



IRISH AVIATION AUTHORITY | ANNUAL REPORT 2013



IAA PERFORMANCE 2013

**IAA receives
no State
funding**

**First in Europe
for safety
management
effectiveness**

**Operating profit ▲
12.6% to €25.7m
Total assets ▲
6.2% to €226.4m**

**Dividend to
shareholders in
2014 €4.8m**

**Overflight charges
2013 ▼ 6.3%
Airport charges
2013 ▼ 4.1%**

**Our ATM System –
the most advanced
in Europe – now in 7
Centres**

Gate-to-gate cost effectiveness €385 per flight hour; European average €423

Customer satisfaction rating 91%

Global player in aviation - Aircon investment

Domestic traffic ▲ 3.0%

FlightFest - the largest Gathering 2013 event

Irish aircraft register ▲ 88% since 2001

CONTENTS

Financial and operating highlights.....	1
Directors and other information.....	3
Chairman's statement.....	5
Chief executive's review.....	8
Directors' report.....	17
Statement of directors' responsibilities.....	24
Independent auditor's report to the members of the Irish Aviation Authority.....	25
Statement of accounting policies.....	27
Profit and loss account.....	30
Statement of total recognised gains and losses.....	31
Balance sheet.....	32
Cash flow statement.....	33
Notes forming part of the financial statements.....	34
Five year summary 2009–2013.....	55



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AIR NAVIGATION SERVICES IN THE NORTH ATLANTIC





FINANCIAL AND OPERATING HIGHLIGHTS



FINANCIAL AND OPERATING HIGHLIGHTS

Financial Highlights	2013	2012	% Change
	€'000	€'000	
Turnover	173,583	175,010	-0.8%
Operating Profit	25,723	22,852	+12.6%
Total Assets	226,355	213,143	+6.2%

Air Traffic Activity	2013	2012	% Change
	Number	Number	
En Route Overflights	298,270	301,293	-1.0%
Terminal Commercial Traffic	202,533	196,566	+3.0%
North Atlantic Communications	404,842	400,480	+1.1%

Employment	2013	2012	% Change
Average Number Employed	659	679	-2.9%

Customer Charges	2013	2012	% Change
	€	€	
En Route Overflight	28.20	30.08	-6.3%
Airport Terminal Traffic	153.72	160.24	-4.1%
North Atlantic Communications	45.00	45.00	-
Safety Regulation	No change in Fees Order since 2008		



DIRECTORS AND OTHER INFORMATION



DIRECTORS AND OTHER INFORMATION

Directors

Ms. Anne Nolan
Chairman
Mr. Eamonn Brennan
Chief Executive
Mr. Ernie Donnelly
Mr. Basil Geoghegan
Mr. Michael Norton
Mr. Geoffrey O'Byrne-White
Mr. Kevin O'Driscoll

Secretary

Ms. Aideen Gahan

Auditor

KPMG
Chartered Accountants
1 Stokes Place
St Stephen's Green, Dublin 2

Bankers

Allied Irish Banks, p.l.c.
40/41 Westmoreland Street
Dublin 2

Bank of Ireland
2 Burlington Plaza
Burlington Road, Dublin 4

Danske Bank
3 Harbourmaster Place
IFSC, Dublin 1

Solicitor

A & L Goodbody
North Wall Quay, Dublin 1

Registered office

The Times Building
11-12 D'Olier Street, Dublin 2
Tel: +353-1-671 8655
Fax: +353-1-679 2934
Web site: www.iaa.ie

Registered number

211082

Senior management

Eamonn Brennan
Chief Executive

Anthony Eiffe
Internal Audit

Aideen Gahan
Company Secretary

Donal Handley
Corporate Affairs

Maeve Hogan
Finance

Philip Hughes
Commercial, Technology
and Training

Kevin Humphreys
Safety Regulation

Peter Kearney
ATM Operations and Strategy

Brendan Mulligan
Human Resources

ATTENDANCE AT 2013 BOARD AND COMMITTEE MEETINGS

Director	Board meetings attended	Max number of board meetings director could have attended	Number of committee meetings attended	Max number of committee meetings director could have attended
Anne Nolan, Chairman	7	7	4	4
Eamonn Brennan, Chief Executive	7	7	1	1
Lorraine Burke	7	7	5	5
Pat Dalton	3	3	1	1
Ernie Donnelly	7	7	2	2
Basil Geoghegan	2	2	-	-
Rosheen McGuckian	7	7	3	3
Michael Norton	6	7	2	2
Geoffrey O'Byrne-White	6	7	4	5
Kevin O'Driscoll	1	1	1	1



CHAIRMAN'S STATEMENT



CHAIRMAN'S STATEMENT

I am pleased to report that 2013 was another successful year for the IAA in spite of a challenging trading environment. With safety as our primary objective, in 2013 we were ranked first in Europe, by EUROCONTROL, for safety management effectiveness. In our first year of assumed responsibility for the oversight of civil aviation security, we completed a full audit programme and we continued to oversee safety regulation to the highest international standards.

In 2013, the IAA delivered a safe and cost-effective air traffic management service. Customer charges were amongst the lowest in Europe and customer satisfaction was recorded at 91%. In September, the IAA joined with Dublin City Council and many other sponsors to organise the single largest Gathering 2013 event – FlightFest. In December, the IAA invested in a recognised air traffic management training academy, Entry Point North AB and in early 2014, we invested in Aireon LLC, a company leading the development of space-based global air traffic surveillance systems.

A strong financial performance in the year has resulted in the board recommending the payment of a dividend of €4.8 million or €0.27 per share. The IAA is financially independent and does not receive any financial support from the State.

Operating Performance

The IAA operates to the highest international safety standards set down by the International Civil Aviation Organisation (ICAO); the European Aviation Safety Agency (EASA); the European Union (EU); EUROCONTROL and the European Civil Aviation Conference (ECAC).

With ongoing investment in the IAA's capital infrastructure we operate the most advanced air traffic management system in Europe. The new "Point Merge" system has delivered fuel savings of 19% per approach to airlines flying into Dublin airport as well as delivering savings in CO₂ emissions. The IAA continues to meet its performance targets under the Single European Sky regulatory performance scheme 2012 – 2014 in the areas of delays and cost-efficiency. New targets to cover the period 2015 – 2019 are currently being developed. The Ireland/UK FAB, the first FAB to be established in Europe, continues to operate effectively with a trial underway to deliver further savings to airline customers through delegation of UK airspace to the IAA.

The IAA will continue to deliver on key performance areas, in order to meet its objectives, with specific focus on:

- maintaining high standards of safety regulation and security oversight in compliance with international standards
- delivering on our commitment to safe, efficient and cost-effective air traffic services
- investing in our people and in market-leading, proven technology
- expanding our global footprint through commercial ventures
- maintaining Ireland's leading position in aviation.

Financial Performance

Operating profit increased by 12.6% to €25.7 million. Turnover decreased by 0.8% to €173.6 million while cost-containment efforts delivered a reduction in operating expenses of 2.8% to €147.9 million. Total assets increased by 6.2% to €226.4 million. The pension liability, measured on an FRS 17 basis, improved by €13.5 million due, in a positive way, to better than expected performance of pension fund assets and higher pension contribution levels in line with the existing pension agreement. This agreement has set 2018 as the target date for eliminating the pension fund deficit.

In terms of air traffic activity, en route overflights decreased slightly in the year by 1.0% to 298,000 flights, while flights managed on the North Atlantic increased by 1.1% to almost 405,000 flights. We are pleased to report an increase in terminal commercial traffic of 3.0% to just over 202,500 movements. We are encouraged by this increase and confident that 2014 will deliver further traffic growth in this area.

Corporate Governance

The board is committed to the highest standards of corporate governance. Our compliance procedures are outlined in the directors' report.

Acknowledgements

I would like to thank my board colleagues for their contribution towards the effective management of the IAA. During the year, Pat Dalton, Rosheen McGuckian, and Lorraine Burke retired from the board. I want to thank them for their very valuable contributions. Basil Geoghegan and Kevin O'Driscoll joined the board.

I thank the Minister for Transport, Tourism and Sport, Mr Leo Varadkar TD, for his support for our work programme and activities during the year.

I want to acknowledge the contribution of all IAA staff in 2013 and to thank them for their support in helping us to deliver on our challenging targets and objectives. Their hard work and dedication ensures that the IAA is recognised as a global leader in the aviation industry. I particularly wish to acknowledge the strong leadership of the Chief Executive, and board member, Eamonn Brennan, in delivering on the IAA's many successes during the year. I look forward to working with the board, management and staff of the IAA as they embrace the challenges of 2014.



Anne Nolan
Chairman





CHIEF EXECUTIVE'S REVIEW



CHIEF EXECUTIVE'S REVIEW

2013 was a significant year for aviation in Ireland with a return to positive growth again at our airports and the expansion of service and acquisition of significant aircraft numbers by Irish carriers and lessors. 26,000 people are employed in aviation in Ireland, contributing €4 billion to our national GDP.

The Irish aircraft leasing industry has €100 billion of assets under management and accounts for 28% of the global large transport fleet. For an island our size we contribute significantly to global aviation and have recently moved ahead again, becoming shareholders in the world's most advanced satellite navigation system known as Aireon, which will become operational in 2018.

Safety is the bedrock of our industry and our general safety oversight ranking is amongst the best in the world.

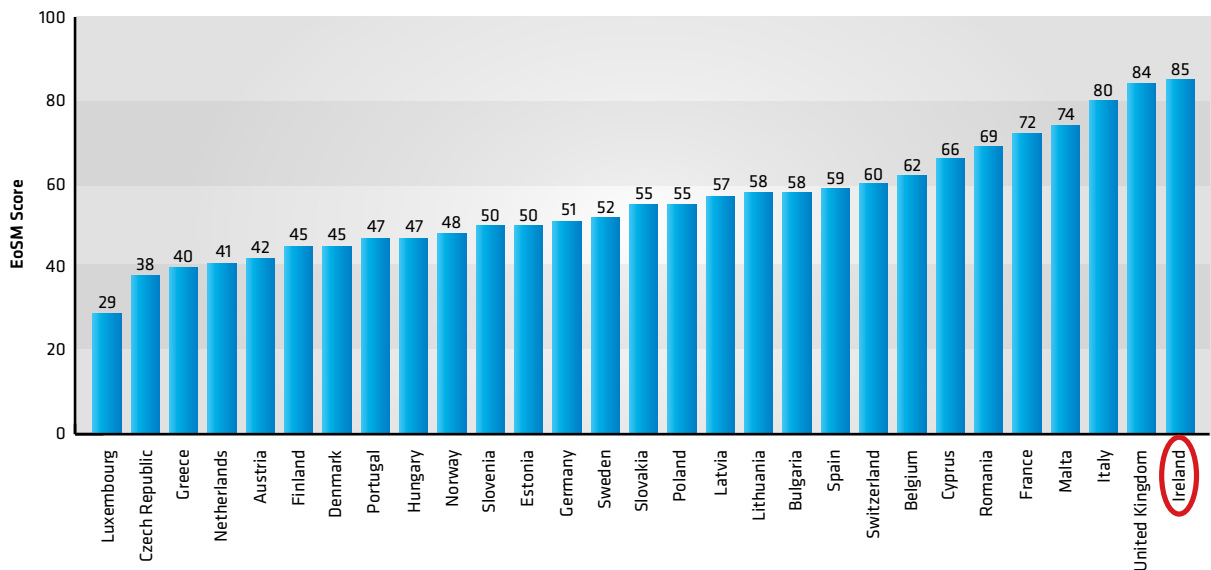
Safety Regulation

Aviation-safety and security standards are set internationally by the International Civil Aviation Organisation (ICAO); and, in a European context, by the European Aviation Safety Agency (EASA); the European Union (EU); EUROCONTROL; the European Civil Aviation Conference (ECAC); and, in the North Atlantic, by the North Atlantic Systems Planning Group (NAT SPG).

