland has made substantial progress towards achieving the goals set out under the five strategic pillars: Growth, Transformation, Regions, Sustainability, and Impact. Performance has been strong in the first half of the strategy period, with IDA Ireland averaging 60% delivery of targets across all key performance indicators. Overall, the review concluded that IDA Ireland’s 2021-24 strategy remains well aligned to the prevailing national and international landscape, while recognising the need and opportunity to make some adjustments to successfully achieve the full range of objectives across the strategy’s five pillars.

IDA Ireland will, therefore, aim over the remainder of the strategy in 2023 and 2024 to achieve the key headline four-year strategy targets. A key focus will be to build momentum in winning transformation – focused investments given the pace of change associated with the digital and green transitions, which has proven even faster than we had assumed at the outset of the strategy. Innovation, digitalisation, and decarbonisation are the driving forces behind company, national, and EU policy agendas. IDA Ireland will redouble our efforts in these areas of competitive necessity and seek to further improve the transformation and sustainability supports on offer to companies to help future proof and build greater resilience in their Irish sites.

Over 2023 and 2024, IDA Ireland will also begin preparatory work for our next strategy. In doing so at this initial stage, the Agency will seek to adopt a long-term and mission-oriented view on FDI opportunities associated with the green and digital economic transitions, aligned to national strategic objectives including the White Paper on Enterprise. This includes, for example, the development of strategic technology clusters of significant scale that have the potential to be vehicles of sectoral and regional development, driving deeper growth and linkages between MNCs and between MNCs and SMEs.



Outlook

While forecasting the project pipeline for FDI to Ireland in the second half of 2023 and into 2024 is difficult given uncertainty about global economic prospects in the near-term, some aspects of the global operating environment have shifted in a permanent way. These shifts include more activist industrial policies, the ongoing acceleration of the green transition and technological change, an added complexity to geopolitical relations, and the resulting prominence of geoeconomic policy making.

A recurring and likely lasting theme is the influence and spill over of geopolitical tensions between the world's largest trading blocs into economic, trade, and investment policies. High-tech, green, and advanced manufacturing sectors are increasingly the focus of industrial policy, national security measures, and more relaxed subsidy frameworks in the US, Europe and elsewhere as countries seek to shore up or defend strategic capabilities. The potential de-risking of strategic supply chains along geopolitical lines will bring costs and opportunities for countries and companies alike.

Competing with larger countries for investment projects is a challenge given the increasingly competitive nature of incentives on offer.

However, the very prospect of even being considered for such projects requires a country to have the requisite carrying capacity in their economy to enable companies to successfully implement investments, from housing for employees to utility connections for their factories. Such challenges are not unique to Ireland and the country's consistent ability to win investment over the past two years, including several projects of very significant scale, demonstrates Ireland's continued attractiveness to FDI.

Chairman & CEO Overview

Nonetheless, it is clear from IDA Ireland's engagement with client companies that maintaining Ireland's attractiveness requires a consistent focus on enhancing the carrying capacity of the State.

A key enabler of continued FDI growth will be a rapid increase in the supply of new housing, particularly in the rental sector where the most acute capacity issues exist. The completion of close to 30,000 homes in 2022, the highest level in over a decade, is a welcome development. While high building costs and tighter financial conditions are placing headwinds on the house building sector, continued progress against the targets and objectives set in the Government's Housing for All strategy is of paramount importance.

Beyond housing, there is also an ongoing need to address other infrastructure - related capacity constraints. Timely implementation of investment in Ireland's physical and

digital infrastructure is needed to enable the economy to realise future growth.

The revised €165bn National Development Plan includes a focus on projects of strategic importance to IDA Ireland, such as improved connectivity within and across regions through investment in sustainable mobility and addressing bottlenecks in the road network. The measures announced in March of this year to improve delivery of key projects under the NDP were a welcome development.

Available and affordable utility provision, including energy, water, and wastewater, is a basic requirement for companies when considering where to invest. Ireland cannot credibly compete for investment, particularly capital-intensive manufacturing projects in the Technology and Life Sciences sectors, without having these fundamentals in place.

IDA Ireland continues to engage with the major stakeholders in this space, including the CRU, Eirgrid, and Uisce Éireann, to ensure competitive enterprise solutions are available to businesses seeking to invest and grow in Ireland.

The support offered to companies through the Ukraine Enterprise Crisis Scheme and the Temporary Business Energy Support Scheme (TBESS), in response to the severe increase in energy prices, is very welcome. The high energy costs in Europe relative to other jurisdictions, in particular the United States, underscore the need for Ireland, and the EU more broadly, to transition more rapidly to increased use of renewable energy. Achieving the National Climate Objective to reduce carbon emissions by 51% in 2030, relative to a 2018 baseline, represents both a competitiveness challenge and competitive necessity.

IDA Ireland is proactively engaging with DETE on the Agency's actions in support of the national objective, and of enterprise decarbonisation, as set out in the Climate Action Plan. In targeting a 35% reduction in emissions from the FDI base, IDA Ireland is working with existing clients to reduce their carbon footprint. From later this year in 2023, IDA Ireland will carry out a climate appraisal of capital-intensive project proposals from new and existing clients as part of ongoing work with DETE to integrate the cost of carbon into project evaluations and to embed carbon abatement objectives into the operations of Ireland's enterprise agencies.

As the wider economy transitions, progress in developing the offshore wind sector will be crucial to increase the mix of renewables in the electricity grid. Ireland's offshore wind potential is well noted at this point, as is the potential to build new industries linked to the offshore opportunity. Realising this transformative vision for Ireland by 2030 and

Chairman & CEO Overview

beyond requires continued progress today on offshore auctions, efficient planning processes, and marine consent.

The issue of planning impacts Ireland's competitiveness across all the above areas, from housing to public transport to offshore wind. The efficiency of the planning system, and the protracted nature of the judicial review process, has been an area of reputational risk in recent years.

IDA Ireland has emphasised the need for capital projects to be subject to checks and balances that are efficient, clear, and consistent.

The implementation of the proposed overhaul of planning legislation, stemming from the Attorney General's 2022 review, and ensuring that the relevant bodies have the resources, including An Bord Pleanála/ An Coimisiún Pleanála, to enable a more efficient system will be important in improving Ireland's competitiveness in this area.

Talent availability is the priority consideration in international location decisions and has been the bedrock of Ireland's success in attracting FDI. Continuing to foster and develop talent in Ireland, while also remaining open and welcoming to overseas talent, is essential.

IDA Ireland client companies greatly value the highly skilled people that they can find in Ireland, whether from the third-level education system, through apprenticeships, or from the international arrivals who have made Ireland their home.

The national ecosystem of training and education stakeholders works closely with industry in a way that is not replicated outside Ireland. The system is therefore agile, allowing it to respond quickly to changing industry skills needs and deliver training closely aligned to those needs. As the digital transition increases the need for upskilling across all sectors of the economy, it is important that Ireland's education and training ecosystems continuously adapt to meet demand.

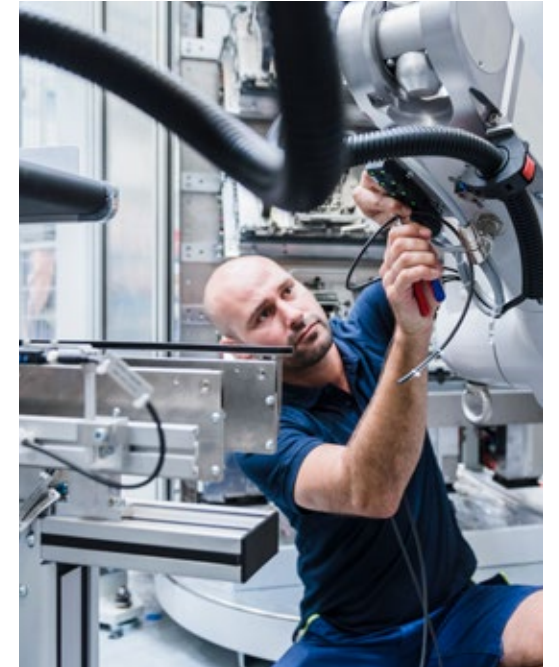


Chairman & CEO Overview

Conclusion

As IDA Ireland navigates the uncertainty within global markets and the challenges of Ireland's carrying capacity, our focus and strategy remain unwavering. Firstly, by maintaining and enhancing engagement with our clients. Secondly, by proactively enabling the transformation agendas of RD&I, digitalisation, sustainability, and talent development as a means to ensure longevity, competitiveness, and opportunities for leadership and future growth within our client base.

Achieving these transformational targets will remain a key priority for IDA Ireland over the remainder of our strategy period and, aligned to the White Paper on Enterprise, for the rest of this decade. IDA Ireland looks forward to partnering with DETE, key stakeholders, and client companies, as we strive to achieve our objectives to create jobs, provide opportunity, and embrace this era of green and digital transition.





Statistics



IDA Ireland
Indicators 2022



242
Total
Investments
Approved



21
Environmental/
Sustainable
Investments



54%
of Jobs Approved
Outside Dublin



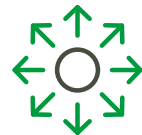
103
Greenfield
investments



37
Research,
Development &
Innovation investments



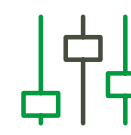
52%
of Investments
Located Outside
Dublin



89
Expansion
investments



€1bn
Investment in
Research, Development &
Innovation investments



94%
Jobs Approved
with Salaries in
excess of €35,000



13
Training
investments



€4.8bn
Total R&D
in-house
Expenditure



€63,594
Average
Salary in
Investments

Statistics

Origin of IDA Ireland Supported Companies 2022

Origin	No of Companies	Total Employment
United States	947	208,958
Germany	103	14,744
United Kingdom	179	11,819
France	80	9,049
Rest of Europe	193	22,679
Rest of World	294	34,226
Total	1,796	301,475

Source: DETE Annual Employment Survey 2022. Note: Includes full-time and part-time employees.

Employment in IDA Supported Companies

	2022
Job Gains	32,426

Source: DETE Annual Employment Survey 2022

Employment in IDA Supported Companies

	2021	2022
Total Employment	277,456	301,475
Full Time	257,757	280,890
Other	19,699	20,585
Net change in total employment	16,693	24,019
% Net change in total employment	6.4%	8.7%

Source: DETE Annual Employment Survey 2022, Time series data

Note: Other Employment includes part-time and short-term contract employees

Statistics

Total Employment by Region in IDA Ireland Supported Companies

Region	2018	2019	2020	2021	2022	% Change 2021/2022
Border	7,681	8,153	8,246	8,358	8,885	6.3%
Dublin	100,181	109,605	114,950	124,714	137,822	10.5%
Mid-East	17,818	18,496	18,728	19,337	21,861	13.1%
Mid-West	22,508	23,958	24,249	25,109	26,004	3.6%
Midlands	5,859	6,372	6,438	6,939	7,665	10.5%
South-East	13,414	13,507	13,976	15,062	15,520	3.0%
South-West	42,170	43,841	46,340	48,594	52,228	7.5%
West	26,401	27,197	27,836	29,343	31,490	7.3%
Total	236,032	251,129	260,763	277,456	301,475	8.7%

Source: DETE Annual Employment Survey 2022

Note: Includes part-time, temporary and short-term contract employees.

