



ÚDARÁS EITLÍOCHTA NA hÉIREANN
IRISH AVIATION AUTHORITY

ANNUAL REPORT

2025





The Irish Aviation Authority

regulates to the highest professional standards to ensure a safe, secure and consumer-focused aviation environment.



CONTENTS

Chair’s Statement	4	European Accessibility Act	20
Chief Executives Review	6	Air Navigation Performance and Charging	21
Operations Review	10	Economic Regulation of Dublin Airport	21
The IAA’s Role	12	Slots and Capacity	21
Safety and Security Regulated Aviation Industry in Ireland	13	Air Carrier Licensing	21
State Safety Programme and State Plan for Aviation Safety	14	Groundhandling Approvals	22
Annual Safety Performance Review	14	Travel Trade Licensing	22
Aircraft Registration	15	Aviation Sustainability	22
Flight Operations	16	Stakeholder Engagement	23
Aviation Infrastructure	16	Our People and Organisation	23
Personnel Licensing	17	Facilities and Environment	24
Unmanned Aircraft Systems (UAS)	17	IAA International	24
Aviation Security	18	Irish Language Act	25
Regulatory Changes	18	Financial Review	26
Air Passenger Rights and Accessibility	19	Directors’ Report and Financial Statements	28
Persons with Reduced Mobility	20		

IAA VALUES



SAFETY FIRST

We uphold the highest standards of civil aviation safety and security in everything we do for the benefit of aircraft passengers and aviation personnel, and in the public interest.



PROFESSIONALISM

We maintain the highest levels of expertise, ethics, responsiveness, efficiency and conduct in our work, and we recognise our true strength is in our people.



CONSUMER-FOCUSED

We protect the rights of consumers, ensuring a safe, secure and efficient civil aviation experience.



COLLABORATION

We work closely with stakeholders to promote trust, alignment, and shared success.



SUSTAINABILITY

We support the development of aviation in a sustainable manner that meets the present demands while safeguarding the needs of the future.



RESPECT & INCLUSION

We value diverse perspectives and foster an inclusive, respectful workplace and stakeholder environment.



INTEGRITY & ACCOUNTABILITY

We act with transparency, fairness, and responsibility in all our decisions and actions.

KEY FIGURES

Turnover

€46m

Profit After Tax

€6.1m

Air Operator Certificates

16

Aircraft Register

1,467

Irish AOC Fleet

541

General Aviation Fleet

628

UAS Operators

9,000+

Remote Pilot Certificates

23,000+

Flight Crew Licences

21,000+

Maintenance Engineers Licences

2,740

Air Passenger Rights Complaints Processed

2,883

Passengers at Ireland's 6 International Airports

44m

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1,467

Aircraft registered with IAA

€46m

Turnover

220

Staff

CHAIR'S STATEMENT

I am pleased to present the Irish Aviation Authority's Annual Report and Financial Statements for 2025.

Safety in aviation continues to be the number one priority of the IAA in the discharge of its statutory remit. Throughout 2025, the IAA has continued its commitment to ensuring effective and efficient safety and security regulation of the aviation sector reflecting best international standards and practices, thus ensuring that safety is integral to the aviation ecosystem in Ireland.



Demand for landing, take-off and parking slots at Dublin Airport exceeds the capacity of the airport. The airport is fully coordinated and thus the EU Slot coordination regulations apply. The application of these regulations at Dublin airport continues to be the subject of litigation linked to the 32 million passengers per annum cap imposed by An Bord Pleanála as part of the planning permission conditions for terminal development at the airport. The IAA's view is that such a cap should be taken into consideration when declaring the slot coordination parameters at the airport. High Court litigation is ongoing in which the airlines have sought to challenge that viewpoint. Certain questions were referred by the High Court to the Court of Justice of the EU, with a hearing taking place in November 2025 in Luxembourg at which the IAA was represented. The European Court has yet to give its judgment on this issue. However, in an earlier order made on 3rd April 2025, prior to the referral of those questions to the European Court, the High Court ordered an interlocutory injunction to the effect that in determining the slot coordination parameters at Dublin airport, the IAA should not take account of the 32 million passengers per annum planning permission condition pending the determination of the substantive issues by the Courts.

The IAA welcomes the publication by the Minister for Transport of the General Scheme for the Dublin Airport (Passenger Capacity) Bill 2026, which sets out the legislative approach to be taken to meet the commitment made in the Programme for Government to work with stakeholders with the objective of lifting the passenger cap at Dublin Airport.

There are 16 air carriers licensed in Ireland who operate a variety of aircraft ranging from long-haul jet aircraft to helicopters. We issued an operating licence to two new Irish air carriers during 2025: ToExcel Ireland Limited T/A 2Excel and Volare Acquisitions Limited T/A Flexjet International.

The overall number of aircraft registered with the IAA at the end of December 2025 was 1,467 aircraft, an increase of 32 on the previous 12 months. This includes 628 smaller aircraft used for recreational and business purposes, 56 rotorcraft and the fleet of 783 larger aircraft registered by the main airlines and the aircraft leasing industry, which has a significant presence in Ireland.

In line with its commercial mandate the IAA receives no Exchequer funding. In 2025, the IAA discharged its statutory functions with an average staff complement of 205. Higher than expected profit for the financial year after taxation was €6.1 million (2024: €1.9 million) on turnover of €45.6 million (2024: €37.4 million). Revenue for the year was broadly in line with expectations. The company's expected cost base was lower than expected, thus planned expenditure within the period was not as high as anticipated. There were a number of reasons for this result, many exceptional items that the IAA does not foresee re-occurring. This includes significantly less expenditure on pay, pensions and training. This is related to the IAA's current recruitment programme

to ensure sufficient staff to discharge core functions including additional functions that have been assigned to it. The timing of this recruitment and training in 2025 was slower than anticipated. Furthermore, the timing of certain planned ICT expenditure did not fully occur within the period. In addition, legal and consultancy cost have been lower than expected, largely due to daa plc. discontinuing a High Court action against IAA in relation to airport charges at the start of the year. There was also a positive movement in the company pension's fund. Due to accounting rules this movement must be disclosed in the IAA's accounts, as noted in the financial statements.

In late 2025, the IAA introduced its new digital application platform for Aircraft Registration and certification, designed to streamline application processing, payments and the issuing of digital certificates. Since the 28th of October the acceptance of new paper applications was replaced by an entirely digital platform. All submissions must be made through MySRS platform. All messages and communications are handled via the platform. In addition to aircraft registration, the MySRS system now provides the IAA and its customers with a digital interface in relation to many areas of the IAA's business including in relation to air passenger rights, drone operator registration and drone pilot certification, national aerodrome licences, aircraft maintenance licences and aircraft airworthiness, resulting in the issuing of digital certificates and licences.

I wish to thank my board colleagues for their support and dedication during the year. The board currently has nine directors, four of whom are female with the balance male.

I would like to thank Mr. Darragh O' Brien, T.D., Minister for Transport and Climate, Energy and the Environment, Mr. Sean Canney T.D., Minister of State with responsibility for International and Road Transport, Logistics, Rail and Ports and Mr. Jerry Buttimer T.D., Minister of State with responsibility for Rural Transport, Community Development and Charities for their support over the course of the year. I look forward to working with them over the course of the forthcoming year.

I would also like to thank Mr. Ken Spratt, Secretary General and Ms. Ethna Brogan, Assistant Secretary and the staff of the Department of Transport for their support during the year.

Finally, I would like to thank Mr. Declan Fitzpatrick, Chief Executive and all the staff of the IAA for their continued hard work and commitment.



Rose Hynes
Chair

24th April 2026

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€4.7bn

Irish Aviation
Contribution to
Irish Economy

44,000+

Employed in
Irish Aviation

14,000+

Aircraft leased by
Irish Lessors

CHIEF EXECUTIVE'S REVIEW

In 2025 global passenger journeys approached a new record 5 billion passengers and exceeded 38.5 million aircraft departures for the first time, marking another year of strong growth for civil aviation. Within the European region, traffic has passed the pre-Covid 2019 levels with 11 million flights and, prior to the commencement of hostilities in the Middle East and its impact on global fuel supplies, was expected to grow by 3.6% in 2026¹.



¹ <https://www.eurocontrol.int/sites/default/files/2025-10/eurocontrol-seven-year-forecast-2025-2031-october-2025.pdf>

Intercontinental traffic to Europe has grown faster than intra-European showing greater global connectivity. In Ireland, with increasing connectivity to Europe and beyond, all airports reported growth in passenger numbers and activity among Irish aviation employers continued to increase.²

Aviation is a cornerstone utility of Ireland's economy, underpinning the country's connectivity as an island nation and enabling its strong integration with global markets. It supports tens of thousands of jobs directly and indirectly, facilitates international trade and foreign direct investment, and is essential to the success of Ireland's tourism and export-driven sectors. By linking Irish businesses and communities to key European and global markets, aviation plays a vital role in sustaining economic growth and regional development.