The Safety Regulation Directorate (SRD) of the IAA oversees and regulates the implementation of these standards for the Irish civil aviation industry and its activities are, in turn, subject to independent audits by these organisations. In 2013, we continued our excellent performance record in relation to safety and security oversight.

In July 2013, the EUROCONTROL Performance Review Body (PRB) published its Annual Monitoring Report on safety. This report ranked Ireland first out of 29 European States for the measure of Effectiveness of Safety Management (EoS_M).

Effectiveness of Safety Management (State Level)



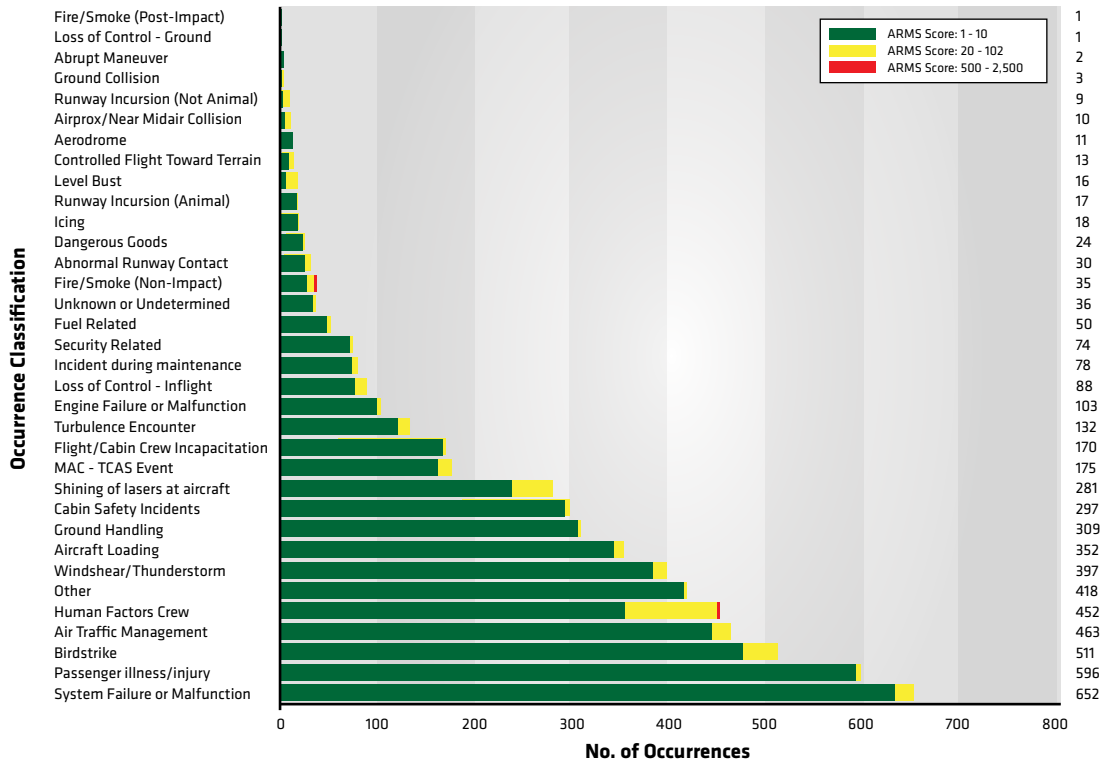
There were 1,221 aircraft on the aircraft register at the end of 2013, comprising 745 large aircraft and 476 small aircraft. Effective regulatory oversight has contributed to the expansion of the aircraft register over the years. In 2001, there were just 649 aircraft on the register, an increase today of 88%. Recently, Norwegian Air International Limited (NAI) has been issued with an Irish Air Operators Certificate (AOC) bringing to 15 the number of AOC holders with a total fleet of 443 aircraft of various sizes. The number of Irish aircraft on “dry leases”, or in storage, was 315 at year-end. The IAA also approves facilities for training, maintenance, manufacturing and storage.

The IAA uses a rigorous risk-based safety oversight process that requires all carriers to have an efficient safety management system to complement our additional audit and systems-based approach. In 2013, 5,971 occurrence reports were received by the IAA from the main AOC holders. Ireland is in the upper quartile of European States for occurrence reporting.

94% of reports describe incidents where all safety barriers were completely effective. A small proportion of incidents are risk-bearing and actions and mitigations are taken to prevent re-occurrence.

For full details see our Safety Performance Reports on our website at www.iaa.ie.

Occurrence Type 2013



2013 was the first year of the IAA's responsibility for the oversight of civil aviation security in the State. A full programme of audits, inspections and tests of security measures implemented by airports, air carriers, cargo companies, airport suppliers and suppliers of in-flight services were carried out. In addition to approving security programmes for regulated entities, we also undertook extensive co-ordination activities with the industry to ensure the smooth introduction of new regulatory requirements.

Recently, we were delegated responsibility by the State for ICAO Annex 19 "Safety Management". The purpose of this Annex is to assist States and service providers to manage aviation-safety risks in order to improve their safety performance.

During the year, we signed an historic agreement with the FAA at the International Aviation Safety Conference in Paris whereby the FAA agreed to an arrangement that sees safety oversight of aircraft habitually based in Ireland being delegated to the IAA.

Financial Review

Our financial performance in 2013 was very strong with operating profits earned of €25.7 million, an increase of 12.6% over 2012, reflecting our continued efforts in reducing our operating costs. A dividend of €4.8 million has been proposed by the IAA's board of directors.

Turnover

Total revenues were €173.6 million, down slightly from €175.0 million in the previous year, a decrease of 0.8%.

En route navigation services (overflights) accounted for €115.5 million, or 66.5% of turnover, while North Atlantic communications services accounted for €18.0 million, or 10.4% of turnover. Turnover from terminal navigation services, provided to aircraft for approach, landing and take-off at Cork, Dublin and Shannon airports accounted for €21.4 million, or 12.3% of turnover.

Turnover from safety regulation functions carried out by the IAA, such as registration and certification of aircraft, aircraft personnel, aircraft-operating and maintenance organisations and aerodromes amounted to €16.1 million, or 9.2% of turnover. Turnover from fees generated from commercial activities accounted for €1.1 million, or 0.6% of turnover.

Operating Expenses

Operating expenses of €147.9 million decreased by 2.8% mainly reflecting the continued efforts of the IAA to reduce its operating costs. Operating expenses represented 85% of turnover as compared to 87% in 2012.

Balance Sheet

Tangible fixed assets decreased by 6.9% to €85.7 million. Capital expenditure amounted to €9.0 million. The cash resources of the IAA were €106.2 million at 31 December while total assets grew by 6.2% to €226.4 million.

In December, the IAA invested €739,000 in Entry Point North AB (EPN), a recognised air traffic management training academy. In doing so, we secured a 25% equity stake in the company, on equal terms with Avinor (Norwegian service provider), LfV (Swedish service provider) and NaviAir (Danish service provider). We look forward to contributing to the growth of EPN and sharing in its success.

The balance sheet includes a net defined benefit pension liability, FRS 17 basis, of €113.8 million, an improvement of €13.5 million when compared with 2012. The positive aspects of this improvement include better than expected returns on pension fund assets as well as additional pension contributions by the employer in keeping with the existing pension agreement. An approved funding proposal is in place which aims to return the fund to solvency by 31 December 2018. The terms of this proposal provide for significant additional cash contributions by the employer as well as pensionable pay freezes/pay caps provisions and increases in employee contributions. A hybrid pension scheme was established for new employees joining the IAA from 1 January 2012, providing both a defined benefit and defined contribution element.

Customer Charges

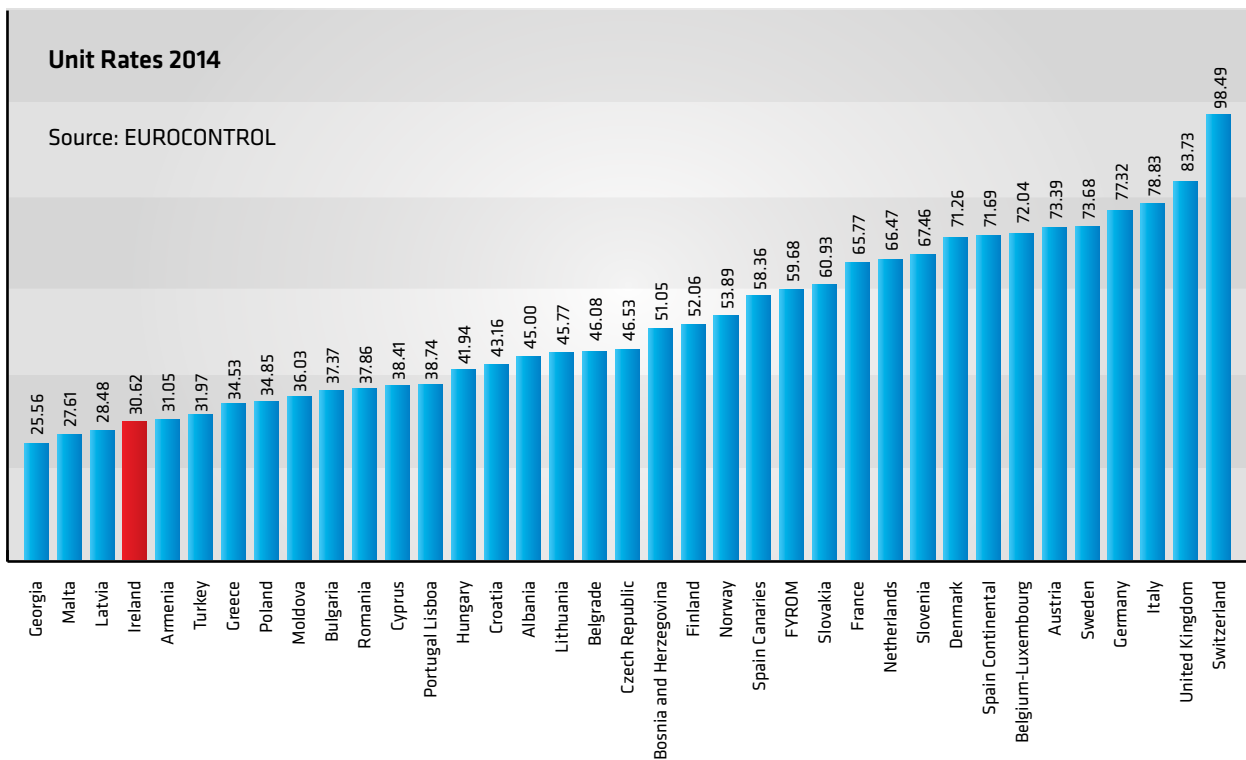
We will continue to provide safe and cost-effective en route, terminal and communications services at charges that are as competitive as possible, while maintaining our high standards of service. In 2013, our charges to our customers were reduced as follows:

En route overflight	▼ 6.3%
Terminal ATC	▼ 4.1%
North Atlantic communications	No change
Safety Regulation fees	No change since 2008

In 2014, our en route customer charge remains one of the lowest amongst the EUROCONTROL member States, as the graph below shows.