Statistics

Total Employment by Sector in IDA Ireland Supported Companies

Sector	2018	2019	2020	2021	2022	% Change 2021- 2022
Business, Financial & Other Services	41,708	45,939	48,138	51,736	56,426	9.1%
Information & Communication	87,814	94,185	98,042	106,315	116,192	9.3%
Modern Manufacturing	84,647	89,107	92,716	97,006	105,199	8.4%
Traditional Manufacturing	21,863	21,898	21,867	22,399	23,658	5.6%
All Sectors	236,032	251,129	260,763	277,456	301,475	8.7%

Source: DETE Annual Employment Survey 2022

Statistics

Economic Impact of FDI

The Department of Enterprise, Trade and Employment estimates that for every 10 jobs generated by Foreign Direct Investment (FDI) directly, another 8 are generated in the wider economy. This translates into 542,655 jobs that were supported by FDI at the end of 2022. Secondary economic benefits impact positively on the construction industry, the retail sector and the hospitality industry.

The Annual Business Survey of Economic Impact (ABSEI) survey results for 2021 (latest data available) include data for Exports, Irish Economy Expenditure, in-house R&D and capital expenditure as follows:

- IDA client exports increased by 8.7% to €315.5bn in 2021.
- Expenditure in the Irish economy grew 8.4% to €31.5bn in 2021. This is made up of expenditure on payroll (€19.6bn), Irish services (€8.9bn), and Irish materials (€3bn).
- In-house R&D Investment grew 17.9% to €4.8bn in 2021.
- IDA clients invested €9.2bn in capital projects in 2021, up 8% on the previous year.

IDA Ireland Cost per Job Sustained Constant 2021 Prices

IDA Ireland	2008/14	2009/15	2010/16	2011/17	2012/18	2013/19	2014/20	2015/21	2016/22
Sustained FTJ*	49,452	56,973	69,611	77,099	94,880	104,690	110,063	121,861	134,448
CPJS	€14,243	€11,839	€10,239	€8,986	€7,307	€6,751	€6,794	€6,487	€5,582

Source: DETE Annual Employment Survey 2022

Note: The cost per job sustained is calculated by taking into account IDA Ireland grant expenditure to all firms in the period of calculation. Only jobs created during and sustained to the end of each seven year period are credited in the calculations.



Environmental, Social and Governance





Environmental

IDA Ireland is actively engaging with client companies on sustainability investments, recording 21 environmental sustainability projects in 2022, and taking into account 2021 performance, bringing us more than halfway to our target of 60 sustainability investments by 2024. There has also been considerable engagement on wider green initiatives, such as partnering with clients to develop and deliver climate action plans for sites in Ireland and formulating Ireland's value proposition for winning strategic projects in the green economy. These activities foster competitiveness and futureproofing of client sites in Ireland and also aid IDA Ireland and our client companies in actively improving the environmental impact of the FDI base in Ireland.

In order to meet public sector targets and ensure that IDA Ireland exemplifies best practice in the area of sustainability, the Agency has continued to invest in measures to improve its own environmental sustainability. IDA Ireland works closely with the Sustainable Energy Authority of Ireland (SEAI) to monitor and report on annual energy consumption, savings, and CO₂ emissions and to develop an Action Plan to identify potential energy saving projects on an annual basis. According to data tracked and verified by SEAI, IDA Ireland has achieved an overall energy consumption reduction of 48.6% below baseline 2011 levels and total CO₂ emissions reduction of 40% against the 2016–2018 average baseline.⁷

IDA Ireland carried out a wide range of sustainability reviews and initiatives across the property portfolio in 2022, including on biodiversity, sustainable mobility, sustainable

infrastructure and a national review of renewable energy options. The Property Division is undergoing work to align IDA Ireland's portfolio with national sustainability strategies, including developing biodiversity initiatives at several IDA Ireland Business Parks in line with the National Biodiversity Action Plan 2017–2021 and the National Pollinator Plan. In addition to upgrades at our existing buildings, the Property Division is currently progressing with the construction of new buildings as part of the Regional Building Programme, which have been designed to achieve LEED (Leadership in Energy and Environmental Design) accreditation.

⁷ SEAI, Public Sector Energy Efficiency Performance

Environmental, Social and Governance

While working within our client base to promote diversity and inclusivity, we also recognise the importance of ensuring those values are upheld and represented within IDA.

Social

In line with our commitment to support inclusive and sustainable growth, IDA Ireland has continued to monitor performance against ESG factors and to engage with stakeholders and experts to deepen our understanding of how we can promote sustainable, inclusive FDI outcomes.

Provision of high-quality, well-paying jobs and ensuring resiliency and preparation for future change across Ireland and our client base is a key focus for IDA Ireland. The average salary in IDA Ireland client companies was €75,130 in 2021, 44% above the national average €52,088.

The rapidly accelerating pace of change, and the resulting implication for skills needs, means that it is becoming increasingly important to ensure that talent is keeping up with demand. IDA Ireland continues to put a strong emphasis on supports for talent development under the Transformation pillar of our strategy, with clients investing €100 million in employee training in 2021, a 9.5% increase on the previous year.

While working within our client base to promote diversity and inclusivity, we also recognise the importance of ensuring those values are upheld and represented within IDA Ireland.

In support of our 2021-24 Equality, Diversity and Inclusion (EDI) Action Plan, IDA Ireland's EDI team conducted a wide range of activities and engagements throughout 2022, including anchor events on the theme of inclusion and information sessions on topics relating to disability, neurodiversity and stage of life. IDA Ireland continued to work in partnership with the Open Doors Initiative to provide work opportunities to members of underrepresented groups and commenced a process to adopt the Universal Design Principles.

IDA Ireland was recognised at the 2023 National Diversity and Inclusion Awards, winning Public Sector Organisation of the Year.

IDA Ireland also achieved Silver Accreditation under the Irish Centre for Diversity's Investors in Diversity programme, recognising the progress IDA Ireland has made to date on our ongoing EDI journey. In addition to the work of the EDI team, the IDA Ireland Corporate Social Responsibility (CSR) Committee, continued their excellent work in driving efforts by staff across the organisation to raise funds and awareness for our charity partners, DEBRA Ireland in 2021/2022 and the Irish Cancer Society in 2022/2023



Financial Statements



Comptroller & Auditor General

Report for presentation to the Houses of the Oireachtas

Industrial Development Agency Ireland

Opinion on financial statements

I have audited the financial statements of Industrial Development Agency Ireland (IDA Ireland) for the year ended 31 December 2022 as required under the provisions of paragraph 7 of the first schedule of the Industrial Development Act 1993. 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 IDA Ireland at 31 December 2022 and of its income and expenditure for 2022 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 IDA Ireland and have fulfilled my other ethical responsibilities in accordance with the standards.

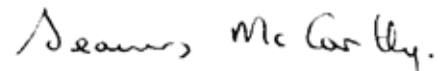
I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

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

IDA Ireland has presented certain other information together with the financial statements. This comprises the annual report, including 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.



Seamus McCarthy

Comptroller and Auditor General
15 June 2023

Appendix to the report

Responsibilities of the Board Members

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

- the preparation of annual financial statements in the form prescribed under paragraph 7 of the First Schedule of the Industrial Development Act 1993
- ensuring that the financial statements give a true and fair view in accordance with FRS102
- 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 paragraph 7 of the first schedule of the Industrial Development Act 1993 to audit the financial statements of IDA Ireland 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 IDA Ireland'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

Appendix to the report continued

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 IDA Ireland 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.

I 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.
-

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.

Governance Statement and Board Members' Report

Governance

IDA Ireland is an autonomous Statutory Agency set up under the Industrial Development Acts 1986 - 2019. The Agency operates in accordance with the provisions of the Acts and under the aegis of the Minister for Enterprise, Trade and Employment, who is empowered to provide funds to discharge its obligations and issue general policy directives/seek information on the Agency's activities.



Governance Statement and Board Members' Report

While the primary source of corporate governance for IDA Ireland are the Industrial Development Acts, the Agency is also required to comply with a range of other statutory (National and EU) and administrative requirements. IDA Ireland affirms that it met its obligations in regard to all of these requirements. In particular, it has the following procedures in place to ensure compliance with specific requirements:

1 General Administrative and Policy Requirements

At national level, IDA Ireland works closely with officials of the Department of Enterprise, Trade and Employment and officials of other Government Departments and State Agencies in advancing its objectives and ensuring compliance with statutory, administrative and Ministerial/Government requirements. At local level, the Agency works closely with Local Authorities, Educational Establishments, other State Agencies and a wide range of Local Organisations/ Public Representatives to develop the local environment necessary for attracting new investment. IDA Ireland continues to implement a policy directive issued by the Minister for Enterprise, Trade and Employment on 18 December 2006 which requires that IDA comply with all relevant Guidelines, Block Exemption Regulations,

Frameworks and schemes regarding Regional Aid and in providing research and development grants.

2 Code of Practice for the Governance of State Bodies (2016)

Statement of Compliance

The Board has adopted the Code of Practice for the Governance of State Bodies (2016) and has put procedures in place to ensure compliance with the Code. IDA Ireland was in full compliance with the Code of Practice for the Governance of State Bodies for 2022, subject to a waiver from the Department of Enterprise, Trade and Employment in respect of a requirement in a 2014 Circular, as noted in the Statement of Internal Control.

Section 2.6: Complied with by the Chairman of the Board in a separate letter furnished to the Minister for Enterprise, Trade and Employment.

Sections 1.8 & 7.5 (iii): An effective system of internal control is maintained and operated by the Agency (Statement on Internal Control, page 45).

Section 9: Government policy on the pay of Chief Executives and State Body employees is being complied with (Governance Statement and Board Members Report 2022 pages 30-40 and Notes to the Financial Statements, pages 53-79).

Sections 1.15 & 1.17: The Board has approved the four year IDA strategy for the years 2021-2024. In addition, the Board has established processes to ensure sound corporate planning, etc., as required by this Section

Governance Statement and Board Members' Report

(Governance Statement and Board Members Report 2022 page 30, and Statement on Internal Control page 45).

Section 9: The IDA travel procedures reflect the Government's travel policy requirements and are being complied with.

Section 8.47: The Chairman of the Board, in the separate letter furnished to the Minister for Enterprise, Trade and Employment, confirms that the IDA has complied with its obligations under tax law.

The schemes and programmes administered by the IDA are in accordance with the legislation governing the operation of the Agency and appropriate risk management systems are in place.

3 Revenue Commissioners' Statement of Practice Sp-It/1/04 on Tax Treatment of Remuneration of Members of State and State Sponsored Committees and Boards

IDA Ireland fully complies with this Statement of Practice.