At the IAA, it is our role to maintain the trust and value placed by the general public in civil aviation by appropriately implementing the applicable EU and national regulations, conducting appropriate oversight of the aviation industry through certification, licensing and continuous inspection of their operations, as well as providing a robust level of consumer protection and economic regulation.

Ireland also benefits from the aviation industry based abroad, not just entities the IAA regulate in Ireland. It is important that the IAA promotes the highest safety and security standards and best practices globally to ensure aviation continues to facilitate the global movement of Irish goods and people.

Sadly, in 2025 we experienced a single fatal general aviation accident in Ireland. This accident is currently under investigation by the Air Accident Investigation Unit (AAIU) and if the AAIU issue any safety recommendations to the IAA to prevent future accidents these will be reviewed and actioned by the IAA.

In 2025 the IAA welcomed two new airlines who commenced operations after rigorously demonstrating compliance with the safety, security and economic requirements for providing commercial air transport. ToExcel are supplying fixed wing aircraft operations to the Irish Coastguard Search and Rescue capability while Flexjet International is a global aircraft operator providing non-scheduled commercial flights in Europe and around the globe.

Industry Outlook

Eurocontrol forecasted that flights in Europe in 2026 will grow by 3.1% reaching 11.4 million flights in the region, however, the geo-political, economic and supply-chain risks to aviation remained high. In fact, at the time of writing, these risks have now substantially materialised. The ongoing closure of airspace in eastern Europe and currently in the Middle East, ongoing flight cancellations, volatility in fuel prices and aircraft and engine supply-chain challenges will test the profitability of the aviation industry as the year progresses.

Globally, IATA² predicted passenger numbers to increase by 4.4% to reach 5.2 billion passenger journeys, with high passenger load factors over 80% and strong fleet utilization. Again, these predictions are now subject to review to take account of the impact of hostilities in the Gulf region as they impact on fuel supplies and prices.

A key challenge for industry is in accessing talent and qualified personnel, especially aircraft maintenance engineers. The lack of progress in restructuring the national apprenticeship programme for aircraft maintenance engineers, to make it fit for purpose, is hampering the supply of new aircraft certification staff and is a constant challenge for the industry. Similarly, the cost of pilot training and lack of access to funding is hampering the supply of qualified pilots.

Dublin Airport Capacity

The legacy 2007 An Coimisiún Pleanála planning cap on terminal 1 and 2 of 32 million passengers per annum remains the biggest potential threat to the full utilisation of the existing infrastructure at Dublin airport. The IAA is responsible for the implementation of the EU Slot regulation³. The primary objectives of the regulation are to maximise the allocation of slots and ensure new entrant airlines can gain fair access at airports, subject to taking account of all relevant technical, operational and environmental constraints on airport capacity.

² <https://www.iata.org/en/iata-repository/publications/economic-reports/global-outlook-for-air-transport-december-2025/>

³ Regulation (EEC) No 95/93 (the Slot Regulation) on common rules for the allocation of slots at Community airports, as amended by Regulation (EC) No 793/2004.

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CHIEF EXECUTIVE'S REVIEW (CONTINUED)

Aer Lingus, Ryanair and a group of American airlines commenced a judicial review of the IAA's inclusion of a capacity parameter to take account of the 2007 An Coimisiún Pleanála 32 million passengers per annum cap on the terminals in the IAA Summer 2025 (S25) capacity declaration. The airlines sought an injunction from the High Court to stay the seat capacity parameter, which was granted by the Court, while also referring certain issues to the Court of Justice of the European Union (CJEU). Recently, an Advocate General of the CJEU provided their formal opinion on the referred issues. This opinion will be considered by the CJEU and a final determination of the CJEU is expected later this year. The Advocate General opinion⁴ concluded that an annual passenger limit imposed by a planning authority may be taken into account when allocating slots at an airport with capacity problems, which aligns with the IAA's position.

The IAA welcomes the recent publication of the Dublin Airport (Passenger Capacity) Bill 2026. The IAA will proactively support the Government, daa, Fingal County Council, Airport Noise Competent Authority (ANCA), An Coimisiún Pleanála and all stakeholders to address the 32m passenger cap in any way the IAA can.

Dublin Airport Charges – 2027 to 2031

Looking forward, in 2026 the IAA will decide on the level of airport charges that Dublin Airport can charge airlines for the period 2027 to 2031. This is a decision of significant importance for the aviation industry in Ireland and the passengers who use Dublin Airport. The IAA's decision will determine the Dublin Airport's future capital investment, the efficient level of operating costs, an appropriate level of service that the airport should deliver to passengers and airlines and will assess the airport's ability to finance itself. The IAA will arrive at its decision after carefully considering representations from all interested parties.

Cyber Security and Resilience

Digitalisation is having a positive benefit for aviation, bringing simplified processes, access to new markets, increased innovation and improved competitiveness for Irish aviation entities, however, it is also increasingly presenting a risk to aviation in terms of cyber security. The growing reliance on, and integration of, technologies supporting aviation operations includes standard business processes like passenger ticketing, finance, HR and more specialised systems supporting the safe operation of aircraft. A breach of any of these systems can have a major impact on operations.

New EU regulatory requirements for Information Security (Part-IS) became applicable to most aviation entities on a phased basis in Q4 2025 and Q1 2026. Additionally, the EU NIS 2 Directive (Network and Information Systems 2 Directive) will apply to more aviation entities than previously applicable under NIS 1. Similarly, the EU Critical Entities Resilience Directive will also apply to some aviation entities. These requirements, when the directives are transposed fully in Ireland, will ensure that entities are resilient against threats and have the appropriate processes to mitigate any negative impacts.

The IAA is assisting the regulated entities in adopting these new rules and ensuring they are taking the necessary steps to protect their systems to the greatest extent possible, recognising the continuously shifting nature and sophistication of attacks we all experience.

Environment

A key challenge for aviation is to improve its overall environmental impact and to honour its commitment to reach net zero carbon by 2050. A key enabler in Europe is the ReFuelEU Aviation legislation⁵ which requires, from the 1st January 2025, that fuel suppliers in Europe must ensure that 2% of all fuel made available at EU airports is Sustainable Aviation Fuel (SAF), rising to 6% in 2030, 20% in 2035 and gradually to 70% in 2050. From 2030, 12% of these fuels must also be synthetically manufactured fuels, rising to 35% in 2050.

The IAA is the competent authority for ensuring:

- airport management bodies take all necessary measures to facilitate the access of aircraft operators to fuel containing the minimum share of SAF/eSAF.
- ensure aircraft operators comply with the anti-tankering rules - that is the yearly quantity of aviation fuel uplifted by a given aircraft operator at a given Union airport shall be at least 90% of the yearly aviation fuel required.
- assessing justifications from Irish aircraft operators for falling below the uplift threshold at a Union airport and granting temporary exemptions from the uplift obligation on specific routes departing an Irish airport.

Globally, the demand for large volumes of SAF represents a strategic opportunity to diversify energy production, enabling countries with good renewable energy potential to become self-sufficient in fuel production and to ensure energy security. The IAA will continue to proactively support the Government's initiative to develop a National Sustainable Aviation Fuel Policy Roadmap.

⁴ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex:62024CC0857>

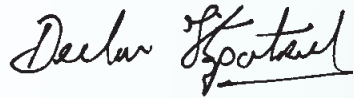
⁵ Regulation (EU) 2023/2405 on ensuring a level playing field for sustainable air transport (ReFuelEU Aviation)

Acknowledgements

I would like to thank the IAA Chair, Rose Hynes, and the IAA Board members for their expert guidance and continuous support to our management team throughout the year.

I would also like to thank the Department of Transport for their commitment and dedication to aviation issues in Ireland.

Finally, I must acknowledge the continued dedication and commitment of the IAA staff to delivering an effective aviation regulator for Ireland. Our people and their expertise and dedication continue to be the IAA's single greatest asset. We remain continually focused on regulating to the highest professional standards to ensure a safe, secure and consumer-focused aviation environment. Our professionalism and commitment will continue to be at the heart of everything the IAA does. We will always aim to continuously improve and continue to enable and support its experts to be the best in their fields, providing the organisation necessary to deliver to the highest aviation standards for the overall benefit of Ireland.