Our airline customer satisfaction remains high with a 90.94% customer satisfaction rating in 2013 from our top 25 carriers. The safety satisfaction level for our ATM service was at 93.64% with 90% for service delivery and 89% for financial cost effectiveness.

EUROCONTROL En route unit rates €



Traffic Activity

For 2013, air traffic activity across all of our services was as follows:

En route overflights – throughout 451,000 square kilometres of Irish-controlled airspace – amounted to 298,270, a small decrease of 1.0% over 2012.

Terminal movements – the combined number of terminal commercial movements at Cork, Dublin and Shannon – amounted to 202,533, an increase of 3.0% over 2012. We are very encouraged that traffic growth is expected to be positive for terminal activities in 2014.

North Atlantic Communications – served by the IAA's High Frequency (HF) communications centre at Ballygirreen – provided 404,842 flights with high-frequency voice communications services, an increase of 1.1% over 2012. The centre is responsible for communications via long-range radio with up to 1,200 transatlantic crossings per day.

Monthly traffic updates are available on our website (www.iaa.ie).

Outlook

According to IATA (International Air Transport Association), the outlook for the airline industry for 2014 is positive. Profitability is expected to improve on 2013 as a result of efficiencies generated within the industry through consolidations, cost cutting measures and slower growth in capacity. Passenger traffic is expected to grow while cargo traffic is also expected to pick-up on the back of improvements in world trade and rising business confidence. The North American and the European airlines are forecast to share almost 60% of global profits. From the IAA's point of view, this is very encouraging as more than 75% of our revenues are generated from our international business. The most recent traffic forecasts issued by EUROCONTROL are also cautiously optimistic with expectations of overflights growth locally of 2.4% per annum, on average, to 2020 and average European growth targets of 2.5% per annum.

Air Traffic Management

The Operations directorate, together with the Technology directorate, is responsible for the provision of safe, efficient and reliable air traffic services, at a cost-effective charge, which meets the needs of its customers.

Point Merge

A year on from its successful introduction in December 2012, "Point Merge", an innovative air traffic management system has provided savings of €5.5 million to airlines flying into Dublin Airport during 2013. These savings have been achieved in fuel costs alone with further tangible savings in CO₂ emissions. "Point Merge" manages traffic flows in order to space aircraft more efficiently and eliminates the need to put aircraft into traditional circular holding patterns.

Dynamic Sectorisation Operational Trial (DSOT)

On 9 January 2014, the Ireland-UK FAB successfully commenced the first phase of the Dynamic Sectorisation Operational Trial (DSOT), with the temporary delegation of a portion of UK airspace from NATS to the IAA. The trial involves a delegation of air traffic services and is the first trial of its kind within Europe, on this scale. It is anticipated that the trial will deliver customer savings through more operational efficiency. To date, the trial has delivered customer fuel savings through optimal traffic routing.

COOPANS

A key enabler of the Operations strategy is our air traffic management system, COOPANS, the common air traffic management (ATM) system of Austria, Croatia, Denmark, Ireland and Sweden. By the end of 2014, seven control centres in five European countries will be operating a fully harmonised version of COOPANS. This is a unique step forward in European air traffic control where most centres have been developed individually with different systems. A COOPANS roadmap of future requirements and a delivery schedule is in place for the period 2014 – 2023. This roadmap takes account of anticipated changes required to ensure that COOPANS remains fully compliant with the SESAR (Single European Sky ATM Research) deployment programme.

Safety Management

Safety and safety management remain the overriding objective for the IAA and the Operations Directorate. In 2013, EASA (European Aviation Safety Agency) and the EUROCONTROL Performance Review Body published a report in which we attained a maturity score of 79% safety maturity index, placing us amongst the top air navigation service providers. We also delivered, through proactive safety management, a downward trend in global key safety indicator events in 2013 as compared to 2012 through the introduction of 'stop bars' on Dublin's runway 16/34; initiation of our first Airline Safety forum in November; formation of Expert Target groups to address safety-significant trends; and increased internal communications.

Competitiveness

The latest EUROCONTROL ACE (ATM Cost-Effectiveness) report published in April 2013 reported the IAA's gate-to-gate financial cost effectiveness as €385 per flight hour compared to a European average of €423. We continued to contribute to lower en route charges through implementation of the State's National Performance Plan 2012 – 2014. We reported no delays at Cork, Dublin and Shannon airports for all of 2013 as defined by the Commission for Aviation Regulation (CAR) determination.

Strategic Initiatives

Aireon

In February 2014, the IAA became a stakeholder in Aireon, a company leading the development of space-based global air traffic surveillance systems. Aireon offers a technological step change which will deliver significant fuel savings and efficiencies in the order of €100 million per annum on the North Atlantic alone. The Aireon system uses Automatic Dependent Surveillance – Broadcast (ADS – B) technology installed on a network of 66 Iridium NEXT satellites to receive and send aircraft positional tracking data. We have agreed a 6% stake in Aireon. Other shareholders include NAV CANADA, ENAV (Italian service provider) and Naviar. However, Aireon is not just an investment - we are planning for Aireon services to become part of our operations once the system is operational in 2018.

Entry Point North

With effect from 1 January 2014, the IAA has transferred its air traffic management training into a 100% owned subsidiary of Entry Point North AB. There are many advantages to be gained from consolidating our operational training requirements in EPN namely standardised training programmes which are fully compliant with EU regulatory requirements, lower IAA capital investments through centralised and shared investment and development costs and greater efficiency in COOPANS training. EPN Ireland is staffed by seconded IAA training personnel and operates out of the IAA's Operation Centre at Ballycasey.

Alliances

We continued to monitor SESAR (Single European Sky Air Traffic Management Research Programme) developments through our membership of NORACON (North European and Austrian Consortium). We are also members of BOREALIS, a commercial alliance, established in June 2012, comprising nine North-European air navigation service providers. BOREALIS allows for collaboration on various air traffic management projects.

Other Developments

FlightFest

FlightFest was the single biggest event of Gathering Ireland 2013. A celebration of Ireland's outstanding contribution to international aviation, the event was an incredible success with over 130,000 people lining the streets of Dublin to watch a range of commercial, military and historic aircraft fly down the course of the River Liffey. Over 100,000 people watched the event via the live web stream. The IAA was supported by Dublin City Council, The Gathering Ireland 2013 and Dublin Port. All of the major Irish air operators participated with aircraft while the aviation financing, business and leasing community supported the event with significant donations.

Human Resources

2013 was a good year in which the drive to promote efficiencies in terms of manpower deployment arrangements and cost containment continued successfully, in collaboration with staff representatives. While we witnessed a large number of retirements, an effective succession planning process, coupled with timely and effective recruitment practices, contributed to smooth handover arrangements and ensured stability in all aspects of our operations.

A significant portion of 2013 was spent delivering training and refresher training to managers in HR policies and procedures. This training supports the devolvement of people management to line managers. One such area of training was in attendance management which has proved effective in light of revised absence trigger points requiring local management intervention.

Revised procedures for consultation and dispute resolution were agreed and implemented in 2013. The consultation protocol provides for regular briefings to staff on matters of strategic importance facing the IAA. These briefings are supported by other in-house communications processes including Electronic Notice Boards (IAA TV),

Open Forums (management and staff briefings) and our Intranet ('AV8'). The dispute resolution process involves the establishment of an Arbitration Panel, chaired by an independent industrial relations practitioner who, with one management and one staff representative, attempt to, in the first instance, mediate a solution. Where this fails, the Adjudication Panel will make a determination. Management and staff representatives can decide to utilise the mechanisms of the State's industrial relations machinery as necessary.

Acknowledgements

I would like to express my appreciation for the support of the Department of Transport, Tourism and Sport under the direction of Mr. Tom O'Mahony, Secretary General and Mr. John Fearon, Assistant Secretary, together with their colleagues.

I would also like to thank my management colleagues and all of our dedicated staff for their outstanding contribution throughout the year and to acknowledge the guidance and support given to the management and staff from our Chairman, Anne Nolan, and her Board colleagues.



Eamonn Brennan
Chief Executive





FINANCIAL STATEMENTS



DIRECTORS' REPORT

The directors present their annual report and the audited financial statements of the Irish Aviation Authority ("IAA") for the year ended 31 December 2013.

Principal activities, financial results and dividends

The IAA is committed to providing – on a sound commercial basis – safe, efficient and cost-effective air navigation and regulatory services which meet the needs of its customers.

Details of the financial results of the IAA for the year are set out in the profit and loss account on page 30 and in the related notes.

The information required by Section 13 of the Companies (Amendment) Act, 1986 – on the development of the business and important events – is included in the Chairman's Statement and Chief Executive's Review. As described therein, the performance of the IAA in the current year was again positive, with profit for the financial year of €16.1 million on turnover of €173.6 million.

During the year the IAA declared and paid a final dividend of €3.0 million (€0.17 per share) and a special dividend of €2.0 million (€0.11 per share) for fiscal 2012. Total dividends paid during 2013 were €5.0 million (in respect of fiscal 2012), (2012: €Nil).

In monitoring the IAA's performance the directors and management have regard to a range of key performance indicators as set out in the Chairman's Statement and Chief Executive's Review, notably:

	2013 Number	2012 Number
En route overflights	298,270	301,293
Terminal commercial traffic	202,533	196,566
North Atlantic communications	404,842	400,480

The IAA's vision is founded on six key results areas – safety regulation, air traffic management ("ATM") safety, security, service excellence, financial and stakeholder relations – which drive its objectives in its day-to-day performance. The key risks and uncertainties facing the future development of the IAA include:

- maintenance and improvement of safety standards
- further development of the Functional Airspace Block and Single European Sky regulations
- adverse economic and market conditions
- separation of the service provision and safety regulation functions
- IAA's significant reliance upon its IT infrastructure.

The directors have developed a range of strategies to address these and other risks faced by the IAA. The corporate governance section of this directors' report, on pages 18 to 22, sets out the IAA's policies and approach to risks and the related internal control procedures and responsibilities.