4 Guidelines for the Appraisal and Management of Capital Expenditure Proposals

IDA Ireland has well-established robust procedures in place for the Appraisal and Management of Capital Expenditure projects arising under the Capital Grants or Property programmes. These procedures comply with the principles set out in the Guidelines for the Appraisal and Management of Capital Expenditure Proposals.

5 The Equality Acts (comprising the Equal Status Acts 2000-2018 and the Employment Equality Acts 1998-2015)

Equality is an established priority for IDA. The organisation has a progressive equality and diversity agenda and new initiatives are developed on an ongoing basis. IDA Ireland values diversity and strives to be an equality employer where individual contribution is encouraged and differences are valued. To this end, it is committed to ensuring that no staff member of IDA, or applicant for employment with IDA, receives less favourable treatment than any other on grounds of gender, marital status, family status, sexual orientation, religion, age, disability, race, membership of the traveller community or on any other grounds not relevant to good employment practice.

This applies to recruitment, working conditions and development opportunities.

IDA is committed to maintaining and developing a balanced work/life environment for all staff.

6 The Safety, Health and Welfare at Work Act 2005

IDA Ireland continues to take appropriate measures to protect the safety, health and welfare of all employees and visitors within its offices to meet the provisions of this Act. This extends to the Public Health (Tobacco) Acts 2002 and 2004.

Governance Statement and Board Members' Report

7 Worker Participation (State Enterprise) Act, 1988

Consultative structures are operating effectively in IDA Ireland and are a recognised feature of the organisation's communications and consultative structure. The Joint Consultative Committee is welcomed as a positive process by both management and staff. Additionally, we continue to partner with the Trade Union in IDA to progress any actions arising from the extension to the Building Momentum agreement for 2022 – 2023.

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

In accordance with the above Acts, all IDA Ireland Board Members and staff holding designated positions have completed statements of interest in compliance with the provisions of the Acts.

9 Freedom of Information Act 2014

IDA Ireland complies with this Act. Requests for information under this Act should be addressed to the Freedom of Information Officer, IDA Ireland, 3 Park Place, Hatch Street Upper, Dublin 2.

10 Energy Efficiency

In compliance with the Government memorandum of June 2001, IDA Ireland, in the design, planning and construction of office and manufacturing buildings on its Business and Technology Parks, applies 'best practice' principles in all cases. The IDA's offices in the regions also conform to 'best practice' principles. IDA's Global HQ at Three Park Place is A3 BER rated and is certified WiredScore Platinum – features include high quality building envelope insulation, thermal storage, rain water harvesting, photovoltaic panels, combined heat & power (CHP) for renewable energy generation and LED lighting.

11 (I) Prompt Payment of Accounts

The Prompt Payment of Accounts Act 1997 (the Act), was amended by the European Communities (Late Payment in Commercial Transactions) Regulations 2012, the European Communities (Late Payment in Commercial Transactions) Regulations 2013 and the European Communities (Late Payment in Commercial Transactions) Regulations 2014. Management is satisfied that IDA complied with the provisions of the Act (as amended) in all material respects.

Governance Statement and Board Members' Report

11 (II) Prompt Payment to Supplier

IDA Ireland is committed to meeting its obligations under the 15 day Prompt Payment Rule, which came into effect on 1 July 2011.

The provision ensures that payments to suppliers in respect of all valid invoices received will be made within 15 calendar days.

IDA Ireland reports quarterly in the "Corporate Governance" section of the website on the implementation of the 15 day Prompt Payments rule.

12 Protected Disclosures

In line with the legal requirements under section 21 of the Protected Disclosures Act 2014, IDA Ireland has established and maintains procedures for the making of protected disclosures by workers who are or were employed by IDA Ireland and for dealing with any disclosures made. IDA Ireland has provided staff with written information relating to the protected disclosures procedures.

There were no protected disclosures made to IDA Ireland in 2022.

Board Responsibilities

The Board of IDA Ireland was established under the Industrial Development Act 1993. The functions of the Board are set out in section 8 of that Act. The Board is accountable to the Minister for Enterprise, Trade and Employment 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 IDA Ireland 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 IDA Ireland.

The work and responsibilities of the Board are set out in The Corporate Governance Manual which also contains 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.

Governance Statement and Board Members' Report

Paragraph 7 (2) of the First Schedule of the Industrial Development Act 1986 requires the Board of IDA Ireland to keep, in such form as may be approved by the Minister for Enterprise, Trade and Employment, with the consent of the Department of Public Expenditure, National Development Plan Delivery and Reform, all proper and usual accounts of money received and expended by it.

In preparing these financial statements, the Board of IDA Ireland is required to:

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that it will continue in operation, and

- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

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 Paragraph 7 (2) of the First Schedule of the Industrial Development Act 1986. The maintenance and integrity of the corporate and financial information on the IDA Ireland'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 IDA Ireland by reference to the annual plan and budget was carried out on 9th March 2023.

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 IDA Ireland give a true and fair view of the financial performance and the financial position of IDA Ireland at 31 December 2022.

Board Structure

The Board consists of a Chairperson, the CEO and up to ten ordinary members, all of whom are appointed by the Minister for Enterprise, Trade and Employment. The members of the Board are appointed for a period of five years and meet 10 times a year or more often if required. The table below details the appointment period for current members:

Governance Statement and Board Members' Report

Board Member	Role	Date Appointed
Frank Ryan	Chairman	1st January 2014. (Retired 31st December 2018. Re-appointed 1st January 2019. Retired 31st December 2022. Re-appointed 26th January 2023.)
Martin Shanahan	CEO	31st August 2014. On "garden leave" from 26th October 2022. (Resigned 25th January 2023)
Barry O'Sullivan	Ordinary member	4th September 2015. (Retired 31st December 2018. Re-appointed 1st January 2019)
Marian Corcoran	Ordinary member	26th August 2016. (Retired 31st December 2020. Re-appointed 1st January 2021)
Kevin Cooney	Ordinary member	8th June 2018. (Retired 31st January 2022. Re-appointed 2nd February 2023)
Thomas (Tony) Kennedy	Ordinary member	8th June 2018. (Retired 31st December 2021. Re-appointed 2nd March 2022)
Ann Hargaden	Ordinary member	27th November 2020.
Regina Moran	Ordinary member	27th November 2020.
Bill O'Connell	Ordinary member	27th November 2020.
Declan Hughes	Ordinary member	8th February 2022.
Mary Buckley	Interim CEO	26th October 2022. (Resigned 16th April 2023)
Alan Ennis	Ordinary member	21st February 2023.
Elizabeth Reynolds	Ordinary member	21st February 2023.
Michael Lohan	CEO	17th April 2023.

The Board carried out a Board Effectiveness and Evaluation Review, completed on 9th March 2023.

Key Personnel changes – Board members as above. At Senior Management level (Divisional Manager or higher) the following changes occurred during 2022: Martin Shanahan commenced "garden leave" on the 26th October 2022 and Mary Buckley was appointed Interim CEO from that date to 16th April 2023. Michael Lohan was appointed CEO on the 17th April 2023.

Governance Statement and Board Members' Report

Board 2022

The Board operates to best practice corporate governance principles and in line with the guidelines set out in the 'Code of Practice for the Governance of State Bodies' as issued by the Department of Public Expenditure, National Development Plan Delivery and Reform, both in its own activities and in its use of committees.

It is responsible for setting the broad policies of the organisation and for overseeing its operation. It performs these functions directly and through the operation of focused Board Committees. Responsibility for the implementation of policy rests with executive management.



Governance Statement and Board Members' Report

The Board has statutory authority to approve grant aid up to the levels set out in the Industrial Development Acts and to recommend grant aid above these specified levels to Government. In accordance with the Ethics in Public Office Acts, 1995 and 2001, IDA Ireland Board Members furnish a Statement of Interests to the Secretary and to the Standards in Public Office Commission.

In accordance with the 'Code of Practice for the Governance of State Bodies' 2016, IDA Ireland fully complies with Government policy on the pay of Chief Executives and State Body employees and with Government guidelines on the payment of fees to Board Members.

Frank Ryan

Chairman, IDA Ireland

Martin Shanahan

Chief Executive Officer, IDA Ireland.
On "garden leave" from 26 October 2022.
(Resigned 25 January 2023).

Michael Lohan

Chief Executive Officer, IDA Ireland
(appointed 17th April 2023)

Marian Corcoran

Founder MC 2 Change Limited

Declan Hughes

Assistant Secretary General (Appointed Secretary General 1st June 2023) Department of Enterprise, Trade and Employment

Barry O'Sullivan

Vice President of Manufacturing, Johnson and Johnson Vision Care

Thomas (Tony) Kennedy

CEO Tawin Consulting

Kevin Cooney

Former Senior Vice President,
Former Managing Director EMEA,
CIO, Xilinx Inc

Ann Hargaden

Former Chairperson at Lisney Ireland.

Bill O'Connell

Principal BOC Consulting Services

Regina Moran

Vice President, Strategic Projects
& Change Fujitsu

Mary Buckley

Interim Chief Executive Officer,
IDA Ireland (from 26th October 2022
to 16th April 2023)

John Nolan

Secretary, IDA Ireland

Governance Statement and Board Members' Report

The Board committee structure is outlined below.

Audit, Finance and Risk Committee

Assists and supports the Board in discharging its legal and accounting responsibilities; communicates with external auditors and evaluates and controls the internal audit function; reviews financial planning and the system of internal financial control. It also oversees the implementation of the organisation's risk policy including the development of its risk register and monitors budgeting and banking arrangements.

Members 2022

Tony Kennedy
(Chair)

Declan Hughes

Ann Hargaden

Regina Moran

John Glennon
(External Committee Member)

Regional Development and Property Committee

Provides guidance on the implementation of the regional development aspects of IDA's Strategy. Reviews and monitors IDA's annual and cumulative regional targets and its involvement in national and regional strategy development. Reviews policy with regard to the financing, provision, maintenance and disposal of property, approves procedures with regard to tendering and awarding of contracts and approves expenditure/sales of up to €12m.

Members 2022

Marian Corcoran
(Chair)

Declan Hughes

Barry O'Sullivan

Bill O'Connell

Ann Hargaden

Martin Shanahan
– until 26th October 2022

Eileen Sharpe
– from 26th October 2022

Governance Statement and Board Members' Report

Innovation and Sustainable Development Committee

Provides guidance on the promotion by IDA of sustainable economic development in line with Government policy; on supporting sectoral and industry transformation through innovation, the development of human capital and the adoption of advanced manufacturing technologies; and on increasing research and development by companies.

Members 2022

Barry O'Sullivan
(Chair)

Kevin Cooney

Declan Hughes

Tony Kennedy

Bill O'Connell

Regina Moran

Organisational Development Committee

Reviews the performance of the senior management team and plans for management development and succession. The Committee also provides guidance on organisational development and the Agency's Diversity and Inclusion Policy.