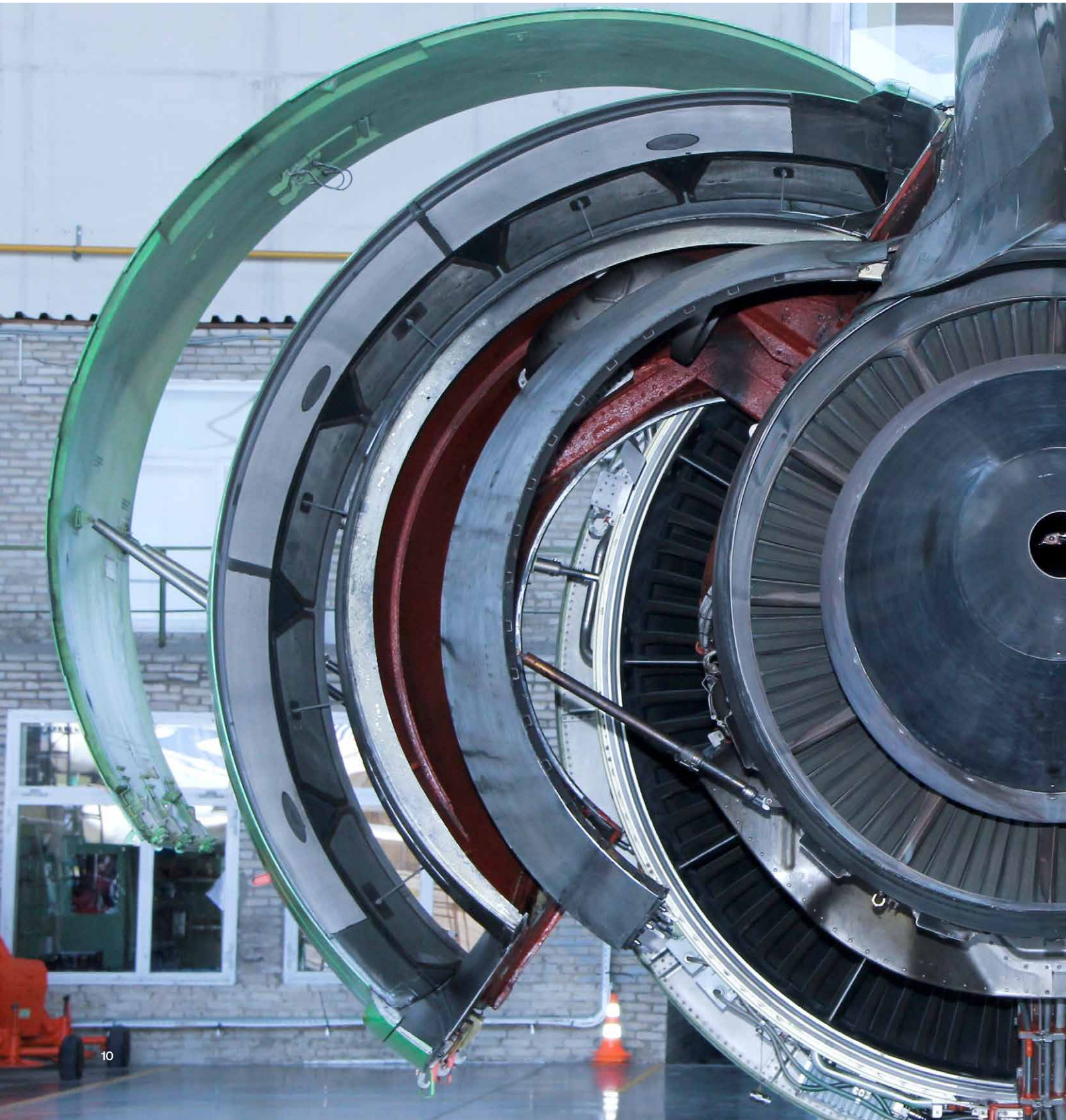


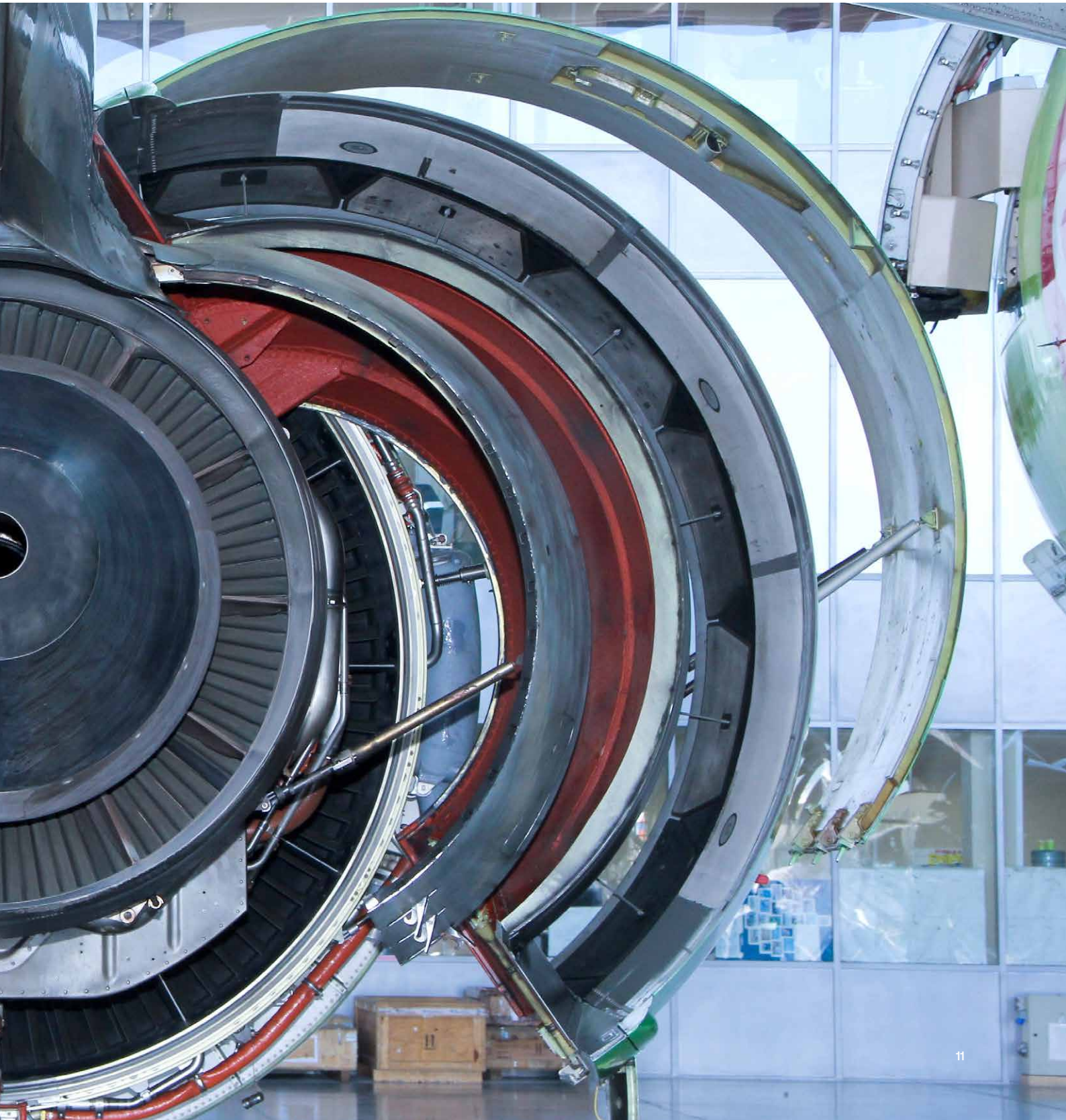
Declan Fitzpatrick
Chief Executive

24th April 2026

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OPERATIONS REVIEW





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OPERATIONS REVIEW

The IAA's Role

The Irish Aviation Authority (IAA) is a commercial semi-state company (Designated Activity Company) and the single civil aviation regulator for Ireland. The IAA is responsible for the regulation and oversight of civil aviation safety and security in Ireland, and for economic regulation and consumer protection.

The IAA has been delegated responsibility for ICAO (International Civil Aviation Organisation) Annexes and EU Regulation in accordance with the schedules set out in the Air Navigation Transport Act 2022. The IAA is the national competent authority in the context of aviation safety regulation as defined in Regulation (EU) 2018/1139 and is also responsible for oversight of certain state operational functions outside the remit of ICAO Annexes (e.g. non-certified vintage and homebuilt aircraft, coastguard aviation including search and rescue). The IAA is the authority responsible for implementation of the State Safety Programme in Ireland.

The IAA's responsibilities are set out in the framework of applicable global, European and national legislation/ regulation.