Directors

Mr. Pat Dalton retired from the board on 31 March 2013. Mr. Basil Geoghegan was appointed to the board on 20 May 2013. Dr. Rosheen McGuckian's term of office expired and she was re-appointed to the board on 23 June 2013, subsequently retiring from the board on 30 November 2013. Mr. Kevin O'Driscoll was appointed to the board on 16 September 2013. Ms. Lorraine Burke retired from the board on 29 November 2013.

Interests of directors and secretary

The directors and secretary who held office at 31 December 2013 had no interests in the shares of the IAA at the beginning of the year, or at the date of their appointment (if later), nor at the end of the year. The directors of the IAA are appointed by the Minister for Transport, Tourism and Sport and hold office for such term as the Minister specifies when making the appointment, but not for a period exceeding four years.

Corporate governance

The directors are committed to maintaining the highest standards of corporate governance. The IAA complies with the Code of Practice for the Governance of State Bodies. The following summarises the IAA's approach to corporate governance.

Principles of good corporate governance

The directors are accountable to the IAA's shareholders – the Minister for Transport, Tourism and Sport and the Minister for Public Expenditure and Reform – for good corporate governance. This report describes how the relevant principles of good corporate governance, set out in the Code of Practice for the Governance of State Bodies, are applied.

The Board

The board comprises six non-executive directors and one executive director who were appointed by the Minister for Transport, Tourism and Sport. The directors hold office for such term as the Minister specifies when making the appointment, but not for a period exceeding four years. The board has considered designating an individual director as the senior independent director, but in view of the manner of appointment of directors, has concluded that this is not appropriate.

The board is responsible for the proper management of the IAA. It takes the major strategic decisions and retains full and effective control, while allowing the chief executive and his senior management team sufficient flexibility to run the business efficiently and effectively within a centralised reporting framework.

The board has reserved certain items for its review, including safety; the approval of the annual financial statements; budgets; the corporate plan; management accounts; significant contracts; significant capital expenditure and senior management appointments.

All new directors, on appointment, take part in an induction course, where they receive financial and other information about the IAA and the roles of the board and board committees. This process typically includes meetings with key senior executives. Throughout their time in office, the directors are provided with regular information on all aspects of the business. Reports and papers are circulated to the board and its committees on a timely basis.

Regular meetings of the board are held throughout the year. The number of meetings held by the board in 2013 was seven. These meetings were attended as follows:

	Date of appointment	Board meetings attended	Max number of board meetings director could have attended
Anne Nolan, Chairman	13 June 2010	7	7
Eamonn Brennan, Chief Executive	8 September 2011	7	7
Lorraine Burke	Retired during year	7	7
Pat Dalton	Retired during year	3	3
Ernie Donnelly	24 May 2012	7	7
Basil Geoghegan	20 May 2013	2	2
Rosheen McGuckian	Retired during year	7	7
Michael Norton	6 October 2011	6	7
Geoffrey O'Byrne-White	10 December 2010	6	7
Kevin O'Driscoll	16 September 2013	1	1

The board members have access to the advice and services of the company secretary who is responsible to the board for ensuring that board procedures are followed, and applicable rules and regulations are complied with. The IAA's professional advisors are available for consultation by the directors as required. Individual directors may take independent professional advice, if necessary, at the IAA's expense.

The chairman leads the board in the determination of its strategy and in the achievement of its objectives. The chairman determines the agenda of the board, ensuring its effectiveness, and facilitates the effective contribution of each director. The specific skills, expertise and experience of the board are harnessed by matching these skill sets to the board's consideration of strategic and operational issues, where individual board members bring their specific competencies to bear, and also to the requirements of each board committee and the determination of the membership of those committees. The chairman and management maintain effective communication with the shareholder. The roles of the chairman and chief executive are separate.

The board conducted an end of year evaluation of its performance, measuring it against its strategic objectives, considering the achievements and identifying any areas where the board could improve its planning or procedures, and also identifying training needs. The board uses a similar process to evaluate the performance of committees each year. The board has considered a more formal process for evaluation of individual directors, including the appointment of an external facilitator, but in light of the manner of appointment of directors, has concluded that such evaluation would not be appropriate at this time.

All of the non-executive directors are independent of management. The remuneration of the executive director, who has a service contract, was approved by the personnel, appointments and remuneration committee and a proportion of that remuneration was performance-related and, in this way, was linked to the IAA's and the individual's objectives. Fees for directors are determined by the Minister for Public Expenditure and Reform. The disclosures made in these financial statements relating to directors' emoluments and pension information are those required under the Code of Practice for the Governance of State Bodies.

The board uses four committees to assist in the effective discharge of its responsibilities:

1. Audit
2. Finance, planning and strategy
3. Personnel, appointments and remuneration
4. Investment planning

Audit committee

The audit committee operates under formal terms of reference, which were reviewed during the year. The committee held four meetings during 2013. The members of the committee and the number of meetings attended were:

Members	Meetings attended	Eligible to attend
Geoffrey O'Byrne-White, Chairman	1	2
Rosheen McGuckian (retired) ¹	3	3
Kevin O'Driscoll ²	1	1
Lorraine Burke (retired)	2	2
Pat Dalton (retired)	1	1
Anne Nolan	1	1

1. Dr. Rosheen McGuckian acted as chairman up to the date of her retirement from the board on 30 November 2013
2. Acting chairman on 17 December 2013

The committee may review any matters relating to the affairs of the IAA, other than safety matters which are reserved to the board. It reviews the annual financial statements, reports of the internal auditor, the accounting policies, proposed changes in accounting policies, compliance with accounting standards, the accounting implications of major transactions and the appointment and fees of the external auditor.

It reviews the IAA's risk-management strategy and control processes and considers:

- the resources and co-ordination of those involved in the identification, assessment and management of significant risks faced by the IAA
- responses to the significant risks which have been identified by management and others
- monitoring of the reports from management
- maintenance of a control environment directed towards the proper management of risk
- annual reporting procedures.

The external auditor meets with the committee to plan and subsequently review the results of the annual audit of the IAA's financial statements. The audit committee considers the independence of the external auditors on an annual basis and has adopted a policy governing the provision of non-audit services by the external auditor. The internal auditor reports directly to the audit committee.

Meetings are usually attended by the chief executive, director of finance, head of internal audit and representatives from operations, information technology, insurance, health and safety, legal and compliance, by invitation, as appropriate.

The audit committee reports to the board, usually at quarterly intervals, or more frequently should the need arise.

During 2013, the audit committee reviewed:

- draft financial statements for 2012 prior to recommending them for approval to the board
- a report from the external auditors on its audit of the financial statements for the year ended 31 December 2012
- corporate risk register 2013-2014 including the key risks to the business and consideration of the adequacy of the system of risk identification and assessment
- the effectiveness of financial, operational and compliance controls and risk management processes
- internal audit plan for 2013 and internal audit reports
- effectiveness of the internal audit function
- external quality review of the internal audit unit
- external audit plan for 2013 including the scope of the audit
- corporate governance compliance
- audit fees and non-audit fees payable to the external auditor
- its own terms of reference

Finance, planning and strategy committee

The finance, planning and strategy committee operates under formal terms of reference and met once during the year. The members of the committee and number of meetings attended were:

Members	Meetings attended	Eligible to attend
Anne Nolan, Chairman	1	1
Eamonn Brennan	1	1
Lorraine Burke (retired)	1	1
Geoffrey O'Byrne-White	1	1

The committee may review any matters relating to the financial management of the IAA. It reviews the annual capital and operating budgets, treasury policy, insurance and banking and financing arrangements.

Personnel, appointments and remuneration committee

The personnel, appointments and remuneration committee operates under formal terms of reference and met twice during the year. The members of the committee and the number of meetings attended were:

Members	Meetings attended	Eligible to attend
Anne Nolan, Chairman	2	2
Lorraine Burke (retired)	2	2
Geoffrey O'Byrne-White	2	2

The committee determines and approves the remuneration of senior management, having availed of independent advice from a remuneration consultant who had no other connection with the IAA. The committee also approves senior management appointments. Details of directors' fees and emoluments are set out in note 6 of the financial statements in accordance with the requirements of the Code of Practice for the Governance of State Bodies.

Investment planning committee

The investment planning committee operates under formal terms of reference and met twice during the year. The members of the committee and the number of meetings attended were:

Members	Meetings attended	Eligible to attend
Michael Norton, Chairman	2	2
Ernie Donnelly	2	2

The committee considers the IAA's strategy in relation to capital investment and related expenditure.

Internal control

The board is ultimately responsible for the IAA's system of internal control and for monitoring its effectiveness. The system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve business objectives, and can provide only reasonable, and not absolute, assurance against material misstatement or loss.

An on-going process exists for identifying, evaluating and managing the significant risks faced by the IAA. This process accords with the Turnbull Guidance, is regularly reviewed by the board and has been in place for the year under review and up to the date of approval of the annual report and financial statements.

The board has reviewed and updated the process for identifying and evaluating the significant risks affecting the business and the policies and procedures by which these risks are managed. Management is responsible for the identification and evaluation of significant business risks and for the design and operation of suitable internal controls. These risks are assessed on a continual basis and may be associated with a variety of internal or external sources, including control breakdowns, disruptions in information systems, competition, natural catastrophes and regulatory requirements.

A process of corporate-risk workshops and review has been established which provides for a documented and auditable trail of accountability. These procedures are relevant across IAA operations and provide for successive assurances to be given at increasingly higher levels of management and, finally, to the board. This process is facilitated by internal audit, which also provides a degree of assurance as to the operation and validity of the system of internal control. Planned corrective actions are independently monitored for timely completion.

Management reports regularly on its review of risks, and how they are managed, to the audit committee, whose role it is to review, on behalf of the board, the key risks, other than safety, inherent in the business and the system of control necessary to manage such risks, and to present their findings to the board. Internal audit independently reviews the risk-identification procedures and control processes implemented by management, and reports to the audit committee on a quarterly basis. The audit committee reviews the assurance procedures to ensure that an appropriate mix of techniques is used to obtain the level of assurance required by the board. The audit committee presents its findings to the board on a quarterly basis or more frequently should the need arise.

The chief executive also reports to the board on behalf of management on major changes in the business and the external environment which affect significant risks. The director of finance provides the board with monthly financial information. Where areas for improvements in the system are identified, the board considers the recommendations made by management and the audit committee.

The IAA's system of internal financial control comprises those controls established in order to provide reasonable assurance regarding the safeguarding of assets against unauthorised use or disposition and the maintenance of proper accounting records and reliable financial information for use within the business or for publication.

The board has reviewed the effectiveness of the systems of internal control covering financial, operational and compliance controls and risk management systems.

The IAA has a strong control framework in place which includes the following:

- a code of ethics, approved by the board, which provides practical guidance for all staff
- a clearly defined organisation structure with appropriate segregation of duties and limits of authority
- clearly defined limits and procedures for financial expenditure including procurement and capital expenditure
- a comprehensive system of financial reporting, accounting, treasury management and project appraisal
- comprehensive budgeting systems with annual budgets approved by the board
- monitoring of performance against budgets and reporting on it to the board on a monthly basis
- an internal audit function which reviews key financial systems and controls and general operations
- an audit committee which approves audit plans and deals with significant control issues raised by internal or external audit and which reviews and recommends the year-end financial statements for approval by the board
- policies and procedures for the reporting and resolution of suspected fraudulent activities.