Members 2022

Frank Ryan (Chair)

Marian Corcoran

Kevin Cooney

Martin Shanahan
– until 26th October 2022

Mary Buckley
– from 26th October 2022

Management Investment Committee

Reviews all proposals for grant assistance and recommends them to the Board. Under powers delegated by the Board the Committee approves grants up to a maximum of €900,000.

Members 2022

Martin Shanahan
(Chair – until 26th October 2022)

Mary Buckley
(Chair – from 26th October 2022)

Eileen Sharpe

Regina Gannon

Denis Curran

Michael Lohan
– from 26th October 2022

Governance Statement Schedule

Board Schedule of Attendance, Fees and Expenses

A schedule of attendance at the Board and Committee meetings for 2022 is set out below including the fees and expenses received by each member.

	Board	Audit, Finance & Risk Committee	Regional Development & Property Committee	Organisational Development Committee	Innovation & Sectoral Development Committee	Fees 2022 €	Expenses 2022 €
Number of Meetings	12	5	10	10	7		
Frank Ryan (Chairman)	12	-	-	10	-	20,520	5,821
Martin Shanahan (Chief Executive)	8	2	7	4	-	-	225
Mary Buckley (Interim Chief Executive)	2	2	-	1	-	-	-
Kevin Cooney	11	-	-	10	6	11,970	205
Marian Corcoran	12	-	9	10	-	11,970	490
Ann Hargaden	10	5	7	-	-	11,970	-
Declan Hughes	12	5	10	-	7	-	205
Tony Kennedy	12	5	-	-	5	9,943	2,058
Regina Moran	9	4	-	-	5	11,970	405
Bill O'Connell	11	-	9	-	6	11,970	2,418
Barry O'Sullivan	11	-	7	-	7	11,970	1,831
						102,283	13,658

Board Members expenses in 2022 amounted to €13,658 broken down €6,966 accommodation and €6,692 other travel, subsistence and vouched food expenses.

There was one regional meeting and no overseas board meetings in 2022.

Governance Statement Schedule continued

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

The Board is responsible for ensuring that IDA 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, National Development Plan Delivery and Reform in August 2016. The following disclosures are required by the Code.

Permanent Salary Breakdown	Number of Employees (WTE)	
	2022	2021
Employee Benefits		
€60,000 to €70,000	49	41
€70,001 to €80,000	15	23
€80,001 to €90,000	37	41
€90,001 to €100,000	32	22
€100,001 to €110,000	13	11
€110,001 to €120,000	9	7
€120,001 to €130,000	-	3
€130,001 to €140,000	1	2
€140,001 to €150,000	1	5
€150,001 to €160,000	2	2
€160,001 to €170,000	5	3
€170,001 to €180,000	4	1
€180,001 to €190,000	1	-
€190,001 to €200,000	-	1
€200,001 to €210,000	1	-
€210,001 to €220,000	-	-

Governance Statement Schedule continued

Consultancy Costs

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

	2022	2021
	€'000	€'000
Legal Advice	517	1,327
Commercial & Technical Evaluation and Studies	490	306
Financial / Actuarial Advice	2	12
Human Resources	58	54
Business Improvement	23	55
Other	38	37
	1,128	1,791
Consultancy costs capitalised	-	-
Consultancy costs charged to the Income and Expenditure and Retained Revenue Reserves	1,128	1,791
	1,128	1,791

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 IDA which is disclosed in Consultancy costs above.

	2022	2021
	€'000	€'000
Legal Fees - Legal Proceedings	195	1,138
Conciliation and arbitration payments	-	-
Settlements	-	-
	195	1,138

Legal Costs relate to an ongoing matter involving IDA.

Governance Statement Schedule continued

Travel and Subsistence Expenditure

Travel and subsistence expenditure is categorised as follows:

	2022 €'000	2021 €'000
Domestic		
- Board	8	-
- Employees	1,065	174
International		
- Board	6	-
- Employees	732	47
	1,811	221

Hospitality Expenditure

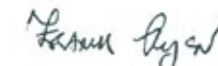
The Income and Expenditure Account includes the following hospitality expenditure:

	2022 €'000	2021 €'000
Domestic		
- Board	-	-
- Employees	-	-
International		
- Board	-	-
- Employees	-	-
	-	-

On behalf of the Board of IDA Ireland 14th June 2023



Michael Lohan
Chief Executive

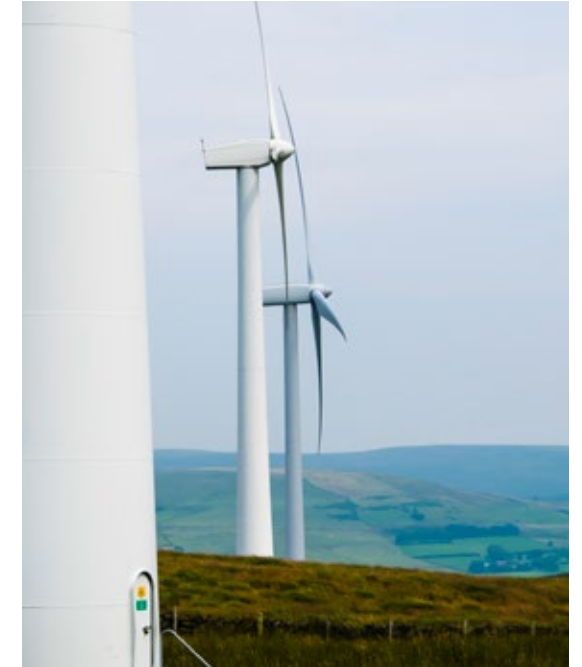


Frank Ryan
Chairman

Statement on Internal Control

Scope of Responsibility

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



Statement on Internal Control

Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a tolerable level rather than to eliminate it. The system can therefore 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 way.

The system of internal control, which accords with guidance issued by the Department of Public Expenditure, National Development Plan Delivery and Reform has been in place in IDA for the year ended 31 December 2022 and up to the date of approval of the financial statements.

Waiver from Department of Public Expenditure, National Development Plan Delivery and Reform Circular

In 2014, the Department of Public Expenditure, National Development Plan Delivery and Reform issued a circular in relation to management of and accountability for grants from exchequer funds. This requires that grantors stipulate that grant recipients disclose specific information in their financial statements. This includes details of the grant amount, the purpose for which funds were applied and information on salary rates in operation in the entity.

IDA sought a waiver from these requirements from the Department of Enterprise, Trade and Employment, on the basis that IDA's strong transactional controls satisfy the aims of the Circular. This waiver was granted.

Capacity to Handle Risk

IDA has an Audit, Finance and Risk Committee (AFRC) comprising four Board members and one external member, with financial and audit expertise, one of whom is the Chair. The AFRC met five times in 2022.

IDA has an outsourced internal audit function, which reports directly to the AFRC, is adequately resourced and conducts a programme of work agreed with the AFRC.

The AFRC has developed a risk management policy which sets out its risk appetite, the risk management processes in place and details the roles and responsibilities of staff in relation to risk. The policy has been issued to all staff who are expected to work within IDA's risk management policies, to alert management on emerging risks and control weaknesses and assume responsibility for risks and controls within their own area of work.

Statement on Internal Control

Risk and Control Framework

IDA has implemented a risk management system which identifies and reports key risks and the management actions being taken to address and, to the extent possible, to mitigate those risks.

A risk register is in place which identifies the key risks facing IDA and these have been identified, evaluated and graded according to their significance. The register is reviewed and approved by the AFRC and the Board on an annual basis. The outcome of these assessments is used to plan and allocate resources to ensure risks are managed to an acceptable level.

The risk register details the controls and actions needed to mitigate risks and responsibility for operation of controls assigned to specific staff. I confirm that a control environment containing the following elements is in place:

- 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,

- there are systems in place to safeguard the assets, and
 - control procedures over grant funding comprise the appraisal; technical and financial assessment; approval and payment of grant related projects, including cost benefit analysis, technical assessments, establishment of project milestones, payments in accordance with terms and conditions of legal agreements between IDA and the grantee and provisions for the repayment of the grant if the project does not fulfil commitments made by the promotor.
-

Ongoing Monitoring and Review

Formal procedures have been established for monitoring control processes and control deficiencies are communicated to those responsible for taking corrective action and to management and the Board, where relevant, in a timely way. I confirm that the following ongoing monitoring systems are in place:

- key risks and related controls have been identified and processes have been put in place to monitor the operation of those key controls and report any identified deficiencies,

Statement on Internal Control

- reporting arrangements have been established at all levels where responsibility for financial management has been assigned, and
 - there are regular reviews by senior management of periodic and annual performance and financial reports which indicate performance against budgets/ forecasts.
-

Procurement

I confirm that IDA has procedures in place to ensure compliance with current procurement rules and guidelines and that during 2022 there was one exception to procurement rules: IDA Ireland commenced its contract with a service provider on 31st March 2020 for the provision of services via a SaaS model, for a period of two years. Following the return to office in March 2022 post the unprecedented Covid 19 pandemic, and to facilitate the comprehensive research and formulation of detailed requirements necessary for completion of the procurement process, and the design and deployment phases, a one-year extension to the contract was awarded to the existing provider on 31 March 2022 (€64,575).

Review of Effectiveness

I confirm that IDA has procedures to monitor the effectiveness of its risk management and control procedures. IDA's monitoring and review of the effectiveness of the system of internal control is informed by the work of the internal and external auditors, the Audit, Finance and Risk Committee which oversees their work, and the senior management within IDA responsible for the development and maintenance of the internal control framework.

I confirm that the Board conducted an annual review of the effectiveness of the internal controls on 9th March 2023.

Internal Control Issues

No weaknesses in internal control were identified in relation to 2022 that require disclosure in the financial statements.

Signed on behalf of the Board



Frank Ryan

Chairman

14th June 2023

Statement of Income and Expenditure and Retained Revenue Reserves

For Year Ended 31 December 2022

	Notes	2022 €'000	2021 €'000
Income			
Oireachtas Grants	2	225,256	200,236
National Training Fund	3	3,000	3,000
Grant Refunds	4	211	4,766
Rental Income		4,057	3,996
Other Income	5	328	497
Profit / (Loss) on Disposal of Assets	6	21,780	1,779
Net Deferred Pension Funding	20(f)	8,440	7,253
		263,072	221,527
Expenditure			
Grants Payable	7	123,826	105,429
Promotion, Administration and General Expenses	8	61,135	63,193
Industrial Building Charges	9	7,103	5,715
Depreciation Charges	10	15,031	17,717
Impairment Charges / (Reversals)	10	(5,837)	(14,813)
Pension Costs	20(c)	9,856	8,607
		211,114	185,848
Surplus for the Year before Appropriations			
Contribution to the Exchequer	11	-	-
Transfer (to) Capital	12	(57,191)	(36,759)
(Deficit) / Surplus for the year after Appropriations			
Balance Brought Forward at 1 January		32,552	33,632
Balance Carried Forward at 31st December 2022			
		27,319	32,552

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

The Statement of Income and Expenditure and Retained Revenue Reserves includes all gains and losses recognised in the year.