The regulatory functions include, but are not limited to:

- Registering aircraft and certifying their continued airworthiness
- Licensing personnel and certifying organisations involved in aircraft maintenance

- Licensing pilots, air traffic controllers and aerodromes
- Approving and monitoring air carrier operating standards
- Registering drone operators
- Price Regulation of Dublin Airport and AirNAV Ireland
- Schedule coordination/slot allocation at Irish airports
- Licensing the travel trade in Ireland
- Licenses airlines and approval of ground handling services provider
- Implementation of EU legislation covering Air Passenger Rights, the provision of assistance to Passengers with Reduced Mobility and the European Accessibility Act
- Oversight of civil aviation security

The IAA operates to the highest international safety standards set by:

- International Civil Aviation Organisation (ICAO)
- European Union (EU) and the European Aviation Safety Agency (EASA)
- European Civil Aviation Conference (ECAC)

These guide the IAA in ensuring that Irish civil aviation operates to the most stringent safety standards. Safety is key to IAA business and underlines everything the company does.

The following chart provides the high-level summary of all licenses and certificates issued by the IAA, within the safety and security domains.



Safety and Security Regulated Aviation Industry in Ireland

key figures as of 31/12/2025

- 

21,205 Flight Crew Licences

- 

2,740 Maintenance Engineers

- 

344 Air Traffic Control Officers
28 Student Air Traffic Controllers
56 Radio Officers
3 Flight Information Service Officers

- 

983 FCL Examiners

- 

1 Aero Medical Centre
14 Aeromedical Examiners

- 

9,856 UAS Operator Registrations
 Remote Pilot Certificates
 – 22,797 A1/A3
 – 2,367 A2
 – 766 STS

- 

2,279 AvSec Certified personnel

- 

1,467 Registered Aircraft
535 Aircraft on Irish AOCs
629 GA (incl. Annex I)

- 

13 Fixed Wing -
 Air Operator Certificate

- 

3 Helicopter -
 Air Operator Certificate

- 

3 National Coast Guard
 Aviation Services Approvals

- 

10 Part-NCC
 Declared Operators

- 

10 Part-SPO Declared Operators

- 

17 Approved Training Organisations
15 Declared Training Organisations
04 National Flight Training Organisation
01 National Microlight Training Organisation

- 

5 Cabin Crew Training Organisations

- 

16 Flight Simulator Training Devices

- 

35 Part 145 Maintenance Organisations
29 Continuing Airworthiness Management Organisations
6 Combined Airworthiness Organisations
7 Production Organisations
12 Design Organisations
5 Part 147 Maintenance Training Organisations

- 


7 EASA Aerodrome certificates
14 National Aerodrome licenses
6 Unlicensed Aerodromes – Flight Training Declaration
1 Unlicensed Aerodrome – Night Ops. Declaration

- 

7 Air Traffic Services & Communication/
 Navigation Service Provider Certs
1 Air traffic flow management & Airspace
 management service provider Certs
1 Aeronautical Information Services Provider Cert
1 North Atlantic Airspace Comms Provider Cert
6 Meteorological Services Provider Certs
8 Air Traffic Control Training Providers (TU)
1 Flight Inspection service provider cert

- 

64 Operational Authorisations
23 Operational Declarations
14 Cross border approvals
5 Light UAS Certificates
3 Recognised Entities

- 

All aircraft operators
 All aerodrome operators
23 AvSec Training Organisations
92 Known Consignors
53 Regulated Agents
67 Certified Hauliers
14 Regulated Suppliers
4 State organisations
24 Known suppliers
6 Air carriers carrying cargo into the EU

02

OPERATIONS REVIEW (CONTINUED)

State Safety Programme and State Plan for Aviation Safety

The State Safety Programme for Ireland (SSP) is published on the IAA website at www.iaa.ie/safety. An SSP Co-ordination Committee meets quarterly to ensure relevant co-ordination between the State agencies involved in implementing the SSP.

The IAA works with the EASA Management Board Advisory Body (MAB) in developing strategic priorities in civil aviation within the EU. The MAB met on three occasions during 2025, and the main issues discussed included key EU regulatory developments, rules simplification, cybersecurity, sustainable aviation, digitalisation of aviation, artificial intelligence, new operational concepts and ongoing research projects. These strategic priorities inform the European Plan for Aviation Safety, which in turn informs the Plans for Aviation Safety in EU Member States.

The 2025 update to the State Plan for Aviation Safety (SPAS) was the final annual update in the 3-year strategic cycle 2023 – 2025. As a result, the update was to SPAS volume II ‘SPAS Actions’ only.

The 2025 version of the SPAS vol II was presented in eight chapters, one to address actions to improve safety management at State level and seven chapters to address operational risks across different aviation domains. The 2025 update documents 57 open and ongoing safety actions. Nine other actions were closed in the 2025 edition, whilst one new safety action was opened regarding safety promotion activity for the establishment of Local Airspace Infringement Teams.

The SPAS continues to maintain good alignment with the European Plan for Aviation Safety (EPAS), and its Member State Tasks (MSTs) which have translated into IAA SPAS safety actions. In 2026, this alignment with EPAS will be enhanced further with the introduction of an IAA safety issues prioritisation index (SIPI), which will help focus resources on areas of higher priority.

The IAA publishes the State Plan for Aviation Safety (SPAS) to highlight the key aviation safety and safety objectives and mitigating actions being taken in Ireland to address safety and security risks. The SPAS is published on the IAA website at <https://www.iaa.ie/safety>.

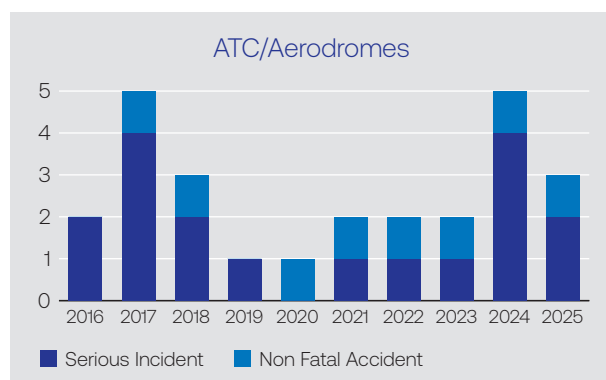
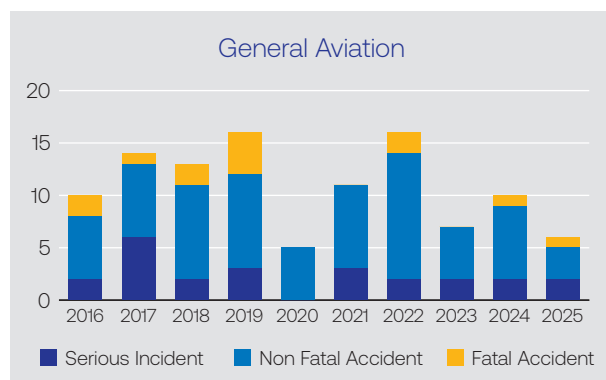
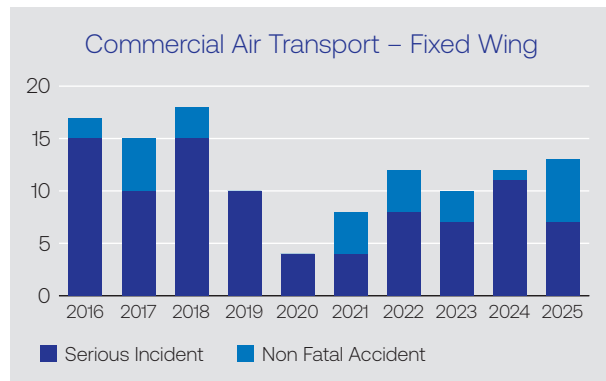
A new version of the SPAS is currently in development for the three-year reference period 2026–2028. This Plan will address key priorities to enhance regulatory functions in safety management, compliance oversight and safety promotion, as well as to support organisations in addressing operational risks across different domains (e.g. aircraft operations, air navigation services, aerodrome operations, airworthiness). The SPAS is developed in consultation with aviation stakeholders and will align with the IAA Statement of Strategy 2026–2028 developed in 2025.

Annual Safety Performance Review

A statistical report on the Annual Safety Performance of the Irish Civil Aviation System is published at www.iaa.ie/safety. Sadly, there was one fatal aircraft accident during 2025 with one fatality. The IAA extends its sympathies to families and friends of the bereaved. The IAA continues to work with regulated entities and the general aviation community to learn from accidents and serious incidents to help prevent future fatalities in aviation.

The ten-year trends for accidents and serious incidents are shown in the following charts. Each individual occurrence is subject to independent safety investigation and report by the AAIU, and regulatory oversight by the IAA of the regulated entities involved.

Accident and Serious Incident 10-year Trends



Aircraft Registration

The aircraft register stood at 1,467 aircraft at the end of December 2025, increasing by 32 aircraft on the previous 12 months.

	Dec 2024	Dec 2025	Annual Change
Large Aircraft > 5,699 kg	762	783	21
Small aircraft < 5,700 kg	612	628	16
Total Aircraft	1,374	1,411	37
Rotorcraft	61	56	-5
Total Register	1,435	1,467	32

There were 204 actual transactions on the aircraft registry, 78 aircraft removed from the registry and 115 added while 3 additional rotorcraft were added and 8 removed.