Going concern

The directors, after making enquiries, believe that the IAA has adequate resources to continue in operation for the foreseeable future and that it is appropriate to continue to adopt the going concern basis in preparing the financial statements.

Accounting records

The directors believe that they have complied with the requirements of Section 202 of the Companies Act, 1990, with regard to books of account by employing accounting personnel with appropriate expertise and by providing adequate resources to the financial function. The books of account of the IAA are maintained at The Times Building, 11-12 D'Olier Street, Dublin 2.

Prompt payment of accounts

The IAA complies with the requirements of relevant prompt payment legislation. The IAA also complies with the European Communities (Late Payment in Commercial Transactions) Regulations 2012 (S.I. No. 580 of 2012).

The IAA's standard terms of credit taken, unless otherwise specified in specific contractual arrangements, are 30 days from receipt of invoice, or confirmation of acceptance of the goods or services, which are the subject of payment. During the year ended 31 December 2013 substantially all payments were made within the appropriate credit period. The IAA continually reviews its administrative procedures in order to assist in minimising the time taken for invoice query and resolution. These procedures provide reasonable but not absolute assurance against material non-compliance with the regulations.

Post balance sheet events

On 24 March 2014, the board proposed the payment of a dividend for 2013 of €4.8 million (€0.27 per share).

On 14 February 2014, the IAA invested US\$12.2 million (€8.9 million) into the equity capital of Aireon LLC, a company developing space-based global air traffic surveillance systems. The IAA's investment in Aireon LLC represents approximately 2.5% of the equity of Aireon LLC. This percentage ownership will increase to 6% by 2017, through a series of additional scheduled investments totalling US\$171 million. The investment will be accounted

for as a financial fixed asset, valued at cost less allowance for any impairment in value, in the IAA's 31 December 2014 financial statements. Involvement in Aireon LLC offers the IAA the potential to enter the global market for the provision of air traffic management services and will allow it to greatly enhance the services it provides to its airline customers.

Electoral Act, 1997

The IAA made no political donations during the year or the prior year.

Auditor

In accordance with Section 160(2) of the Companies Act, 1963, the auditor, KPMG, Chartered Accountants, have expressed their willingness to continue in office.

On behalf of the board:

Anne Nolan
Chairman

Eamonn Brennan
Chief Executive

24 March 2014

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the annual report and financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the IAA's financial statements in accordance with Generally Accepted Accounting Practice in Ireland, comprising applicable Irish law and the accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland.

The IAA's financial statements are required by law to present fairly the financial position and performance of the IAA. The Companies Acts, 1963 to 2013 provide in relation to such financial statements that references in the relevant part of the Act to financial statements giving a true and fair view are references to their achieving a fair presentation. The financial statements are required by law to give a true and fair view of the state of affairs of the IAA and of the profit or loss of the IAA for that year.

In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then 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 the IAA will continue in business.

The directors are responsible for keeping proper books of account that disclose with reasonable accuracy at any time the financial position of the IAA and enable them to ensure that these financial statements comply with the Companies Acts, 1963 to 2013. The directors are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the IAA and to prevent and detect fraud and other irregularities.

The directors are also responsible for preparing a directors' report that complies with the requirements of the Companies Acts, 1963 to 2013.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the IAA's website. Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the board:

Anne Nolan
Chairman

Eamonn Brennan
Chief Executive

24 March 2014

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE IRISH AVIATION AUTHORITY

We have audited the financial statements (“financial statements”) of the Irish Aviation Authority (“IAA”) for the year ended 31 December 2013 which comprise the profit and loss account, the statement of total recognised gains and losses, the balance sheet, the cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is Irish law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

This report is made solely to the IAA's members, as a body, in accordance with Section 193 of the Companies Act, 1990. Our audit work has been undertaken so that we might state to the IAA's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the IAA and the IAA's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities on page 24, the directors are responsible for the preparation of the financial statements giving a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Ethical Standards for Auditors issued by the Auditing Practices Board.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of the IAA's affairs as at 31 December 2013 and of its profit for the year then ended; and
- the financial statements have been properly prepared in accordance with the Companies Acts, 1963 to 2013.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE IRISH AVIATION AUTHORITY

(continued)

Matters on which we are required to report by the Companies Acts, 1963 to 2013

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

The financial statements are in agreement with the books of account and, in our opinion, proper books of account have been kept by the IAA.

In our opinion, the information given in the directors' report is consistent with the financial statements.

The net assets of the IAA, as stated in the balance sheet are more than half of the amount of its called-up share capital and, in our opinion, on that basis there did not exist at 31 December 2013 a financial situation which under Section 40 (1) of the Companies (Amendment) Act, 1983 would require the convening of an extraordinary general meeting of the IAA.

Matters on which we are required to report by exception

We have nothing to report in respect of the following:

- Under the Companies Acts, 1963 to 2013 we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.
- Under the Code of Practice for the Governance of State Bodies ("the Code") we are required to report to you if the statement regarding the system of internal financial control required under the Code, as included in the Directors' Report on pages 21 and 22, does not reflect the IAA's compliance with paragraph 13.1(iii) of the Code, or if it is not consistent with the information of which we are aware from our audit work on the financial statements, and we report if it does not.

Emer McGrath
for and on behalf of
KPMG
Chartered Accountants, Statutory Audit Firm
Dublin, Ireland

24 March 2014

STATEMENT OF ACCOUNTING POLICIES

The Irish Aviation Authority (“IAA”) is a private limited company formed under the Irish Aviation Authority Act, 1993 (the “IAA Act”), and registered under the Companies Acts, 1963 to 2013. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the IAA’s financial statements.

Basis of preparation of financial statements

The financial statements are prepared under the historical cost convention and applicable law and Irish generally accepted accounting practice which includes compliance with the financial reporting standards of the Financial Reporting Council, as promulgated by the Institute of Chartered Accountants in Ireland.

True and fair view override

Ireland is a party to a multilateral agreement (EUROCONTROL) relating to the collection of en route navigation service charges. Under Section 47 of the IAA Act, the IAA performs this function on behalf of the State. Differences in income and costs arising from traffic volume risk and cost risk sharing are recovered from, or returned to, users of en route navigation services by amendment of charges in later years.

The costs to be taken into account for the purpose of the EUROCONTROL agreement are defined in the EUROCONTROL charging principles and in the EC Charging Regulations in a manner that includes all cash payments to pension funds. Consequently, the directors have determined that it is appropriate to incorporate all cash contributions made to the IAA’s pension fund in operating expenses in addition to the pensions charge determined in accordance with FRS 17 ‘Retirement Benefits’, and to record an offsetting credit in the statement of total recognised gains and losses (“STRGL”), in order to present a true and fair view of its results and state of affairs. Further details of the impact of this accounting treatment is shown in the pensions accounting policy on pages 28 and 29.

Turnover

Turnover represents the amounts received, and receivable, in respect of services provided to customers, together with fees received, and receivable, in respect of statutory regulatory functions performed in discharge of safety regulation requirements.

En route and terminal revenues

As described above, the IAA is entitled to recover differences between income and costs relating to en route navigation service charges where these differences arise from traffic volume risk and cost risk sharing. Differences arising are provided for in an accrued/deferred income account and are adjusted against income arising from en route activity. Income from terminal navigation charges, relating to approach, landing and take-off services, is accounted for in a similar manner. Amounts are accrued in turnover and recognised as either receivables or payables in the balance sheet.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, less accumulated depreciation. Depreciation is calculated to write off the cost of each fixed asset, including equipment purchased as part of an installation, on a straight line basis over its expected useful life, at the following annual rates:

Buildings	5%
Completed installations and other works	8½% – 12½%
Office equipment	20% – 33½%

Assets are depreciated from the date they are commissioned for use.

Assets under construction/installations in progress are carried at historical cost and are not depreciated until they are brought into use.

Financial assets

A joint venture is an investment in an entity in which the IAA holds an interest on a long-term basis and is jointly controlled by the IAA and one or more other parties under a contractual arrangement.

Investments in joint ventures are carried on the balance sheet as financial fixed assets and are valued at cost, as adjusted by post-acquisition changes in the IAA's share of the net assets of the joint venture, less allowance for any impairment in value of individual investments.

Leased assets

Operating lease rentals are expensed as they accrue over the periods of the leases.

Foreign currencies

Transactions arising in foreign currencies are translated into euro at the rate of exchange ruling at the date of the transactions or at a contracted rate. Monetary assets and liabilities denominated in foreign currencies are translated into euro at the year-end rate of exchange. The resulting profits and losses are dealt with in the profit for the year.

Taxation

Corporation tax is provided for on the profit for the year at the current rates. Deferred tax is recognised in respect of all timing differences that have originated, but not reversed, at the balance sheet date. Provision is made at the rates expected to apply when the timing differences reverse. Timing differences are differences between the IAA's taxable profits and its results, as stated in the financial statements, that arise from the inclusion of gains and losses in taxable profits in periods different from those in which they are recognised in the financial statements.

A deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Pension costs

The IAA provides pensions to its employees under four superannuation schemes. Three of these schemes are defined benefit schemes: "The Irish Aviation Authority Staff Superannuation Scheme 1996" – for staff whose employment commenced prior to 1 April 2008; "The Irish Aviation Authority Staff Superannuation Scheme 2008" – for staff whose employment commenced from 1 April 2008 to 31 December 2011; "The Irish Aviation Authority Hybrid Pension Plan 2012" – for staff whose employment commenced since 1 January 2012. For the schemes, the difference between the market value of the schemes' assets and the actuarially assessed present value of the schemes' liabilities, calculated using the projected unit credit method, is reported as an asset/liability on the balance sheet, net of related deferred tax (in respect of any deferred tax asset, to the extent that it is recoverable).

The amount charged to the profit and loss account is the total of:

- a. the actuarially determined cost of pension benefits promised to employees during the year plus any benefit improvements granted to members during the year (current/past service cost),
- b. the expected return on the pension schemes' assets during the year and the increase in the schemes' liabilities due to the unwinding of the discount rate, such amounts being included in financing costs, and
- c. an additional charge to operating expenses reflecting the difference between the actuarially determined pension charge (current/past service cost) included above and total cash payments to the pension fund in the year.

Any differences between the expected return on assets and what was actually achieved, and any changes in the liabilities due to changes in assumptions, or because actual experience during the year was different to that assumed, are recognised as actuarial gains and losses in the statement of total recognised gains and losses. The STRGL includes an offset amounting to the additional pension charge, described in paragraph (c) above, expected to be recovered under the provisions of the EUROCONTROL agreement as described on page 27.

The IAA thus departs from the requirements of FRS 17 in order that the results present a true and fair view and comply with the requirements of the agreements under which its operations are governed. The impact of the departure is to increase the actuarially determined service cost by €17,596,000 (2012: €19,479,000) for recovery under the charging mechanism in the year ended 31 December 2013, and to record an offsetting credit in the STRGL, thereby maintaining the profit and loss reserves and net assets of the IAA in line with the requirements of FRS 17.