The Statement of Cashflows and notes 1 to 26 form part of these Financial Statements.

On behalf of the Board of IDA:
Date: 14 June 2023



Frank Ryan
Chairman



Michael Lohan
Chief Executive



Tony Kennedy
Chairman
Audit, Finance
& Risk Committee

Statement of Comprehensive Income

For Year Ended 31 December 2022

	Notes	2022 €'000	2021 €'000
Surplus before Appropriations		51,958	35,679
Experience gain / (loss) on retirement benefit obligations	20(d)	(11,687)	305
Change in assumptions underlying the present value of retirement benefit obligations	20(d)	79,131	(2,234)
Total actuarial gain / (loss) in the year		67,444	(1,929)
Adjustment to deferred retirement benefits funding		(67,444)	1,929
Other Comprehensive Income for the year		51,958	35,679

The Statement of Cashflows and notes 1 to 26 form part of these Financial Statements.

On Behalf of the Board of IDA:

Date: 14 June 2023



Frank Ryan
Chairman



Michael Lohan
Chief Executive



Tony Kennedy
Chairman
Audit, Finance & Risk Committee

Statement of Financial Position

As at 31 December 2022

	Notes	2022 €'000	2021 €'000
Tangible Fixed Assets			
Industrial Property	13	335,079	274,788
Other Fixed Assets	14	4,779	7,879
		339,858	282,667
Intangible Assets			
Telecommunication Assets	15	-	-
Total Tangible and Intangible Assets		339,858	282,667
Current Assets			
Inventory	16	8,583	5,488
Receivables	17	24,763	32,865
Cash and Cash Equivalents		1,810	300
		35,156	38,653
Current Liabilities			
Payables	18	(7,712)	(5,961)
Net Current Assets		27,444	32,692
Long Term Receivables			
Receivables: amounts falling due after more than one year	17	-	-
Provisions			
Provisions for Liabilities and Charges	19	(125)	(140)
Pensions			
Deferred Pension Funding Asset	20 (f)	160,308	219,312
Pension Liability	20 (e)	(160,308)	(219,312)
Total Net Assets		367,177	315,219
Representing:			
Capital Account	12	339,858	282,667
Retained Revenue Reserves		27,319	32,552
		367,177	315,219

The Statement of Cashflows and notes 1 to 26 form part of these Financial Statements.

On behalf of the Board of IDA:

Date: 14 June 2023



Frank Ryan

Chairman



Michael Lohan

Chief Executive



Tony Kennedy

Chairman

Audit, Finance & Risk Committee

Statement of Cashflows

For Year Ended 31 December 2022

	Notes	2022 €'000	2021 €'000
Net Cash Flows From Operating Activities			
Excess Income over Expenditure		51,958	35,679
Reduction in Value of Fixed Assets			
- Industrial Property	10	5,394	(2,129)
- Other Fixed Assets & Telecommunication Assets	10	3,800	5,033
Expenditure Capitalised	8 (a)	(1,319)	(777)
(Profit) on Disposal of Assets	6	(21,780)	(1,779)
Bank Interest	5	(6)	-
(Increase) in Inventory	16	(3,095)	(5,488)
Decrease in Receivables amounts falling due within one year	17	8,102	3,256
Increase / (Decrease) in Payables amounts falling due within 1 year	18	1,751	(952)
(Decrease) in Provisions and Charges	19	(15)	(210)
Decrease in Receivables amounts falling due after more than one year	17	-	288
Net Cash Inflow from Operating Activities		44,790	32,921
Cash Flows from Investing Activities			
Acquisitions		(85,321)	(49,592)
Disposals		42,035	12,485
Net Cash Flows from Investing Activities		(43,286)	(37,107)
Cash Flows From Financing Activities			
Bank Interest Received		6	-
Net Cash Flows from Financing Activities		6	-
Net Increase / (Decrease) in Cash and Cash Equivalents		1,510	(4,186)
Cash and cash equivalents at 1 January		300	4,486
Cash and Cash Equivalents at 31 December		1,810	300

Notes to the Financial Statements

For the Year Ended 31 December 2022

1 Accounting Policies

The basis of accounting and significant accounting policies adopted by IDA are set out below. They have all been applied consistently throughout the year and the preceding year:

(a) General Information

IDA Ireland's head office is located at Three Park Place, Hatch Street Upper, Dublin 2, D02 FX65.

IDA Ireland is a Public Benefit Entity (PBE). A Public benefit entity provides goods or services for the general public, community or social benefit and where any equity is provided, it is to support the entity's primary objectives rather than with a view to providing a financial return to equity providers, shareholders or members.

IDA Ireland's primary objective as set out in Part II S8 of the Industrial Development (IDA Ireland) Act 1993 is:

- to promote the establishment and development, in the State, of industrial undertakings from outside the State
- to make investments in and provide supports to industrial undertakings which comply with the requirements of the enactments for the time being in force.
- to administer such schemes, grants and other financial facilities requiring the disbursement of European Union Funds and such other funds as may from time to time be authorised by the Minister for Public Expenditure, National Development Plan Delivery and Reform, and to carry out such other functions as may from time to time be assigned to it by the Minister.

(b) Statement of Compliance and Basis of Preparation

The Financial Statements have been prepared in accordance with the historical cost convention, modified in compliance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council in the form approved by the Minister for Enterprise, Trade and Employment with the consent of the Minister for Public Expenditure, National Development Plan Delivery and Reform.

The presentation currency of the Financial Statements of IDA Ireland is in Euro. The functional currency of IDA Ireland is considered to be Euro as it is the primary economic environment in which the agency operates.

(c) Revenue

Oireachtas Grants

Revenue is generally recognised on an accruals basis: the one exception being Oireachtas Grants which are recognised on a cash receipts basis.

Refunds of Grants Paid

Grants paid become refundable in certain circumstances, such as liquidation / dissolution of the recipient company, or if the conditions of the grant are not met. Grant refunds are recognised when it is probable that the money will be received by IDA and the amount can be estimated reliably; therefore they are accounted for on an accruals basis.

Interest Income

Interest income is recognised on an accruals basis using the effective interest rate method.

Notes to the Financial Statements continued

For the Year Ended 31 December 2022

Rental Income

Rents comprise amounts due under the terms of lease agreements for periods of up to 35 years entered into between the Agency and tenants, charges for the use of undeveloped lands and estate maintenance charges billed to tenants and are accounted for on an accruals basis.

Other Revenue

Other revenue is recognised on an accruals basis.

(d) Grants Payable

Grants are accrued in the Financial Statements when the grantee complies with stipulated conditions.

(e) Tangible Fixed Assets

Tangible Fixed Assets comprise :

- (i) Land which is held for the purposes of industrial development.
- (ii) Site development works.
- (iii) Industrial buildings leased to tenants including buildings in the course of sale where title had not passed at the year end.
- (iv) Vacant property available for industrial promotion or in the course of sale where title had not passed at the year end.
- (v) Other Fixed Assets including computer equipment greater than €650 and office equipment and fixtures and fittings greater than €1,000.

Tangible Fixed Assets are stated at cost less accumulated depreciation and provision for impairment. Depreciation is provided on all tangible assets, other than land at rates calculated to write off the cost, less estimated residual value, of each asset on a straight line basis over the estimated useful lives as follows:

(i) Buildings	3 % per annum
(ii) Site Development	10 % per annum
(iii) Office Equipment / Fixtures & Fittings	20 % per annum
(iv) Computers	33 % per annum
(v) Land	0 % per annum

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.

Impairment of Property, Plant and Equipment

Provisions for impairments may be made following reviews of fixed assets and telecommunication assets carried out by officers of IDA or independent valuers, as appropriate, if events or changes in circumstances or economic conditions indicate that the carrying amount of the assets may not be fully recoverable. Any such provisions will be recognised in the Statement of Income and Expenditure and Retained Revenue Reserves in the year in which they are made. Where a subsequent review indicates that the circumstances which gave rise to a provision for impairment no longer exists or have changed materially the accumulated provision for impairment will be reduced accordingly.

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.

Notes to the Financial Statements continued

For the Year Ended 31 December 2022

Reversals of impairments in previous years are accounted for through the Statement of Income and Expenditure and Retained Revenue Reserves.

(f) Industrial Property

Industrial Property included in tangible fixed assets has been acquired, developed or constructed for the purposes of assisting in the promotion and development of industry and is not considered to be investment property but normal fixed assets.

The cost of land, site development and industrial property includes an apportionment of administration costs associated with the acquisition or development of the assets.

By way of memorandum Income and Expenditure in respect of Industrial Property transactions are set out in note 23 to the Financial Statements.

(g) Intangible Fixed Assets:

Intangible Fixed Assets comprise telecommunication assets which constitute an indefeasible right of use of a designated portion of a global telecommunications network for a period of 25 years from 2000.

(h) Inventory

Inventory consists of inventories held for distribution at no or nominal consideration, measured at the lower of cost adjusted, when applicable, for any loss of service potential and replacement cost.

(i) 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 IDA 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. Receivables include :

- (i) Properties sold on a deferred basis. Interest is charged on these amounts at the Exchequer Lending Rates advised by the Department of Finance or the EU Discount Reference Rate as applicable.
- (ii) Rents due under the terms of lease agreements, for periods of up to 35 years, entered into between the Agency and tenants, charges for the use of undeveloped lands and estate maintenance charges billed to tenants.

- (iii) Fees from purchase options given on IDA property, deposits paid by IDA for the purchase of property where title had not passed to the Agency at 31 December, and the provision of other services.
- (iv) Amounts due in respect of the disposal or leasing of telecommunication assets.
- (v) Amounts due in respect of joint arrangements.
- (vi) Amounts due in respect of loans advanced and interest thereon.

Notes to the Financial Statements continued

For the Year Ended 31 December 2022

(j) Payables comprise amounts payable in respect of:

- (i) Creditors and Accruals.
- (ii) Grants are payable in line with note (d)
- (iii) Deposits for uncompleted sales.

(k) Provisions for liabilities and charges comprise:

- (i) Amounts provided in respect of potential costs associated with the dilapidations provision of operating leases.
- (ii) Amounts provided where the future costs arising under operating leases are estimated to exceed the amounts recoverable from sub lessees.

(l) 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 in foreign currency are dealt with in the Statement of Income and Expenditure and Retained Revenue Reserves.

(m) Leases

The rentals under operating leases are dealt with in the Financial Statements as they fall due. In the case of industrial property available for promotion a provision is made, where applicable, for future rental payments by the Agency.