Register at:	Aircraft Additions	De-Registered Aircraft	Registered Aircraft	Rotorcraft Additions	De-Registered Rotorcraft	Rotorcraft	Register Incl. Rotorcraft
Dec-24			1,374			61	1,435
Jan-25	8	8		1	-1		
Feb-25	7	8		0	-1		
Mar-25	6	7		0	0		
Apr-25	15	4		0	0		
May-25	13	4		1	-1		
Jun-25	7	8		0	0		
Jul-25	6	8		0	-1		
Aug-25	11	8		1	-1		
Sep-25	24	6		0	0		
Oct-25	9	13		0	-1		
Nov-25	4	1		0	-1		
Dec-25	5	3	1,411	0	-1	56	1,467
	115	78		3	-8		



02

OPERATIONS REVIEW (CONTINUED)

Flight Operations

Ireland's aircraft operators had a very active year in 2025, and all operators either expanded or recalibrated their operations resulting in increased certification and oversight activity. Group operations (cooperation between two or more airlines of the same commercial Group) and the associated regulatory oversight complexity continues to be a significant feature. Previous organisation experience in IAA Flight Operations in implementing these concepts has been beneficial and staff will participate in the upcoming EASA Rulemaking Tasks to further embed this new business reality in EU Regulations.

Airlines with an ACMI business model had a challenging year and much work was done to ensure that these operators would have the regulatory approvals necessary to permit flexibility and an ability to respond to changing market environments in Europe and globally. New operators received initial AOC Certification and the transition to the newly contracted Irish Coastguard Aviation Service operator was successfully overseen.

Flight Operations (Scheduled) Division completed the continuous risk-based oversight of the seven Irish-certified airlines, including multiple operations across the EU. These airlines have multiple IAA approvals and are subject to flight, cabin, ramp and training inspections by flight operations inspectors across the EU.

Flight Operations (Non-scheduled) Division has responsibility for the certification and oversight of the air taxi operators, commercial air transport with business jets, a diverse growing sector in Ireland and 2025 saw the initial AOC certification of a significant new operator in this space. The Division also has oversight responsibilities for the Pilot and Cabin Crew Training organisations and for the smaller Declared and national pilot training organisations, all of whom contribute significantly to the pilot training sector in Ireland.

Specialised Operations and Coastguard Aviation Division activity was dominated by the regulatory certification and oversight of the transition between SAR providers and the provision of continuous safety oversight during uninterrupted SAR operations. The Division also ensured the continuing approvals for many foreign operators conducting important aerial survey work for State entities. The Safety Assessment of Foreign Aircraft (SAFA) programme managed by this Division, involving a pre-determined ramp inspection programme at Irish Airports with specially qualified flight operations and airworthiness inspectors, was successfully completed.

Aviation Infrastructure

Throughout 2025, Ireland's aviation system navigated a year marked by extensive infrastructure activity, evolving regulatory requirements and a continued emphasis on safety and operational resilience. Rising demand, coupled

with major airport development works and an active European regulatory agenda, shaped a challenging but highly productive twelve months.

Air Navigation Services Division (ANSD) maintained continuous oversight of en-route and terminal navigation services at all State airports, regional airports, and other non-State aerodromes through targeted audits, inspections, and operational reviews. A major oversight focus was on service provision resilience issues and CNS infrastructure reliability, particularly during planned and unplanned outages requiring coordinated mitigation. The division's risk-based oversight framework continued to mature, with inspectors directing resources to higher risk operational areas, applying enhanced surveillance techniques, and continuously updating risk profiles through safety performance data, thematic reviews and runway/airspace safety activities. A significant milestone in 2025 was achieved when ANSD received the highest maturity rating in the EASA standardisation inspection of ATM/ANS in Ireland, recognising the strength of the management system, the structured competence framework, and the evidence-based corrective action processes.

Airspace & U-space Division (AUSD) airspace and U-space operations were shaped by a high volume of temporary airspace requirements for major events and essential operations, requiring close coordination and timely regulatory approvals. The transition to the new digital UAS Geographical Zone format represented a major national upgrade, though operators experienced integration challenges that required additional support and guidance. Oversight activity remained strong, with targeted audits, safety assessments and continued enforcement to address infringements. Regulatory development progressed in preparation for updated European risk assessment frameworks and future U-space services. Overall safety performance remained stable, supported by active engagement with national and international partners throughout the year.

The Aerodromes Division's (ADRD) work in 2025 centred on major airfield-upgrade projects and sustained safety oversight across the national airport network. Taxiway rehabilitations, apron developments and preparations for future runway-access improvements required coordinated planning to maintain safe operations during reduced-capacity periods. Safety performance remained strong, supported by regular safety meetings, emergency exercises and wildlife-hazard monitoring. Compliance activity continued throughout the year, covering licensing, inspections and ground-operations oversight, while regulatory engagement advanced several new hangar developments. The division also implemented new European cybersecurity and English Language Proficiency requirements and launched the national consultation on a future Aviation Safeguarding Framework.

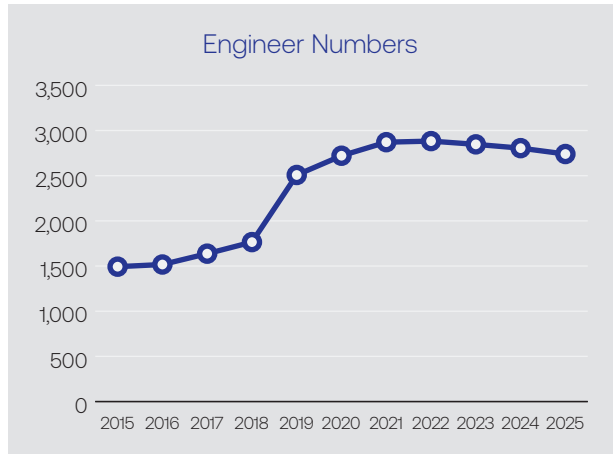
In relation to operational preparedness, the IAA participated in VOLCEX25, a large European volcanic ash response exercise that tested cross border coordination and ensured readiness for complex airspace disruptions. This exercise formed part of a broader commitment to strengthen the resilience of the aviation system in the face of emerging risks and environmental change.

Personnel Licensing

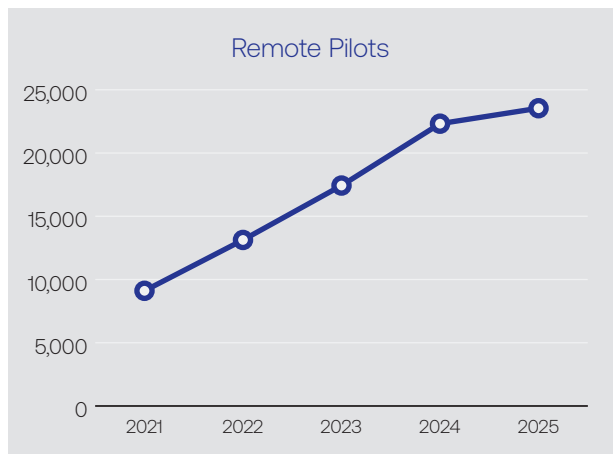
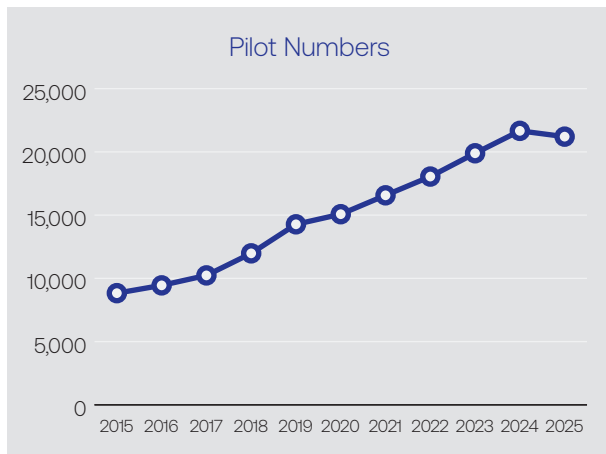
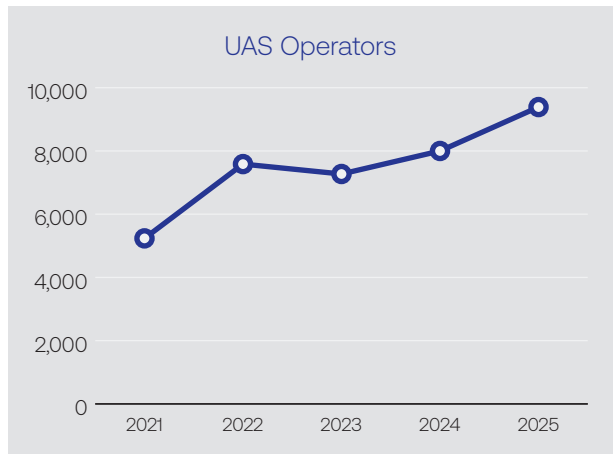
The Personnel Licensing Division is responsible for the licensing of flight crew and aircraft maintenance engineers, administering the licensing processes for Air Traffic Services (ATS) personnel, managing the medical assessment system for flight crew and ATS personnel, developing and overseeing theoretical knowledge examinations, and approving designated maintenance training organisations.