The IAA also operates a defined contribution pension scheme: “The Irish Aviation Authority Defined Contribution Pension Plan 2012” – for staff whose employment commenced since 1 January 2012. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of 2013.

Cash flow statement

Cash for the purpose of the cash flow statement represents cash held at banks and available on demand.

Liquid resources (other than cash) comprise bank fixed deposits with maturities of greater than one day and less than three months. These deposits are readily convertible into known amounts of cash.

PROFIT AND LOSS ACCOUNT

for the year ended 31 December 2013

	Notes	2013 €'000	2012 €'000
Turnover - continuing activities	1	173,583	175,010
Operating expenses		(147,860)	(152,158)
Operating profit - continuing activities		25,723	22,852
Interest receivable and similar income	3	302	571
Interest payable and similar charges	4	(90)	(522)
Net finance expense	5	(4,589)	(8,199)
Profit on ordinary activities before taxation	6	21,346	14,702
Tax on profit on ordinary activities	7	(5,235)	(4,652)
Profit for the financial year	22	16,111	10,050

On behalf of the board:

Anne Nolan
Chairman

Eamonn Brennan
Chief Executive

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

for the year ended 31 December 2013

	Notes	2013 €'000	2012 €'000
Profit for the financial year	22	16,111	10,050
Adjustments in relation to defined benefit schemes:			
Actuarial gains on plan assets	21	11,092	27,709
Experience (losses)/gains on scheme liabilities	21	(18,898)	10,168
Effect of changes in actuarial assumptions	21	10,243	(43,225)
		2,437	(5,348)
Related deferred tax (liability)/asset	13 (ii)	(305)	668
Cash in excess of pension service cost	2	17,596	19,479
Total recognised gains for the financial year	23	35,839	24,849

BALANCE SHEET

at 31 December 2013

Assets	Notes	2013 €'000	2012 €'000
Fixed assets			
Tangible assets	8	85,718	92,079
Financial assets	9	739	-
		86,457	92,079
Current assets			
Debtors	10	33,741	31,600
Cash at bank and in hand		106,157	89,464
		139,898	121,064
Total assets		226,355	213,143

Equity and liabilities	Notes	2013 €'000	2012 €'000
Capital and reserves			
Called up share capital	14	22,675	22,675
Profit and loss account	22	57,912	27,088
Shareholders' funds - equity	23	80,587	49,763
Non current liabilities			
Pension liability, net of tax	21	114,351	127,317
Provisions for liabilities and charges	13	148	172
Current liabilities			
Creditors: amounts falling due within one year	11	31,269	35,891
Total equity and liabilities		226,355	213,143

On behalf of the board:

Anne Nolan
Chairman

Eamonn Brennan
Chief Executive

CASH FLOW STATEMENT

for the year ended 31 December 2013

	Notes	2013 €'000	2012 €'000
Net cash inflow from operating activities	(see below)	35,383	41,715
Returns on investments and servicing of finance	16	104	(125)
Net taxation paid		(3,994)	(3,379)
Capital expenditure and financial investment	16	(9,046)	(8,089)
Acquisitions and disposals	16	(739)	-
Equity dividends paid	15	(5,015)	-
Net cash inflow before financing		16,693	30,122
Financing	16	-	(15,000)
Increase in cash in year	17	16,693	15,122

Reconciliation of operating profit to net cash inflow from operating activities

	2013 €'000	2012 €'000
Operating profit	25,723	22,852
Depreciation of tangible fixed assets	15,770	16,173
(Increase)/decrease in debtors	(2,704)	1,063
(Decrease)/increase in creditors	(3,406)	1,615
Loss on disposal of tangible fixed assets	-	12
Net cash inflow from operating activities	35,383	41,715

1. Turnover

	2013	2012
	€'000	€'000
Activity		
En route	115,477	112,650
Terminal	21,379	21,469
North Atlantic communications	18,028	17,832
Safety regulation	16,051	19,967
Exempt air traffic	1,552	1,713
Commercial	1,096	1,379
	173,583	175,010

The IAA's turnover is primarily derived from aviation-related services and statutory functions provided in the Republic of Ireland.

2. Staff numbers and costs

The average number of persons employed by the IAA during the year, including the executive director, analysed by category, was as follows:

	2013	2012
Operations	437	457
Technology and training	73	74
Safety regulation	93	92
Finance, human resources, corporate affairs and others	56	56
Total employees	659	679
Student air traffic controllers	18	44

2. Staff numbers and costs (continued)

The aggregate payroll costs of these persons were as follows:

	2013	2012
	€'000	€'000
Wages and salaries	60,290	64,036
Social welfare costs	4,069	4,274
Pension costs – current service cost (note 21)	7,502	6,099
Pension costs – past service cost (note 21)	(2,389)	(2,190)
Pension costs – defined contribution (note 21)	13	6
Pension costs – additional cash cost (note 21)	17,596	19,479
Other post-employment costs (note 21)	563	-
	87,644	91,704

Student air traffic controllers undergoing training are included in the above payroll costs and non-executive directors are excluded.

3. Interest receivable and similar income

	2013	2012
	€'000	€'000
Bank interest	151	429
Other interest	151	142
	302	571

4. Interest payable and similar charges

	2013	2012
	€'000	€'000
On bank loans and overdrafts	90	522
	90	522

5. Net finance expense

	2013 €'000	2012 €'000
Expected return on plan assets (note 21)	16,678	15,268
Interest on plan liabilities (note 21)	(21,267)	(23,467)
	(4,589)	(8,199)

6. Statutory and other information

Directors' remuneration

Fees paid to directors	2013 €'000	2012 €'000
Ms. Anne Nolan, Chairman	22	22
Mr. Eamonn Brennan, Chief Executive ^(a)	-	-
Ms. Lorraine Burke	12	13
Mr. Pat Dalton	3	13
Mr. Ernie Donnelly ^(b)	-	-
Mr. Basil Geoghegan	8	-
Mr. Peter G Ledbetter	-	11
Dr. Rosheen McGuckian	12	13
Mr. Michael Norton	13	13
Mr. Geoffrey O'Byrne-White	13	13
Mr. Kevin O'Driscoll	3	-
	86	98

(a) The chief executive voluntarily waived his board fees since December 2011.

(b) Mr. Ernie Donnelly, as a public sector employee, does not receive board fees.

In aggregate, directors were reimbursed expenses of €3,966 in total during 2013 (2012: €3,526).

6. Statutory and other information (continued)

	2013 €'000	2012 €'000
Emoluments and pension contributions relating to the chief executive's contract of employment		
- annual basic salary	232	232
- performance-related remuneration paid in respect of previous year	-	-
- other taxable benefits	41	46
- pension contributions	79	79
	352	357

The chief executive voluntarily waived 10% of his official salary in each year 2009 to 2013 and waived his board fees since December 2011. The IAA operates a Department of Finance approved performance-related pay scheme for all chief executives of commercial semi-State bodies that provides for a long and short term performance-related pay element based on pre-agreed objectives. No performance-related pay was paid to the chief executive in respect of years 2010 - 2013.

	2013 €'000	2012 €'000
Auditor's remuneration		
- audit	50	50
- other assurance	21	19
- tax advisory services	8	8
- other non-audit ^(a)	290	3

(a) Other non-audit fees consist of corporate finance fees pertaining to once-off projects undertaken during the year including the IAA's investments in Aireon and EPN.

	2013 €'000	2012 €'000
Depreciation	15,770	16,173
Met Eireann charges	8,176	8,176
Rentals payable under operating leases – buildings	3,553	4,609
Rentals payable under operating leases – other	114	119

7. Tax on profit on ordinary activities

	2013 €'000	2012 €'000
Corporation taxation	3,634	3,594
Deferred tax charge/(credit) (note 13):		
- Origination and reversal of pension timing differences dealt with in the profit and loss account	1,625	1,410
- Origination and reversal of other timing differences	(24)	(352)
	5,235	4,652

Current tax reconciliation

Profit on ordinary activities before tax	21,346	14,702
Expected current tax at 12.5% (2012: 12.5%)	2,668	1,838
Effects of:		
- Expenses not deductible for tax purposes	847	1,383
- Capital allowances in excess of depreciation	(31)	195
- Income not taxable at standard rate	149	171
- Other timing differences	1	7
Total current tax charge	3,634	3,594

8. Tangible fixed assets

	Buildings €'000	Completed installations and other works €'000	Installations in progress €'000	Office equipment €'000	Total €'000
Cost					
At beginning of year	30,464	129,767	6,575	6,428	173,234
Additions in year	-	203	8,769	437	9,409
Brought into use in year	-	2,101	(2,625)	524	-
Disposals in year	-	(1,201)	-	(243)	(1,444)
At end of year	30,464	130,870	12,719	7,146	181,199
Accumulated depreciation					
At beginning of year	13,178	63,561	-	4,416	81,155
Charge in year	1,523	13,245	-	1,002	15,770
Disposals in year	-	(1,201)	-	(243)	(1,444)
At end of year	14,701	75,605	-	5,175	95,481
At 31 December 2013	15,763	55,265	12,719	1,971	85,718
At 31 December 2012	17,286	66,206	6,575	2,012	92,079

9. Financial fixed assets

	2013 €'000	2012 €'000
Interest in joint venture, at cost	739	-
	739	-

On 20 December 2013, the IAA secured a 25% interest in Entry Point North AB, a provider of air traffic management training solutions, for consideration of €739,000.

10. Debtors

	2013	2012
	€'000	€'000
Trade debtors	26,163	25,537
Prepayments and accrued income	6,712	5,708
Other debtors	376	274
Value added tax	374	81
Corporation tax receivable	116	-
	33,741	31,600

Debtors are due within one year except for €463,000 (2012: €698,000) relating to accrued income to be recovered through 2015 en route and terminal charges.

11. Creditors: amounts falling due within one year

	2013	2012
	€'000	€'000
Trade creditors	1,609	1,153
Other creditors including tax and social welfare (note 12)	20	2,088
Accruals and deferred income	29,640	32,650
	31,269	35,891

12. Taxation and social welfare included in other creditors

	2013	2012
	€'000	€'000
PAYE/PRSI	20	1,844
Corporation tax	-	244
	20	2,088

13. Deferred tax liabilities

	Ref	2013 €'000	2012 €'000
Deferred taxation – excluding pension-related	(i)	148	172
Deferred taxation – pension-related	(ii)	(16,258)	(18,188)
		(16,110)	(18,016)
Less deferred taxation included in pension liability		16,258	18,188
Total deferred taxation – excluding pension-related		148	172

(i) Deferred taxation – excluding pension-related

At beginning of year	172	524
Credited to profit and loss account (note 7)	(24)	(352)
At end of year	148	172

The provision at the end of the year represents the full potential liability and arises on timing differences between capital allowances and depreciation.