(n) 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 Industrial Development (Forfás Dissolution) Act 2014 (No 13 of 2014) which was passed into law on 16th July 2014 made provision for the dissolution of Forfás and provided for: the establishment of IDA Ireland, Enterprise Ireland and Science Foundation Ireland as separate legal employers; each agency developing its own pension scheme noting that staff who are/were members of the Forfás Pension Scheme join the new Agency Schemes on superannuation terms no less favourable than those they enjoyed under the Forfás Scheme immediately before the date of transfer, agencies' own staff becoming members of these schemes;

and these agencies accounting for the associated Pension Liabilities under FRS102. The Department of Enterprise, Trade and Employment assumes legal responsibility for the existing Forfás pension schemes, pensioners and former staff with preserved benefits.

Under the Public Service Pensions (Single Scheme and other provisions) Act 2012 new entrants to the Public Service on or after 1 January 2013 become members of the Single Public Service Pension Scheme.

IDA has the full legal responsibility for its employees as their legal employer. This includes responsibility for the pensions of current employees who retire after 16th July 2014. The Financial Statements also reflect the pension costs of IDA staff covered by the Single Public Service Pension Scheme.

IDA's pension costs reflect unfunded defined benefit pension schemes, which are funded annually on a pay as you go basis from monies available to it, including monies provided by the Department of Enterprise, Trade and

Notes to the Financial Statements continued

For the Year Ended 31 December 2022

Employment and from certain contributions deducted from staff salaries.

Pension costs reflect pension benefits earned by employees in the period and are shown net of retained staff pension contributions. 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 Department of Enterprise, Trade and Employment.

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

Pension scheme liabilities are measured on an actuarial basis using the projected unit credit method.

(o) Critical Judgements, Estimates and Assumptions

In the application of IDA Ireland's accounting policies, management are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following judgements and estimates have had the most significant effect on amounts recognised in the financial statements:

Residual values and depreciation of assets

Management have reviewed the asset lives and associated residual values of all fixed asset classes, and have concluded that asset lives and residual values are appropriate.

Impairment reviews of assets

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.

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 and mortality 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) changes in demographics

Provisions

The Agency 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 and 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.

Notes to the Financial Statements continued

For the Year Ended 31 December 2022

2 Oireachtas Grants

The Oireachtas Grants are provided under section 35 of the Industrial Development (Science Foundation Ireland) Act 2003.

The Oireachtas Grants as shown in the Financial Statements consist of the following sums paid from Vote 32 - Enterprise, Trade and Employment:

		2022	2021
		€'000	€'000
Grant for Promotion and Administration Expenditure	Vote 32 - Subhead A5 (i)	57,756	53,036
Grant for Industry	Vote 32 - Subhead A5 (ii)	120,441	98,500
Grant for Industrial Property	Vote 32 - Subhead A5 (iii)	47,059	48,700
		225,256	200,236

The Grant for Promotion and Administration Expenditure of €57.756m is stated net of employee pension contributions of €1,154,460 (€1,096,697 - 2021) remitted to the Exchequer.

3 National Training Fund

Included in the training grant payments of €15.976m (see note 7) are training grant payments of €3m (€3m in 2021) which were met with funds received through the Department of Enterprise, Trade and Employment from the National Training Fund, which is administered through the Department of Education. Payments made are in compliance with the statutory requirements of the Fund as provided for in section 7 of the National Training Fund Act, 2000.

4 Grant Refunds

When the conditions of a grant agreement are breached by a client company, the grant is recoverable. During the year the Agency recovered €0.211m (€4.766m in 2021) relating to grant refunds.

5 Other Income

	2022	2021
	€'000	€'000
Bank Interest	6	-
Fee Income in respect of Undeveloped Lands	172	144
Interest on Industrial Property Transactions	83	334
Sundry Income	67	19
	328	497

Notes to the Financial Statements continued

For the Year Ended 31 December 2022

6 Profit on Disposal of Assets

	2022 €'000	2021 €'000
Consideration (net of fees and direct expenses)	42,035	12,485
Historical Costs	(31,696)	(17,741)
Write back of provision for impairment	-	2,221
Write back of provision for depreciation	11,441	4,814
	21,780	1,779

The profit on disposal comprises of profits of €23.162m, losses of €1.382m resulting in net profit on disposal of €21.780m

7 Grants Payable

	2022 €'000	2021 €'000
Capital	27,459	15,795
Employment	4,958	4,471
R&D	75,177	67,144
Training	15,976	17,801
Other Grants	256	218
	123,826	105,429

In 2022 €10.652m (2021 - €3.494m) was paid under a Medicinal Products for Covid 19 scheme and €147k (2021 - €390k) was paid under a Covid 19 Business Continuity Scheme.

Notes to the Financial Statements continued

For the Year Ended 31 December 2022

8 (a) Promotion, Administration and General Expenses

	2022 €'000	2021 €'000
Board members' fees, expenses and CEO remuneration	393	319
Other remuneration costs - see 8 (b)	31,626	29,335
Marketing, consultancy, promotions and advertising	11,687	19,021
General administration	18,596	15,343
Audit fee	62	62
Provision for doubtful debts	90	(110)
Less: Capitalisation of expenditure associated with industrial property development	(1,319)	(777)
	61,135	63,193

8 (b) Other remuneration costs comprise:

	2022 €'000	2021 €'000
Staff short-term benefits	29,510	27,324
Employers contribution to social welfare	2,113	2,010
Termination Benefits	-	-
Retirement benefit costs	3	1
	31,626	29,335

The total number of staff employed (WTE) at year end was 338 (2021 : 328)

Notes to the Financial Statements continued

For the Year Ended 31 December 2022

8 (c) Staff Short Term Benefits

	2022 €'000	2021 €'000
Basic Pay	29,505	27,324
Overtime	5	-
Allowances	-	-
	29,510	27,324

In 2022 €825k of Additional Superannuation Contribution has been deducted and paid over to the Department of Enterprise, Trade and Employment.

8 (d) Permanent Salary Breakdown

	Number of Employees (WTE)	
Employee Benefits	2022	2021
€60,000 to €70,000	49	41
€70,001 to €80,000	15	23
€80,001 to €90,000	37	41
€90,001 to €100,000	32	22
€100,001 to €110,000	13	11
€110,001 to €120,000	9	7
€120,001 to €130,000	-	3
€130,001 to €140,000	1	2
€140,001 to €150,000	1	5
€150,001 to €160,000	2	2
€160,001 to €170,000	5	3
€170,001 to €180,000	4	1
€180,001 to €190,000	1	-
€190,001 to €200,000	-	1
€200,001 to €210,000	1	-
€210,001 to €220,000	-	-

Notes to the Financial Statements continued

For the Year Ended 31 December 2022

8 (e) Key Management Personnel

Key Management personnel in IDA consists of the members of the Board, the Interim Chief Executive Officer, the Chief Executive Officer, the Executive Director and the Divisional Managers. The total value of employee benefits for key management personnel is set out below:

	2022	2021
	€'000	€'000
Basic Pay	1,825	1,787
Allowances	-	-
Termination benefits	-	-
Health Insurance	-	-
	1,825	1,787

8 (f) Chief Executive Remuneration

	2022	2021
	€	€
Martin Shanahan (commenced 'garden leave' from 26th October 2022. Resigned 25th January 2023 - Remuneration includes accrued 'garden leave' and annual leave).	238,508	192,105
Mary Buckley (appointed Interim CEO from 26th October 2022 to 16th April 2023).	38,925	-
Total	277,433	192,105

The Chief Executive Officer (CEO) receives an annual salary of €212,941 effective from 1st July 2022. The CEO's pension entitlement does not extend beyond the standard public sector pension arrangements and is maintained under the IDA Pension Scheme, the following categories apply:
Martin Shanahan - Staff recruited after 5th April 1995 and before 1st January 2013.
Mary Buckley - Staff recruited up to 5th April 1995.

Notes to the Financial Statements continued

For the Year Ended 31 December 2022

8 (g) Annual Rent Payable in respect of Leased Office Accommodation

	Number of Offices	Lease Expiry Date	Gross Rent Payable €'000	Net Rent Payable €'000
Head Office	1	2043	7,769	3,924
Regional Offices	3	2022-2028	117	117
Overseas Offices	19	2022-2029	2,438	2,438
			10,324	6,479

- (i) In the case of Head Office and ten overseas offices, accommodation is co-located with other State Agencies and / or the Irish Government Missions. Net rent payable takes account of amounts received from other State bodies and private tenants that occupy part of the office buildings concerned.
- (ii) The IDA renewed three overseas leases in 2022.
- (iii) Two overseas office leases contain a break clause in 2024.
- (iv) The Agency owns one property which is used or available as office space for staff.

Notes to the Financial Statements continued

For the Year Ended 31 December 2022

8 (h) Commitments under Operating Leases

At 31 December the commitment under operating leases is €166.036m. These leases will expire as follows:

	2022 €'000			2021 €'000		
	Non-Industrial Property	Industrial Property Occupied under leases	Industrial Property Available for Promotion	Non-Industrial Property	Industrial Property Occupied under leases	Industrial Property Available for Promotion
within one year	10,324	-	-	10,321	-	-
in the second to fifth years inclusive	35,160	-	-	36,487	-	-
more than 5 years	120,552	-	-	128,633	-	-
	166,036	-	-	175,441	-	-

Notes to the Financial Statements continued

For the Year Ended 31 December 2022

9 Industrial Building Charges

These charges include the net costs associated with industrial buildings provided by the private sector and maintenance costs in respect of all promotable industrial buildings held by IDA. Costs comprise: professional, legal and consultancy costs €2.189m [2021 €2.99m], net operating lease costs Nil [2021 (€0.006m)] and business park maintenance costs €4.929m [2021 €2.941m], reduced by the net movement on provisions in respect of operating leases (as set out in note 19) €0.015m [2021 €0.21m].

10 Reduction in Value of Fixed Assets

		2022	2021
	Notes	€'000	€'000
Depreciation Charges			
- Industrial Property	13	11,231	12,684
- Other Fixed Assets	14	3,800	5,033
Impairment Charges / (Reversals)			
- Industrial Property	13	(5,837)	(14,813)
		9,194	2,904

Depreciation is calculated in order to write off the cost of assets less, where applicable, any impairment provision over their estimated remaining useful lives. No provision for depreciation is made in respect of land or investments.

Impairment charges arise where the book value of Industrial Property or Telecommunications Assets exceed their estimated recoverable value. Impairment reversals arise where there is clear evidence that the recoverable value of Industrial Property or Telecommunications Assets exceed their book value, up to the amount of the original impairment.

11 Contribution to the Exchequer

During 2022 and 2021 IDA Ireland received sanction from DETE to retain Own Resource Income generated. Excess own resource Income above this level and any unused Own Resource Income was refundable to DETE, as a contribution to the Exchequer. In 2022, IDA Ireland received sanction from DETE to retain the €0.449m unused Own Resource Income in 2021, resulting in a nil contribution to the Exchequer. IDA Ireland has sought sanction from DETE to retain €0.422m unused Own Resource Income in 2022.