During 2025, the number of active flight crew licences decreased slightly, reflecting a moderation in airline growth plans. This is projected to grow again in 2026 as airlines prepare for further fleet increases.

Of particular concern is the continued decline of the number of engineering licences as retirements outpaced the entry of newly qualified engineers. In response, there has been a substantial increase in engineer trainee recruitment started in 2025 and is expected to begin reversing this trend, with a positive impact anticipated from late 2027 when those who entered training in 2025 begin to qualify.



Unmanned Aircraft Systems (UAS)



02

OPERATIONS REVIEW (CONTINUED)

The UAS, commonly referred to as drones, industry continues to grow. The IAA has over 9,000 UAS operators, and has issued over 23,000 remote pilot certificates.

The National Policy Framework for UAS was published by the Department of Transport in August, with work on the action items planned to commence in 2026. The policy framework assigns a number of tasks to the IAA and will progress these in line with the timelines and resources provided by the Department.

2025 saw the second year of the Drone Innovation Partnership with Maynooth University and Dublin City Council, a research project to investigate how UAS ecosystems can be rolled out across cities and busy environments in a fair, accessible, and transparent fashion. Partnership projects include:

- A study of UAS activity across Dublin City, analysing spatial-temporal patterns and trends,
- Development of a digital twin, ingesting elevation, demographic, transportation, land-use, and environmental data, and
- Stakeholder engagement to understand user needs and address key concerns around safety, noise, privacy, and nuisance impacts.

The IAA continues to contribute to regulatory development at both European and international level, including regulatory simplification, AMC/GM updates, and assisting with the development of the updated Specific Operations Risk Assessment, published in September.

Aviation Security

Aviation Security regulation includes the approvals granted to more than 400 airports, air carriers and secure supply chain organisations who are responsible under the National Civil Aviation Security Programme and European regulation for implementing measures that ensure the security of the travelling public.

Once approved, each organisation is subject to oversight on a risk-based frequency and 355 inspections were completed in 2025.

The IAA also certifies personnel that implement screening of people, baggage and goods that go on board aircraft and into security restricted areas at airports. Aviation security instructors are also certified by the IAA. All of these individuals' complete examinations to demonstrate that they have sufficient competency for their important role, which has to be maintained throughout their time in the role. In 2025 there were 2,279 personnel certified by the IAA in this domain.

At international level, the team contributes to initiatives that foster a harmonised approach, promotes higher standards of detection for security equipment based on scientific

research and data led innovation, and engages in rule-making and capacity building activities.

At national level, the team works closely with the Department of Transport and reports regularly to the Department on matters pertaining to its policy remit.

The team also works with industry to provide guidance and technical expertise on compliance and implementation concerns. Stakeholder feedback is a priority and this year, the team has led an IAA initiative to seek formalised feedback following oversight activities, which will be rolled out more broadly in 2026.

Regulatory highlights were the adoption of a new regulation on occurrence reporting which will see improved information sharing and advance efforts to learn from experience, new cybersecurity regulations within a changing national framework whereby sector regulators including the IAA have oversight on critical entity resilience in their sector, and a new inspector training programme developed and implemented.

Regulatory Changes

During the reporting year, the IAA was part of a joint delegation with the Department of Transport that attended the General Assembly of ICAO to support the development of the work programme for global civil aviation regulation over the forthcoming 3-year period. This work programme will direct the work of ICAO Task Forces and Working Groups, which are supported by experts from the IAA to ensure Ireland's strategic interests are maintained in global regulatory changes in civil aviation. Ireland had the honour of chairing the Technical Commission of the General Assembly which focussed on developing the safety and capacity building elements of the overall work programme.

The IAA continues to engage with EU Member States and the EU Commission regarding the development of new and enhanced EU aviation safety regulations. This work is conducted under the auspices of the EASA Committee in DG MOVE. This Committee has been working on a wide range of regulatory developments, many of which reflect the aviation sector's continuing shift toward more flexible, modern, and riskbased oversight.

Several previously adopted EU regulations are now approaching their implementation dates, including updates to ensure the training of sufficient numbers of air traffic controllers, adequate funding for EASA, and adjustments to airworthiness procedures to support aviation leasing. Collectively, they aim to modernise existing frameworks and harmonise older rules that no longer reflect current operational realities.

The most recent work at the EU-level has focussed on several major regulatory developments across simulator training, air traffic management, air operations, and fatigue

rules. Additional areas of focus include early work on a regulatory framework for aviation security reporting relating to drones, updates to air operations rules and new fatigue rules for aeromedical services, air taxi, and single-pilot operations. These latter measures aim to modernise outdated frameworks while reflecting operational realities and emerging safety science.

The IAA is also a member of the EASA taskforce on EU Rules simplification for aviation which aims to make doing business in Europe easier without compromising on the primary objective of ensuring aviation safety.

At the national level, the IAA, together with the Department of Transport, continues to review and develop national aviation legislation to ensure the highest standards of safety, security and economic regulation and compliance with international and EU regulatory requirements.

Air Passenger Rights and Accessibility

Air Passenger Rights - Regulation EC 261/2004

The IAA is the National Enforcement Body for Regulation EC 261/2004 which sets out the rights of Air Passengers if their flight is cancelled or delayed, denied boarding or downgraded.

Passengers may submit a complaint to the IAA who will investigate instances of flight cancellations, delays of at least two hours and denied boarding or downgrading for all flights due to depart from Irish airports and for flights arriving at Irish airports from non-EU countries (if operated by EU-licensed carriers). The IAA investigates such cases and determines whether the airline has complied with Regulation EC261/2004 or whether a corrective action is required to ensure the passenger receives their legal entitlements.

In 2025, the Air Passenger Rights Team advised 4,243 individuals by telephone or email. The most common enquiries related to how to raise complaints with airlines and information on raising complaints to other EU National Enforcement Bodies where the flight departs from another Member State.

The IAA handled 2,883 complaints against airlines in 2025, this included complaints carried over from 2024 and 2,112 complaints submitted in 2025. The number of complaints submitted in 2025 was down 5% in comparison to the 2024 complaint levels.

Table 1.1 - Reasons for Regulation EC261/2004 Passenger complaints to IAA

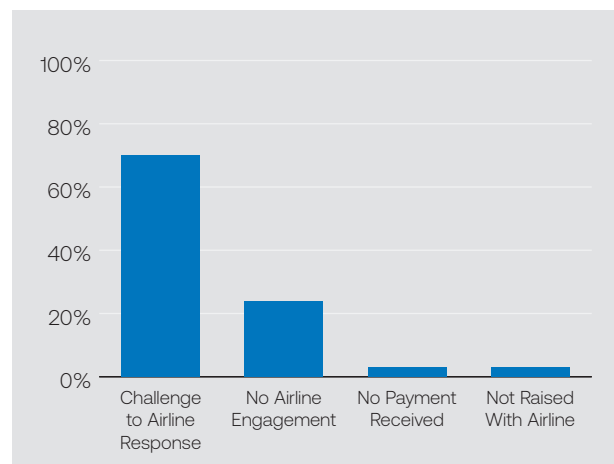


Table 1.1 shows the main reasons why the IAA receives complaints from passengers.



02

OPERATIONS REVIEW (CONTINUED)

The table below sets out the outcomes of IAA investigations carried out in 2025.

Table 1.2 - Regulation EC261/2004 complaints handled in 2025

Type of Complaint (% of total complaints)	Number of Complaints Handled	Number of Completed Investigations	Number of Complaints Upheld in favour of complainant	% of Complaints Upheld	Number of Complaints not upheld
Cancellation (41%)	1,194	995	629	63%	366
Long Delay (48%)	1,397	1,197	487	41%	710
Denied Boarding (9%)	256	209	85	41%	124
Downgrading (1%)	35	32	12	37.5%	20
Upgrading (0%)	1	1	0	0%	1
Total	2,883	2,434	1,213		1,221

Following the IAA's intervention, a total of €1,129,971 comprising of €334,471 in refunds and 795,500 in compensation was awarded to passengers in respect of the 1,213 complaints upheld.

1,221 complaints were not upheld in favour of the complainants. The main reason was that the air carriers were able to prove that a disruption was caused by extraordinary circumstances and therefore would be exempt from paying compensation.