(ii) Deferred taxation – pension-related

	2013 €'000	2012 €'000
At beginning of year	(18,188)	(18,930)
Changes in actuarial assumptions	305	(668)
Charged to profit and loss account (note 7)	1,625	1,410
At end of year	(16,258)	(18,188)

14. Called up share capital – equity

	2013	2012
	€'000	€'000
Authorised, allotted, called up and fully paid		
17,858,000 ordinary shares of €1.27 each	22,675	22,675

15. Equity dividends paid

	2013	2012
	€'000	€'000
Declared and paid during the year:		
Final dividend for 2012: €0.17 per share	(3,015)	–
Special dividend for 2012: €0.11 per share	(2,000)	–
	(5,015)	–

16. Gross cash flows

	2013	2012
	€'000	€'000
Returns on investments and servicing of finance		
Interest paid	(79)	(625)
Interest received	183	500
	104	(125)

	2013	2012
	€'000	€'000
Capital expenditure and financial investment		
Payments to acquire tangible fixed assets	(9,046)	(8,089)
	(9,046)	(8,089)

16. Gross cash flows (continued)

	2013 €'000	2012 €'000
Acquisitions and disposals		
Payments to acquire interest in joint venture	(739)	-
	(739)	-

	2013 €'000	2012 €'000
Financing		
Repayment of bank loans	-	(15,000)
	-	(15,000)

17. Reconciliation of net cash flow to movement in net funds

	2013 €'000	2012 €'000
Increase in cash in year	16,693	15,122
Repayment of debt	-	15,000
Movement in net funds in year	16,693	30,122
Net funds at beginning of year	89,464	59,342
Net funds at end of year	106,157	89,464

Analysis of net funds	At 1 January 2013 €'000	Cash flow €'000	At 31 December 2013 €'000
Cash at bank and in hand	89,464	16,693	106,157

18. Related parties

In common with many other government bodies, the IAA deals in the normal course of business with other government bodies and departments, such as Dublin Airport Authority plc., Shannon Airport Authority plc., Electricity Supply Board (“ESB”), the Department of Transport, Tourism and Sport and Met Eireann. In addition, in the normal course of business, the IAA transacts with certain Irish banks which have become wholly or partially owned by the Irish State. All of the IAA’s transactions with such banks are on normal commercial terms.

The ultimate controlling party is the Department of Public Expenditure and Reform.

19. Commitments

(i) Capital commitments

	2013 €'000	2012 €'000
Future capital expenditure approved by the directors:		
Not contracted for	24,552	41,394
Contracted for	6,906	7,254
	31,458	48,648

(ii) Operating lease commitments

	2013 €'000		2012 €'000	
	Buildings	Motor Vehicles	Buildings	Motor Vehicles
Expiring:				
Within one year	-	-	-	22
Between one and two years	-	23	-	17
Between two and five years	101	83	98	62
More than five years	3,266	-	3,268	-
	3,367	106	3,366	101

20. Contingent liabilities

The IAA has an outstanding equal pay claim, initiated in 1998, from a union representing clerical staff. This claim has been referred to the Labour Court and is being vigorously opposed by the IAA. The outcome of this process cannot be determined with reasonable certainty and consequently it is not possible to quantify the outcome of the claim.

No provision has been made in the financial statements in respect of this claim.

21. Pension

	2013 €'000	2012 €'000
FRS 17 pension liability (see A below)	113,803	127,317
Supplementary ex-gratia pension liability (see C below)	548	-
Total pension liability, net of tax	114,351	127,317

Pensions for all permanent employees, whose employment commenced prior to 1 January 2012, are funded through two defined benefit pension schemes, 'The Irish Aviation Authority Staff Superannuation Scheme 1996' and 'The Irish Aviation Authority Staff Superannuation Scheme 2008', and the assets accumulated are vested in independent trustees. Pensions for all permanent employees, whose employment commenced since 1 January 2012, are funded through a defined benefit pension scheme, 'The Irish Aviation Authority Hybrid Pension Plan 2012' and the assets accumulated are vested in independent trustees.

The IAA undertakes actuarial valuations of the defined benefit pension schemes at least every three years. The date of the latest actuarial valuation is 1 January 2012 and covers all accrued benefits. This valuation was conducted by qualified independent actuaries.

The valuations employed for FRS 17 purposes have been based on the most recent funding valuations for the schemes adjusted by the independent actuaries to allow for the accrual of liabilities up to 31 December 2013 and to take account of financial conditions at this date. The valuations used for FRS 17 purposes have been completed using the projected unit method, and assets for this purpose have been valued at market value.

The actuarial reports, which are available to members of the schemes, are not available for public inspection.

The IAA has no unfunded schemes. There are no outstanding or pre-paid contributions at year-end.

21. Pension (continued)

A. The Irish Aviation Authority Staff Superannuation Scheme 1996 and The Irish Aviation Authority Staff Superannuation Scheme 2008

(i) Principal actuarial assumptions

	2013 Projected Unit	2012 Projected Unit
Weighted average assumptions to determine benefit obligations		
Expected rate of return on plan assets*	4.39%	4.60%
Expected return on plan assets at beginning of period*	4.60%	4.89%
Discount rate	4.00%	4.20%
Rate of general compensation increase (staff/senior staff)†	1.80%	1.85%
Rate of price inflation	1.80%	1.85%
Rate of pension increase†	1.80%	1.85%

* The expected rate of return on assets for 2013 and 2014 has been reduced by 0.6% and 0.75% respectively to reflect the pension levy paid in 2013 and payable in 2014.

† This is the long-term assumption applicable from 2015 onwards in respect of staff/senior staff increases and 2019 onwards in respect of rate of pension increases.

The assumptions relating to longevity underlying the pension liabilities at the balance sheet date are based on the standard actuarial mortality tables and include an allowance for future improvements in longevity. The assumptions are equivalent to expecting a 65-year-old to live for a number of years as follows:

	2013	2012
Life expectancy for a male member from age 65 on post-retirement mortality table used to determine benefit obligations for:		
Current active and deferred members	24.7	25.6
Current pensioner members	21.9	22.4
Life expectancy for a female member from age 65 on post-retirement mortality table used to determine benefit obligations for:		
Current active and deferred members	25.7	26.6
Current pensioner members	23.3	23.9

The assumptions used by the actuary are chosen from a range of possible actuarial assumptions which, due to the timescale covered, may not necessarily be borne out in practice.

21. Pension (continued)

(ii) Amounts recognised in the balance sheet

	2013	2012
	€'000	€'000
Present value of wholly or partly funded obligations	(522,062)	(506,391)
Fair value of plan assets	392,001	360,886
Deficit	(130,061)	(145,505)
Related deferred tax asset	16,258	18,188
Net liability	(113,803)	(127,317)

(iii) Movements in fair value of plan assets

	2013	2012
	€'000	€'000
Fair value of plan assets at beginning of year	360,886	306,532
Expected return on plan assets	16,678	15,268
Actuarial gains on plan assets	11,092	27,709
Employer contributions	22,581	23,338
Member contributions	2,836	3,912
Benefits paid from plan	(22,072)	(15,873)
Fair value of plan assets at end of year	392,001	360,886

21. Pension (continued)
(iv) Movements in present value of defined benefit obligations

	2013	2012
	€'000	€'000
Benefit obligation at beginning of year	(506,391)	(457,969)
Current service cost	(7,374)	(6,049)
Past service cost	2,389	2,190
Interest on plan liabilities	(21,267)	(23,467)
Member contributions	(2,836)	(3,912)
Experience (losses)/gains on scheme liabilities	(18,898)	10,168
Gains/(losses) due to actuarial assumption changes	10,243	(43,225)
Benefits paid from plan	22,072	15,873
Benefit obligation at end of year	(522,062)	(506,391)

(v) Components of pension cost

	2013	2012
	€'000	€'000
Expense recognised in the profit and loss account		
Current service cost	(7,374)	(6,049)
Past service cost	2,389	2,190
Additional cash cost	(17,596)	(19,479)
Interest on plan liabilities (note 5)	(21,267)	(23,467)
Expected return on plan assets (note 5)	16,678	15,268
Total pension cost recognised in the profit and loss account	(27,170)	(31,537)
Amounts recognised in statement of total recognised gains and losses		
Actuarial gains/(losses) immediately recognised	2,437	(5,348)
Cumulative amount of actuarial losses immediately recognised	(165,173)	(167,610)

21. Pension (continued)

(vi) Plan assets

The asset allocations as at 31 December 2013:

	2013 Percentage of plan assets	2013 Expected return on plan assets	2012 Percentage of plan assets	2012 Expected return on plan assets
Equity securities	51.2%	6.3%	57.6%	6.7%
Bond securities	42.9%	2.2%	37.9%	3.0%
Other	5.9%	3.9%	4.5%	4.5%
	100.0%	4.4%	100.0%	4.6%

Description of basis to determine the overall expected rate of return on assets:

To develop the expected long-term rate of return on assets assumption, the IAA considered the current level of expected returns on risk-free investments (primarily government bonds), the historical level of the risk premium associated with the other asset classes in which the portfolio is invested and the expectations for future returns of each asset class. The expected return for each asset class was then weighted, based on the schemes' asset allocation, to develop the expected long-term rate of return on assets assumption for the portfolio. The result was then reduced by 0.75% to reflect the pension levy payable in 2014 giving a net expected return of 4.39%.

	2013 €'000	2012 €'000
Actual return on assets		
Actual return on plan assets	27,770	42,977

21. Pension (continued)
(vii) History of experience adjustments

	2013	2012	2011	2010	2009
	€'000	€'000	€'000	€'000	€'000
Present value of scheme liabilities	(522,062)	(506,391)	(457,969)	(394,978)	(396,933)
Fair value of scheme assets	392,001	360,886	306,532	289,303	255,711
Deficit	(130,061)	(145,505)	(151,437)	(105,675)	(141,222)

Experience adjustments

	2013	2012	2011	2010	2009
	€'000	€'000	€'000	€'000	€'000
Experience adjustments on scheme assets:					
Amount	11,092	27,709	(25,529)	11,936	21,919
Percentage of plan assets	2.8%	7.7%	8.3%	4.1%	8.6%

	2013	2012	2011	2010	2009
	€'000	€'000	€'000	€'000	€'000
Experience adjustments on scheme liabilities:					
Amount	(18,898)	10,168	(9,582)	(1,239)	10,957
Percentage of plan liabilities	3.6%	2.0%	2.1%	0.3%	2.8%

(viii) Other required disclosure amounts

	€'000
Contributions expected to be paid by the IAA to the plan during 2014	21,000

21. Pension (continued)

B. The Irish Aviation Authority Hybrid Pension Plan 2012

The 'Irish Aviation Authority Hybrid Pension Plan 2012' was set up on 1 January 2012. Pensions for all permanent employees, whose employment commenced since 1 January 2012, are funded through a defined benefit pension scheme and the assets accumulated are vested in independent trustees.

There are no outstanding or pre-paid contributions at year-end.