Notes to the Financial Statements continued

For the Year Ended 31 December 2022

12 Capital

	Notes	€'000	2022 €'000	€'000	2021 €'000
At 1 January			282,667		245,908
Net Movements on:					
- Industrial Property	13	60,291		39,350	
- Other Fixed Assets	14	(3,100)		(2,591)	
Transfer from Statement of Income and Expenditure and Retained Revenue Reserves			57,191		36,759
At 31 December			339,858		282,667

Notes to the Financial Statements continued

For the Year Ended 31 December 2022

13 Tangible Fixed Assets - Industrial Property 2022

	Land €'000	Site Development €'000	Industrial Property Occupied under Leases €'000	Industrial Property Available for Promotion €'000	Total €'000
Cost					
At 1 January	261,497	162,596	42,500	64,590	531,183
Additions	25,006	19,943	3,267	37,719	85,935
Transfers	-	-	8,032	(8,032)	-
Disposals	(17,034)	(12,878)	-	-	(29,912)
At 31 December	269,469	169,661	53,799	94,277	587,206
Provision for Impairment					
At 1 January	90,299	-	977	68	91,344
Charge / (Reversal) for Year	(5,837)	-	-	-	(5,837)
Transfers	-	-	(23)	23	-
Disposals	-	-	-	-	-
At 31 December	84,462	-	954	91	85,507
Provision for Depreciation					
At 1 January	-	146,426	13,354	5,271	165,051
Charge for Year	-	6,755	1,428	3,048	11,231
Transfers	-	-	312	(312)	-
Write back on depreciation of Disposals	-	(9,662)	-	-	(9,662)
At 31 December	-	143,519	15,094	8,007	166,620
Net Book Amount					
At 31 December	185,007	26,142	37,751	86,179	335,079
At 1 January	171,198	16,170	28,169	59,251	274,788
Net Movement for Year					60,291

Notes to the Financial Statements continued

For the Year Ended 31 December 2022

Tangible Fixed Assets - Industrial Property - 2021

	Land €'000	Site Development €'000	Industrial Property Occupied under Leases €'000	Industrial Property Available for Promotion €'000	Total €'000
Cost					
At 1 January	259,471	152,312	42,240	46,899	500,922
Additions	11,115	15,341	260	21,210	47,926
Transfers	-	-	-	-	-
Disposals	(9,089)	(5,057)	-	(3,519)	(17,665)
At 31 December	261,497	162,596	42,500	64,590	531,183
Provision for Impairment					
At 1 January	104,938	174	977	2,289	108,378
Charge / (Reversal) for Year	(14,639)	(174)	-	-	(14,813)
Transfers	-	-	-	-	-
Disposals	-	-	-	(2,221)	(2,221)
At 31 December	90,299	-	977	68	91,344
Provision for Depreciation					
At 1 January	-	140,985	12,172	3,949	157,106
Charge for Year	-	9,534	1,109	2,041	12,684
Transfers	-	-	73	(73)	-
Write back on depreciation of Disposals	-	(4,093)	-	(646)	(4,739)
At 31 December	-	146,426	13,354	5,271	165,051
Net Book Amount					
At 31 December	171,198	16,170	28,169	59,251	274,788
At 1 January	154,533	11,153	29,091	40,661	235,438
Net Movement for Year					39,350

- (a) Included in the table above is an amount relating to a joint arrangement entered into in 2004 by the Agency with Fingal County Council to develop lands in Blanchardstown Dublin in the ownership of the Council, for subsequent sale to industrial undertakings. Under the terms of the arrangement, IDA is responsible for making infrastructural improvements to the lands. The Agency bears the full costs of this work and is entitled to receive half of the proceeds of any sales. The net book amount included above in relation to this arrangement is €Nil.

Notes to the Financial Statements continued

For the Year Ended 31 December 2022

14 Other Fixed Assets

	2022		2021	
	Office and Computer Equipment, Fixtures & Fittings €'000	Total €'000	Office and Computer Equipment, Fixtures & Fittings €'000	Total €'000
Cost				
At 1 January	25,720	25,720	23,353	23,353
Additions	705	705	2,443	2,443
Disposals	(1,784)	(1,784)	(76)	(76)
At 31 December	24,641	24,641	25,720	25,720
Provision for Depreciation				
At 1 January	17,841	17,841	12,883	12,883
Charge for Year	3,800	3,800	5,033	5,033
Disposals	(1,779)	(1,779)	(75)	(75)
At 31 December	19,862	19,862	17,841	17,841
Net Book Amount				
At 31 December	4,779	4,779	7,879	7,879
At 1 January	7,879	7,879	10,470	10,470
Net Movement for Year	(3,100)	(3,100)	(2,591)	(2,591)

Notes to the Financial Statements continued

For the Year Ended 31 December 2022

15 Telecommunication Assets

Acting pursuant to a Government decision IDA Ireland, in conjunction with the Department of Public Enterprise (now the Department of Communications, Energy and Natural Resources), entered into contracts in 1999 for the purchase of telecommunication assets in the form of an indefeasible right of use of a designated portion of a global telecommunications network for a period of 25 years from 2000.

A portion of the capacity purchased by IDA was sold to a number of service providers. The remaining assets have an historical cost of €38.85m, which amount has been written off by way of an impairment charge of €21m in 2002 and aggregate depreciation of €17.85m over 8 years from 2000, resulting in a net book value of €Nil.

16 Inventory

	2022 €'000	2021 €'000
Inventory	8,583	5,488
Total at 31st December	8,583	5,488

Inventory consists of digital manufacturing and IT assets acquired by the IDA that are now planned to be novated for nil consideration in 2023, as part of the National Strategic Initiative in Advanced Manufacturing.

IDA facilitated the establishment of Digital Manufacturing Ireland Limited as an industry led research & technology organisation with its own independent board (with an IDA Executive Team member as a Non-Executive Director) and executive leadership team, which operates independently. For a period of 11 months (Dec 2021-Nov 2022), IDA provided interim funding (of €485k) for the benefit of Digital Manufacturing Ireland for Salaries, Related Costs & Expenses.

Notes to the Financial Statements continued

For the Year Ended 31 December 2022

17 Receivables

	2022 €'000	2022 €'000	2021 €'000	2021 €'000
Amounts falling due within one year:				
Accounts Receivable and Prepayments	25,142		33,219	
Provision for Doubtful debts	(379)		(354)	
		24,763		32,865
Amounts falling due after more than one year:				
Amount due from sub-lessee in relation to fit out costs		-		-
		24,763		32,865

Included in receivables and prepayments are amounts of €15.473m in down payments on property transactions, mainly reflecting payments to solicitors' escrow accounts on property purchases, two transactions have completed in Q1 2023, a further two are expected to complete in Q2 2023 with the remaining one expected to complete in Q4 2023.

Notes to the Financial Statements continued

For the Year Ended 31 December 2022

18 Payables

	2022 €'000	2021 €'000
Amounts falling due within one year:		
Accounts Payable and Accruals	7,032	5,631
Amount due on Uncompleted Sales	680	330
Grant Payment Accruals	-	-
	7,712	5,961

19 Provision for Liabilities and Charges

	2022 €'000	2021 €'000
Operating Leases Provision		
At 1st January	140	350
Net (reduction) for the year	(15)	(210)
Total at 31st December	125	140

The Operating Leases Provision comprises:

- Potential building reinstatement costs associated with obligations under operating leases.

Notes to the Financial Statements continued

For the Year Ended 31 December 2022

20 Pensions

(a) IDA has responsibility for the pension costs of staff retiring from IDA post 16th July 2014, under the Industrial Development (Forfás Dissolution Act 2014). Staff who are/were members of the Forfás Pension Scheme join the new IDA Scheme on superannuation terms no less favourable than those they enjoyed under the Forfás Scheme immediately before the date of transfer from Forfás to IDA. The following categories of staff are covered by the IDA:

Staff Covered

- (a) Staff recruited up to 5 April 1995 who became pensionable after that date.
- (b) Staff recruited after 5th April 1995 and before 1st January 2013.
- (c) Staff recruited since 1st January 2013, who are members of the

Single Public Service Pension Scheme.

- (d) Staff recruited since 1st January 2013, who joined the Forfás Pension Scheme (now the new IDA Scheme) as they were pre-existing members of another public service scheme (with no more than six months break in service post 1st January 2013).

Each of the Schemes include Spouses and Children's schemes.

The new Single Public Service Scheme ("Single Scheme") commenced with effect from 1 January 2013. All new entrants to pensionable public service employment on or after 1 January 2013 are, in general, members of the Single Scheme. The rules of the Single Scheme are set down in the Public Service Pensions (Single Scheme and Other provisions) Act 2012. Pension liabilities in relation to those individuals employed under the Single Public Service Scheme

for less than 2 years have not been included in the pension calculation as they will not have accrued pension rights until after 2 years service is attained.

IDA meets the net costs arising from normal retirements. These are paid out of current income. Contributions received by IDA from staff in the contributory unfunded schemes outlined above are used to part fund ongoing pension liabilities.

Under the Financial Measures (Miscellaneous Provisions) Act 2009 the assets of the Former Industrial Development Authority were transferred to the National Pension Reserve Fund on 31 December 2009. The pension schemes associated with these two funds continue in force for existing members with no impact on benefits or associated provision for members. IDA Ireland remits employee contributions to the Exchequer. Total employee contributions

of €1.154m for these schemes were remitted by IDA to the Exchequer in 2022 and pension costs at retirement are paid by Oireachtas Grant Vote No 32 subhead A5 (i).

(b) Pension Disclosure under FRS102

Financial Reporting Standard 102 (FRS102) requires financial statements to reflect at fair value the assets and liabilities from an employer's superannuation obligations and any related funding and to recognise the costs of providing superannuation benefits in the accounting periods in which they are earned by employees.

Notes to the Financial Statements continued

For the Year Ended 31 December 2022

(c) Analysis of Total Pension Charge

	2022 €'000	2021 €'000
Service costs	8,392	8,033
Interest on Pension Scheme Liabilities	2,618	1,671
Employee Contributions utilised in payment of Pensions	(1,154)	(1,097)
	9,856	8,607

(d) Analysis of amount recognised in Statement of Comprehensive Income

	2022 €'000	2021 €'000
Experience Gains / (Losses)	(11,687)	305
Changes in assumptions Gains / (Losses)	79,131	(2,234)
Actuarial Gain / (Loss)	67,444	(1,929)

(e) Pension Liability

	2022 €'000	2021 €'000
Change in Pension Schemes' Liabilities		
Opening Balance	219,312	210,130
Current Service Cost	8,392	8,033
Interest Costs	2,618	1,671
Payments to Pensioners	(2,570)	(2,451)
Actuarial (Gain) / Loss	(67,444)	1,929
Present Value of Schemes' Obligations at 31 December	160,308	219,312

(f) Net Deferred Funding for Pensions in Year

	2022 €'000	2021 €'000
Funding Recoverable in respect of Current Year pension costs	11,010	9,704
Funding to pay Pensions	(2,570)	(2,451)
	8,440	7,253

Notes to the Financial Statements continued

For the Year Ended 31 December 2022

IDA recognises as an asset an amount corresponding to the unfunded deferred liability for pensions on the basis of the set of assumptions described below and a number of past events. These events include the statutory basis for the establishment of the superannuation schemes, and the policy and practice currently in place in relation to funding public service pensions including contributions by employees and the annual estimates process. IDA has no evidence that this funding policy will not continue to meet such sums in accordance with current practice.