In 2025 the IAA received complaint submissions against 52 airlines in relation to Regulation EC261/2004. Aer Lingus (31% of all complaints), Ryanair (28%), Emerald Airlines (7%), Turkish Airlines and Qatar Airways (3% each) were the subject of the majority of the complaints received. The remaining 28% of complaints related to 47 other airlines.

The IAA took formal enforcement action against three airlines in 2025. The IAA issued a total of 21 Directions, 10 to Romanian airline Dan Air, 9 to Moldovan airline Flyone and 2 to Latvian based Smartlynx Airlines, requiring the payment of compensation and refunds to passengers. Non-compliance with a Direction is an offence under the Aviation Regulation Act 2001. By the end of 2025, the Directions against Dan Air and Flyone had not been complied with and were successfully prosecuted in early 2026. No further action can be taken in respect of the Directions against Smartlynx Airlines as the airline ceased operating in November 2025.

Persons with Reduced Mobility

The IAA is committed to upholding the rights of passengers who require additional assistance when travelling by air. The IAA demonstrates its commitment through ongoing proactive efforts to ensure equal access, dignity, and fairness for all passengers.

In 2025, the IAA handled 48 complaints, this includes 7 complaints carried over from 2024 and 2023 and 41 new complaints received in 2025. From the total number of complaints 35 relate to airlines, 11 relate to airports and 2 relate to travel agent/tour operator. The IAA concluded 37 complaints during 2025, an increase of 71% on 2024.

PRM complaints related to issues such as:

- damage to passengers' wheelchairs;
- delays in receiving assistance at the airport,
- the suitability of seating for PRM seating;
- instances where pre-notified assistance was not provided; and
- Refusal of carriage of mobility equipment and/ or medical aids without providing adequate grounds/ explanation.

The IAA conducts annual airport accessibility inspections under Regulation (EC) 1107/2006 to monitor compliance by the 6 Irish commercial airports to PRMs. All six airports were inspected in 2025.

European Accessibility Act

On the 28 June 2025, the European Accessibility Act (EAA) came into force across the EU, introducing harmonised accessibility requirements for digital services and support systems. As Ireland's designated compliance authority for the accessibility of air passenger transport services provided by airlines, the IAA undertook preparations to support implementation and ensure effective oversight. Throughout the year, the IAA engaged with airlines as well as national and EU stakeholders to promote inclusive travel. Since June 2025, the IAA has received four complaints under the EAA.

Air Navigation Performance and Charging

In 2024, the IAA issued its decision in respect of the RP4 Performance Plan for air navigation services in Ireland for 2025-2029. The new Performance Plan came into provisional effect on 1 January 2025, pending the assessment of the European Commissions as to consistency or otherwise with the Union-wide performance targets. The Performance Plan established new performance targets for AirNav Ireland, and set the new Unit Rates to be charged to users of Irish airspace, and users of AirNav Ireland's terminal services at the three state airports.

Having regard to the findings and advice of the PRB, the European Commission included the Irish draft Performance Plan among those found to be inconsistent with the Union-wide Cost-Efficiency target. Consequently, it was necessary for the IAA to submit a revised draft Performance Plan. Therefore, the IAA reviewed its initial draft performance plan, providing further detail and carried out further consultation in July before submitting an updated draft performance plan in August 2025. The main adjustment in the draft performance plan was the inclusion of incentive schemes which will ensure that AirNav will need to deliver the associated increased Air Traffic Controllers and Engineers in order to retain the associated remuneration. A decision from the European Commission is expected in Q1 of 2026.

Economic Regulation of Dublin Airport

In 2026 the IAA will make a new determination to set the maximum level of airport charges at Dublin Airport for the period 2027-2031. In March 2025 the IAA published its proposed timeline for the 2026 Determination and in July 2025 the IAA published the issues paper, which highlighted the critical areas for consideration in the upcoming regulatory period and outlined the proposed methodologies for establishing the maximum level of airport charges at Dublin Airport over the period. This paper began the IAA's substantive process of engaging with stakeholders in preparation for the upcoming determination. The IAA plans to publish the Draft 2026 Determination in June 2026, which will be followed by a two-month consultation period. The IAA's final 2026 Determination will then be published by the end of 2026.

The IAA is also the Independent Supervisory Authority (ISA) in Ireland for the purposes of the Airport Charges Directive 2009/12/EC. Dublin Airport's annual consultation process in respect of the individual charges and incentive schemes to be introduced in March 2026 commenced in November 2025, allowing airport users an opportunity to review and comment on proposed aeronautical charges for 2026/27. In December 2025, Dublin Airport published its final decision on aeronautical charges and incentives, following one round of consultation. No appeal has been received by the IAA in respect of this decision.

2025 Service Quality at Dublin Airport

Dublin Airport reports its service quality performance to the IAA monthly, with reference to 22 metrics. Security queue times have improved notably since 2023, where in 2025, security queue times did not exceed 30 minutes on any day and remained below 20 minutes 99% of the time. The IAA also monitors quality of service at Dublin Airport across 15 different passenger satisfaction metrics, reported quarterly. In 2025, Dublin Airport achieved at least two bonus thresholds in each quarter of the year, however, information on public transport on arrival was below minimum standards in each quarter of the year.

Slots and Capacity

There are certain conditions attached to planning permissions at Dublin Airport which limit the 'combined capacity of Terminal 2 together with Terminal 1' to 32 million annual passengers. We refer to these conditions collectively as 'the 32mppa Conditions'.

The IAA had published the Final Decision on the Summer 2025 parameters at Dublin Airport in October 2024, which included a seasonal seat capacity limit of 25.2m to continue to take account of these conditions. Aer Lingus, Ryanair, and Air Transport Association of America (A4A) brought judicial review challenges against this decision. In November 2024, a stay on the seat capacity limit was granted by court order on the operation and implementation of the PATM Seat Capacity parameter of 25.2 million seats. The stay will remain in effect pending determination of the Judicial Review Proceedings, or until further order of the High Court.

The IAA published the Decision on Winter 2025 Coordination Parameters at Dublin Airport in May 2025, and the Summer 2026 parameters in October 2025. These decisions did not include any seasonal seat cap coordination parameter, in line with the High Court order. In line with the Slot Regulation, the decisions aimed to maximise available capacity subject to relevant constraints, with a particular focus on runway, stands, passenger terminal, and US Preclearance.

Air Carrier Licensing

At end of 2025, 16 Irish based air carriers were licensed by the IAA (11 Category A and 5 Category B). We issued an Operating Licence to two new Irish air carriers during 2025: ToExcel Ireland Limited T/A 2Excel and Volare Acquisitions Limited T/A Flexjet International.

During the year, all licence holders were subject to regular monitoring to ensure compliance with licensing legislation concerning financial fitness, insurance cover and ownership and control. We continued to monitor closely the financial position of air carriers, through the submission of frequent financial data and regular engagement.

02

OPERATIONS REVIEW (CONTINUED)

We received four submissions during 2025 from Irish air carriers made under Article 8 (5) of the Licensing Regulation which requires the IAA to be notified in advance of any substantial changes in the scale of their activities, in advance of any intended mergers/acquisitions or where there is a change in ownership and control. Two submissions involved a change in ownership and control and two submissions related to a change in the scale of activities which required assessment by the IAA.

Groundhandling Approvals

At the end of 2025, there were 10 self-handling approval holders (i.e. where an airline chooses to provide groundhandling services to itself) and 40 approved suppliers of groundhandling services or third-party handlers (i.e. a company engaged in the provision of groundhandling services to an airline or a dedicated groundhandling company). A full list is available on the IAA website.

During 2025, the IAA received two new applications for approval and three applications to amend existing Approvals in place. Approvals are issued for a period of five years. The IAA renewed 17 approvals (4 self-handling, 13 third party handling) during 2025 following successful completion of the renewal process by the relevant companies.

During the year, all Approval holders were subject to regular monitoring to ensure compliance with the relevant Regulations concerning financial fitness and insurance cover in particular.



Travel Trade Licensing

The IAA has a consumer protection role in relation to the customers of travel agents, tour operators and package organisers in the event that a company goes out of business (that is, the provider can no longer meet its obligations). We achieve this by licensing travel agents and tour operators established in Ireland and administering an insolvency protection scheme including the Travellers’

Protection Fund. We process claims from customers in the event of a business failure.

A full list of licensed/bonded travel agents and tour operators, including those that have provided Insolvency Protection cover, is published on the IAA’s website to help consumers identify businesses that provide such protection.

In 2025, the IAA issued 161 licenses. In 2025, Oomi Travel Limited, an organiser of packages, ceased trading and the IAA are operating a claim procedure for its customers under its consumer protection scheme. In 2025, the IAA investigated 16 complaints about possible unlicensed trading.