(i) Amounts recognised in the balance sheet

	2013	2012
	€'000	€'000
Present value of wholly or partly funded obligations	(310)	(88)
Fair value of plan assets	310	88
Surplus/(deficit)	-	-

(ii) Movements in fair value of plan assets

	2013	2012
	€'000)	€'000
Fair value of plan assets at beginning of year	88	-
Actuarial loss on plan assets	(2)	-
Employer contributions	128	50
Member contributions	96	38
Fair value of plan assets at end of year	310	88

21. Pension (continued)

(iii) Movements in present value of defined benefit obligations

	2013	2012
	€'000	€'000
Benefit obligation at beginning of year	(88)	-
Current service cost	(128)	(50)
Actuarial gain	2	-
Member contributions	(96)	(38)
Benefit obligation at end of year	(310)	(88)

(iv) Components of pension cost

	2013	2012
	€'000	€'000
Expense recognised in the profit and loss account		
Current service cost	(128)	(50)

(v) Plan assets

The asset allocations as at 31 December 2013:

	2013	2013	2012	2012
	Percentage of plan assets	Expected return on plan assets	Percentage of plan assets	Expected return on plan assets
Equities	30.0%	6.3%	-	-
Bonds	70.0%	2.2%	-	-
Cash	-	-	100.0%	2.0%
	100.0%	3.4%	100.0%	2.0%

21. Pension (continued)

(vi) History of experience adjustments

	2013	2012
	€'000	€'000
Present value of scheme liabilities	(310)	(88)
Fair value of scheme assets	310	88
Surplus/(deficit)	-	-

C. Supplementary ex-gratia pension liability

	2013	2012
	€'000	€'000
Amounts provided for supplementary ex-gratia pension liability	563	-
Payments made during the year	(15)	-
Amounts falling due after more than one year	548	-

This is a provision for supplementary ex-gratia pension payments, up to age 65, outside of the IAA pension schemes, to bridge the gap for certain employees who are eligible to retire between the ages of 60 and 65, however are not eligible for the state pension until they reach the state retirement age.

D. The Irish Aviation Authority Defined Contribution Pension Plan 2012

The IAA operates a defined contribution pension scheme 'The Irish Aviation Authority Defined Contribution Pension Plan 2012' which was set up on 1 January 2012, for staff whose employment commenced since that date. The pension charge for the period represents contributions payable by the IAA to the scheme and amounted to €13,033 (2012: €6,067).

22. Reconciliation of movement in profit and loss account

	2013	2012
	€'000	€'000
Profit and loss account at beginning of year	27,088	2,239
Dividends paid (note 15)	(5,015)	-
Profit for the financial year	16,111	10,050
Other recognised gains and losses	19,728	14,799
Profit and loss account at end of year	57,912	27,088

23. Reconciliation of movement in shareholders' funds

	2013	2012
	€'000	€'000
Shareholders' funds at beginning of year	49,763	24,914
Dividends paid (note 15)	(5,015)	-
Total recognised gains for the financial year	35,839	24,849
Shareholders' funds at end of year	80,587	49,763

24. Post balance sheet events

On 24 March 2014, the board proposed the payment of a dividend of €4.8 million (€0.27 per share).

On 14 February 2014, the IAA invested US\$12.2 million (€8.9 million) into the equity capital of Aireon LLC, a company developing space-based global air traffic surveillance systems. The IAA's investment in Aireon LLC represents approximately 2.5% of the equity of Aireon LLC. This percentage ownership will increase to 6% by 2017, through a series of additional scheduled investments totalling US\$17.1 million. The investment will be accounted for as a financial fixed asset, valued at cost less allowance for any impairment in value, in the IAA's 31 December 2014 financial statements. Involvement in Aireon LLC offers the IAA the potential to enter the global market for the provision of air traffic management services and will allow it to greatly enhance the services it provides to its airline customers.

25. Approval of the financial statements

The financial statements were approved by the directors on 24 March 2014.

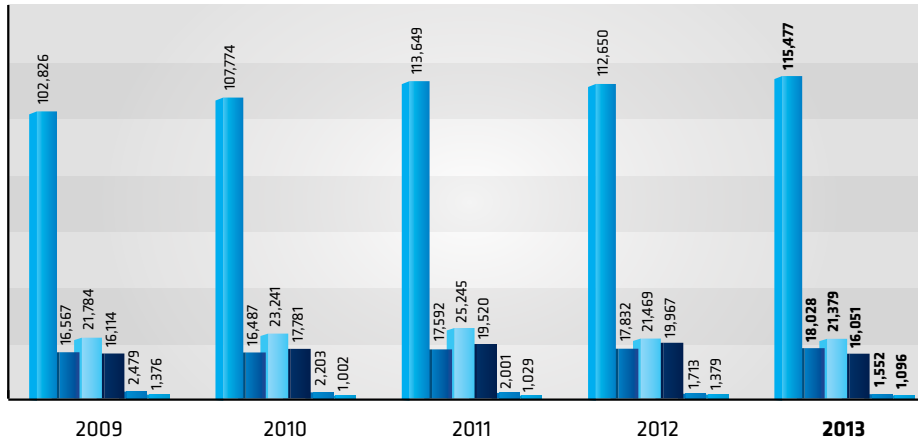


FIVE YEAR SUMMARY

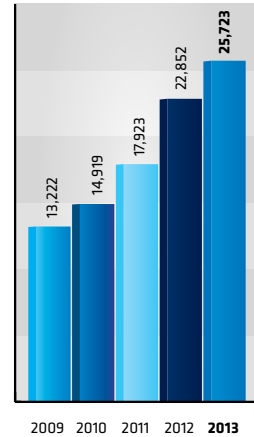
2009 - 2013

FIVE YEAR SUMMARY 2009 - 2013

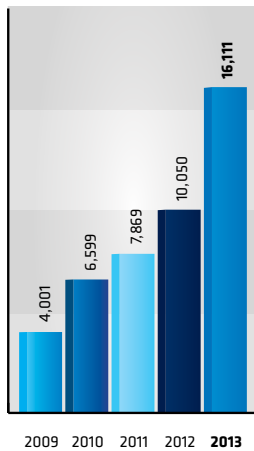
Turnover €'000



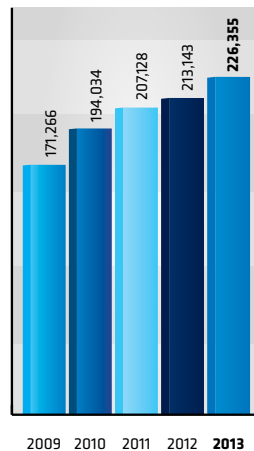
Operating Profit €'000



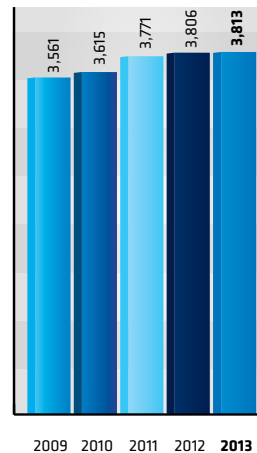
Profit After Tax €'000



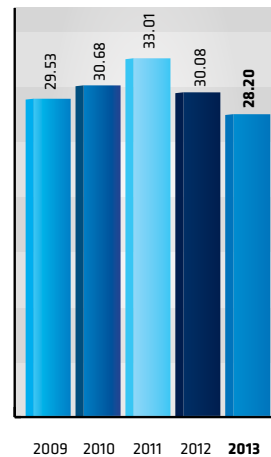
Total Assets €'000



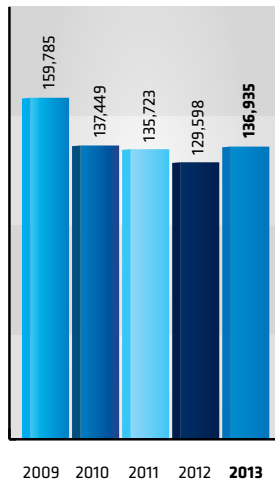
En Route Service Units ('000)



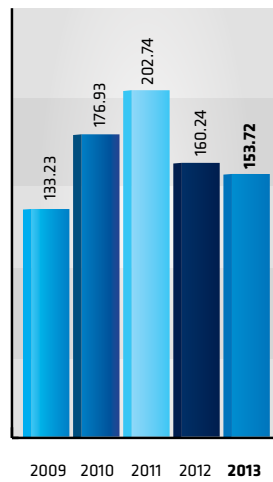
En Route Service Unit Rate (€)



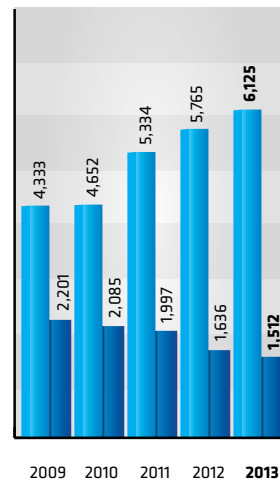
Terminal Service Units



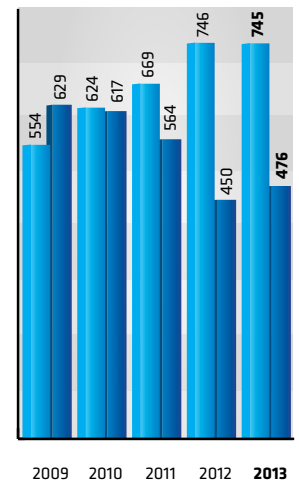
Terminal Service Unit Rate (€)



Valid Licences



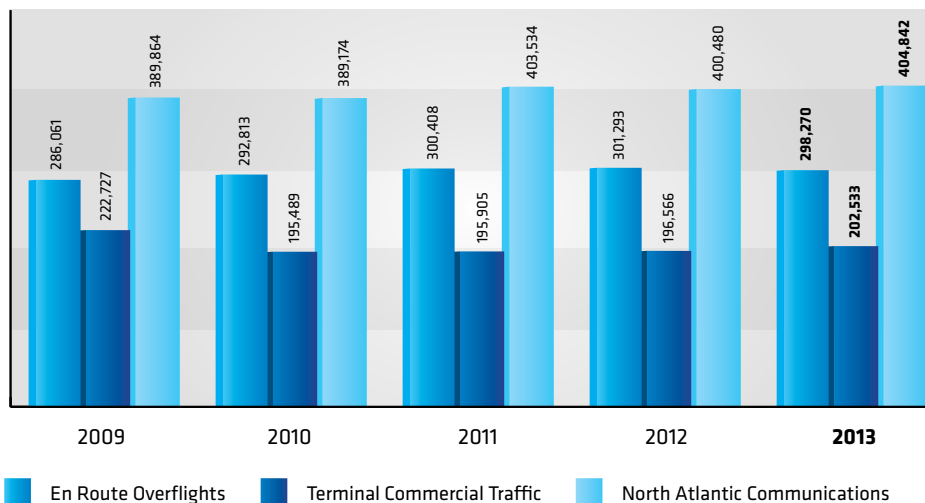
Registered Aircraft



Commercial
General

Large Aircraft
Small Aircraft

Air Traffic Activity



En Route Overflights Terminal Commercial Traffic North Atlantic Communications



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