The deferred funding asset for pensions at 31 December 2022 amounted to €160.308m (2021 - €219.312m). The quantification of the liability is based on the financial assumptions set out in note 20(g). The assumptions used, which are based on actuarial advice, are advised to the Department of Enterprise, Trade and Employment.

(g) Valuation

The valuation used for FRS102 disclosures has been based on a full actuarial valuation at 31 December 2022. The financial assumptions used to calculate scheme liabilities under FRS102 as at 31 December were as follows;

Valuation method - Projected Unit	2022	2021	2020	2019	2018
Discount rate	3.6% p.a.	1.2% p.a.	0.8% p.a.	1.20% p.a.	1.90% p.a.
Future salary increases	4.10% p.a.	3.50% p.a.	3.00% p.a.	3.00% p.a.	3.30% p.a.
Future state pension increases	4.10% p.a.	3.50% p.a.	3.00% p.a.	3.00% p.a.	3.30% p.a.
Future pension increases	3.60% p.a.	3.00% p.a.	2.50% p.a.	2.50% p.a.	2.80% p.a.
Future Inflation	2.60% p.a.	2.00% p.a.	1.50% p.a.	1.50% p.a.	1.80% p.a.

Year of attaining age 65	2022	2042
Life expectancy - male	21.9	24.2
Life expectancy - female	24.3	26.3

Notes to the Financial Statements continued

For the Year Ended 31 December 2022

(h) History of defined Benefit Obligations - Commenced 2014

	2022	2021	2020	2019	2018
	€'000	€'000	€'000	€'000	€'000
Year Ending 31 December					
Defined Benefit Obligation	160,308	219,312	210,130	176,782	153,942
Experience gains / (losses) on Scheme Liabilities:					
Amount	(11,687)	305	(7,344)	344	3,954
Percentage of Scheme Liabilities	(7.3%)	0.1%	(3.5%)	0.2%	2.6%
Total (loss) / gain recognised in Statement of Comprehensive Income:					
Amount	67,444	(1,929)	(26,468)	(15,716)	5,660
Percentage of Scheme Liabilities	42.1%	(0.9%)	(12.6%)	(8.9%)	3.7%

Notes to the Financial Statements continued

For the Year Ended 31 December 2022

21 Commitments

It is estimated that future payments likely to arise from Grant Commitments amounted to €240m as at 31 December 2022, estimates payable as follows; 2023 €94m, 2024 €65m, 2025 €44m, 2026 €21m, 2027 €10m, 2028 €5m, 2029 €1m. (At 31 December 2021 the estimate was €261m, estimates payable as follows; 2022 €102m, 2023 €63m, 2024 €45m, 2025 €28m, 2026 €14m, 2027 €6m, 2028 €3m). Capital Commitments outstanding at 31 December 2022 on contracts for the acquisition and development of Industrial Property amounted to €30m (2021 : €81m).

22 Taxation

Section 227 of the Taxes Consolidation Act, 1997, provides an exemption from tax for income of non-commercial state bodies. This exemption does not apply to deposit interest. Where interest receivable is subject to tax at source (e.g. DIRT), the net receivable amount is credited to the Operating Account.

In some countries in which the Agency operates, an exemption from local taxation has been availed of under the Governmental Services article of the relevant double taxation agreement.

This position continues to be under review by the Agency which is actively seeking clarification to determine whether overseas employment taxes arise in any of the jurisdictions where this exemption has been availed of. The review could result in a liability to taxes but in view of the uncertainty in relation to the amount, if any, of such possible contingent liability no provision has been made in the financial statements for the year ended 31 December 2022.

Notes to the Financial Statements continued

For the Year Ended 31 December 2022

23 Industrial Property Income and Expenditure

	Notes	2022 €'000	2021 €'000
Income:			
Oireachtas Grant	2	47,059	48,700
Rental Income IDA Ireland Client Companies		4,057	3,996
Fee Income in respect of Undeveloped Lands	5	172	144
Interest on Industrial Property Transactions	5	83	334
Profit on Disposal of Industrial Property		21,726	1,778
		73,097	54,952

	Notes	2022 €'000	2021 €'000
Expenditure:			
Promotion, Administration and General Expenses		1,774	1,694
Industrial Building Charges	9	7,103	5,715
Depreciation Charges and Provisions	10	5,394	(2,129)
		14,271	5,280
Net Movement for Year		58,826	49,672
Transfer (to) Capital	12	(60,291)	(39,350)
Contribution to Promotion and Administration activities		(1,465)	10,322

Notes to the Financial Statements continued

For the Year Ended 31 December 2022

24 Related Party Disclosures

Please refer to Note 8 for a breakdown of the remuneration and benefits paid to key management.

In the normal course of business the Agency may approve grants and may also enter into other contractual arrangements with undertakings in which IDA Board members are employed or otherwise interested.

The Agency adopted procedures in accordance with the guidelines issued by the Department of Public Expenditure, National Development Plan Delivery and Reform covering the personal interests of Board members and these procedures have been adhered to by the Board members and the Agency. During 2022 one transaction required disclosure being income received of €1.233m. The transaction relates to a company in which a Board member was employed.

In cases of potential conflict of interest, Board members do not receive Board documentation or otherwise participate in or attend discussions regarding these transactions. A register is maintained and available on request of all such instances.

25 Contingent Liability

IDA entered into an agreement with a service provider with the objective of winning foreign direct investments, primarily in small and medium sized enterprises, resulting in the creation of sustainable jobs. The contract with the service provider expired on the 26th March 2017. In accordance with the contractual obligation in the agreement, IDA made a payment to the service provider in 2017.

The payment, which was provided for in the 2016 Financial Statements, was calculated by reference to potential future job creation. As the number of jobs which were subsequently created and verified is less than the number of jobs provided for in that payment, a partial refund of this payment has been sought. In addition, some payments made by IDA to the service provider under the contract were based on jobs which were not subsequently sustained for the minimum period specified in the contract, and a refund for these payments is also being sought from the service provider. The service provider disputes IDA's claim and is seeking damages from IDA for alleged breach of contract. The matter is the subject of ongoing arbitration proceedings between the parties. The next phase of the arbitration proceedings will be a "quantum module" where the Arbitrator will determine what monies, if any, are owing to the respective parties.

26 Approval of Financial Statements

The Financial Statements were approved by the Board on 11th May 2023.

Global Offices

Europe

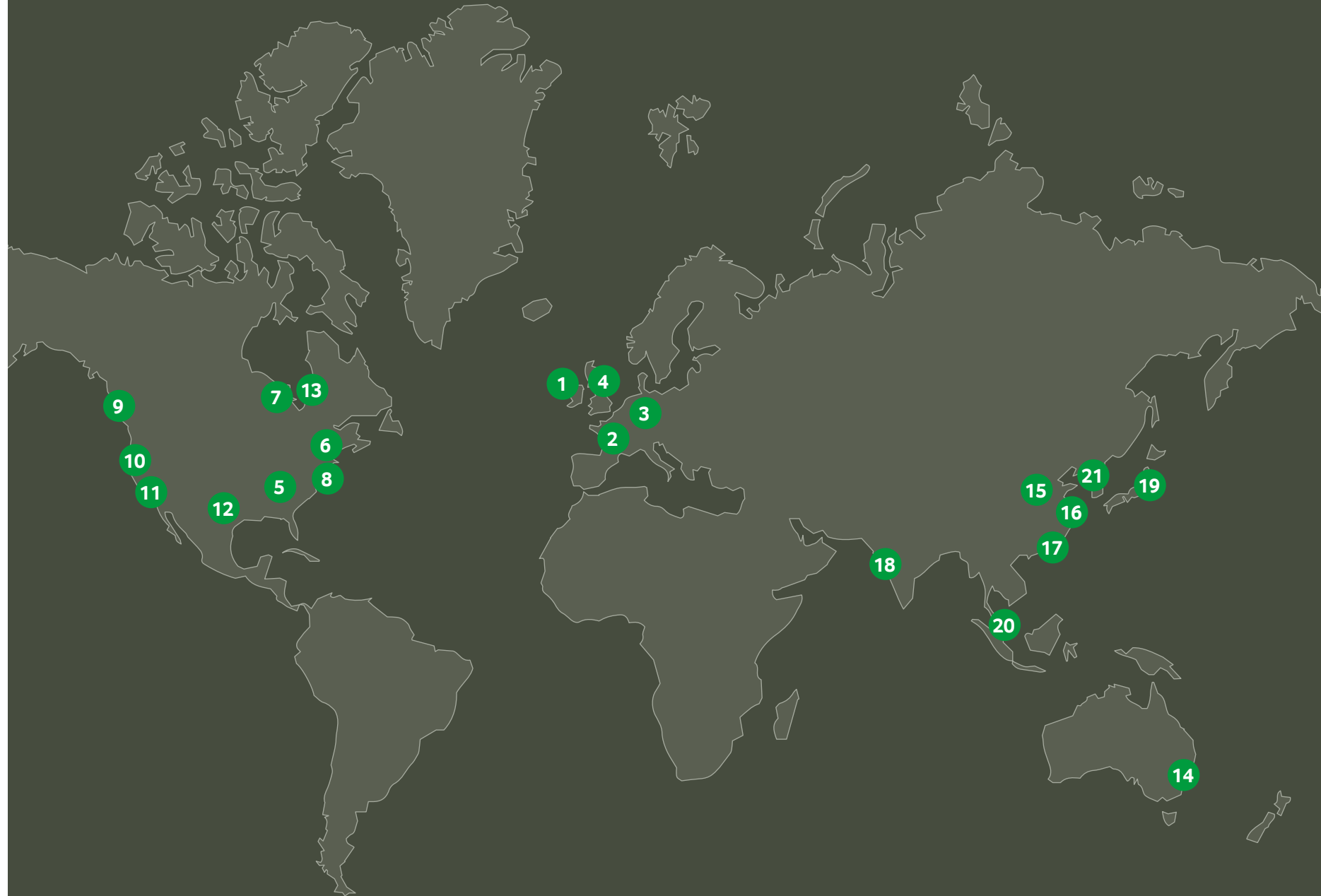
- 1 Ireland
 - 2 France
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North America

- 5 Atlanta
 - 6 Boston
 - 7 Chicago
 - 8 New York
 - 9 Seattle
 - 10 Northern California
 - 11 Southern California
 - 12 Austin
 - 13 Toronto
-

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- 15 China Beijing
- 16 China Shanghai
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- 19 Japan
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