	2025 (€m)		2024 (€m)	
	Bond	Projected Licensable Turnover	Bond	Projected Licensable Turnover
Travel Agent	40	992	39	963
Tour Operator	7	73	8	78
Totals	47	1,065	47	1,041

Aviation Sustainability

In 2025, the IAA strengthened its strategic and regulatory focus on environmental performance. A key development was the establishment of a new dedicated Aviation Sustainability division, formalising the IAA’s expanded role in overseeing the sector’s environmental performance. This new division consolidates expertise across environmental regulation, policy readiness and industry engagement, ensuring the IAA is well positioned to meet developing national, European and international environmental expectations.

Significant preparatory work was undertaken in 2025 for the ReFuelEU regulation, which mandates the progressive adoption of blends of sustainable aviation fuel across the European network. Throughout the year, the IAA coordinated with national stakeholders, including the Department of Transport, National Oil Reserves Agency and Environmental Protection Agency, as well as EASA and European Commission, to prepare for full implementation of the regulation in 2026.

The IAA also began preparations for the Critical Entities Resilience (CER) regulation (which includes climate resilience) and joined a European aviation climate change adaptation working group focusing on coordination and collaboration to build climate change resilience.

Under its responsibilities within the Single European Sky regulation, the IAA has increased its environmental oversight of AirNav Ireland, noting the challenge it has ahead to meet its environmental targets in 2025-2030.

Stakeholder Engagement

During 2025 the IAA engaged with Stakeholders in multiple ways including the following:

- The Aviation Stakeholder Forum was established in 2023 and includes representatives from all sectors of safety in aviation, including public bodies, trade unions, aviation industry, private aviation and military aviation. The Forum held two meetings in March and October 2025 and reports of these meetings are published in a dedicated section of the IAA website. See <https://www.iaa.ie/about-us/aviation-stakeholder-forum>
- We held annual review meetings on safety, security and environmental matters with the main aircraft operators, airports, ATM/ANS providers and maintenance organisations in the first half of 2025.
- We ran the National Runway Safety Forum to bring together the Local Runway Safety Teams in place in Ireland to share experiences on safety risk mitigations with plenary meeting held in October 2025
- We held sector-based safety/regulatory standing consultation workshops and forums across all domains, including flight operations, cabin safety, ground operations, airworthiness, ATM/ANS, UAS, Aerodromes and aviation security. The main focus of these workshops is to engage with organisations within a given sector to update on new regulation, review key safety issues and to discuss any difficulties in implementing the sector specific regulatory framework.
- We also host a dedicated forum to address unruly passenger behaviours, visit <https://www.iaa.ie/safety/unruly-passenger-behaviour> for more details.
- We fund and support the General Aviation Safety Council of Ireland (GASCI) that met on four occasions during 2025 to review matters impacting safety in general aviation and to highlight latest safety promotion material for private pilots via GASCI social media platforms (www.gasci.ie). A GASCI safety evening for the public was held during November 2025.
- We conducted a number of online stakeholder consultations related to the IAA Statement of Strategy, economic regulation, airport slots and capacity, performance plan for ANS (RP4), aerodrome safeguarding framework and others. Details of these consultations may be found on <https://www.iaa.ie/about-us/stakeholder-consultation>

Our People and Organisation

In 2025, the IAA continued to strengthen the support provided to its people, the organisation and its wider stakeholder groups, with a sustained focus on development and continuous improvement. The IAA maintained regular, structured engagement with internal stakeholders through committees, working groups, focus groups, surveys and

reports, ensuring that all initiatives remained informed, collaborative and aligned with organisational needs.

Throughout 2025, the HR department delivered across a broad range of operational and strategic priorities. The 2025 highlights are as follows:

Recruitment

In 2025 the IAA approved headcount increased by 22 employees to meet new regulatory roles and obligations. Implementation of this uplift was supported by consistent recruitment activity throughout the year and aligned with the IAA strategic workforce planning objectives.

Pension Management

The IAA's main defined benefit pension plan, which is closed to new entrants, continues to de-risk in line with its current funding proposal which is in place until the end of 2026. Air Nav Ireland pension plan has responsibility for all IAA employee service prior to merger/separation, and the IAA has responsibility for future service liabilities in all schemes under its remit including those of the now dissolved Commission for Aviation Regulation scheme.

Ministerial approval was granted for the introduction of a Defined Contribution (DC) pension scheme and for the closure of the hybrid pension plan to new entrants with effect from 25 June 2025. Up to that date, all new employees of the IAA joined the hybrid pension plan, which consisted of both defined benefit and defined contribution elements. Following the scheme's approval and establishment on 25 June 2025, all new hires have since joined the Defined Contribution Scheme.

Following an independent review of the hybrid pension plan the Minister sanctioned a 3% increase to pensions in payment in 2025.

The IAA undertook all necessary preparatory actions in accordance with Auto-enrolment legislation prior to its commencement on 1st January 2026.

Occupational Health and Safety

We continue to review and promote safe occupational health practices as a duty of care to our people and ensure compliance in line with public health advice and adherence to Government policy. Our Health and Safety Committee stakeholder forum meets regularly to discuss improvements and training opportunities to promote a safe working environment.

Wellbeing

Our Employee Wellbeing Programme continued throughout 2025 delivering events across key themes including International Women's Day, Pride, Movember, and Breast Cancer Awareness. Our daily digital wellbeing offering remained available to all staff, providing online studio

02

OPERATIONS REVIEW (CONTINUED)

classes, seminars, and wellbeing resources. We also introduced manager and employee-focused initiatives supporting menstruation and menopause in the workplace.

Our Equity, Diversity, and Inclusion Committee was established and completed respective training. In 2026, work will focus on policy review and organisation-wide training and initiatives. In that vein, the IAA reported a mean gender distribution of 33.5%, a reduction of 4.5% from 2024. We remain committed to transparency in gender representation and to building a workplace grounded in diversity, fairness and inclusion. Further detail is available in the full report on the IAA website.

We will continue to advance wellbeing initiatives that equip employees with the supports needed to enhance personal and organisational wellbeing and contribute to our strategic objectives.

Public Sector Equality and Human Rights Duty

The IAA commits to meeting IHREC key requirements for public bodies. As an organisation, the IAA strive to ensure that consideration is given to human rights and equality in the development of policies, procedures and engagement with the IAA stakeholders.

Learning & Development

In 2025, the IAA implemented improvements to its training digital platform. The IAA achieved targeted deliverables in 2025 to update the training framework and respective procedures and develop enhanced training courses for internal/external online training. The comprehensive learning and development platform will continue to be rolled out to the wider organisation in 2026.

Digital and strategic enhancements occurred on the IAA current performance management and development process in 2025 to streamline information capture, create efficiencies, and promote transparency and clarity. Project work will continue in 2026 on a fully digitised process for delivery in 2027 utilising internal stakeholder feedback channels.

Facilities and Environment

Facilities

Significant landlord led upgrade works commenced at The Times Building in October 2025, marking a major step in enhancing the operational efficiency and environmental performance of the IAA's headquarters. The programme includes comprehensive improvements to lighting and HVAC systems, installation of solar photovoltaic panels, and the replacement of lifts with A rated energy efficient units, collectively enabling the building to achieve an anticipated BER of B2 and deliver meaningful reductions in energy consumption and carbon emissions. After the upgrade programme, a structured reconfiguration of office

accommodation will be undertaken to optimise space utilisation and align the workplace with evolving operational requirements.

Environment

The IAA continued to advance its climate action commitments throughout 2025, supported by its strategic partnership with the Sustainable Energy Authority of Ireland (SEAI) and full compliance with all public sector reporting obligations. The integration of green procurement principles remains a key focus, with the Facilities & Environment and Procurement teams jointly progressing initiatives such as prioritising reuse and recycling of furniture, transitioning to recycled paper, introducing ecofriendly hygiene products, and eliminating single use materials across catering services. To further strengthen organisational governance in this area, a Green Team has been formally established with Board approved terms of reference. This group will play a central role in coordinating sustainability initiatives, promoting environmentally responsible practices, and supporting delivery of the IAA's broader decarbonisation objectives.

IAA International

IAA International, a division of the IAA, is dedicated to the fourth pillar of a State Safety Programme, namely, Safety Promotion. It promotes the highest standards of aviation safety, security, risk management, and regulatory compliance. With over 30 years of accumulated expertise and technical knowledge, the IAA has established itself as a trusted provider of aviation training, consultancy, and international partnership services. We support national aviation authorities, international aviation agencies, and industry organisations in achieving safety compliance, strengthening regulatory oversight, and building sustainable operational excellence. Our team also delivers expert advisory and auditing services to help States implement effective State Safety Programmes.

Our aviation training offering includes high quality courses across the safety, security, and legal domains. Delivered online, via e-learning, in company, or in the classroom, the IAA programmes cover areas such as aviation law, aviation security management, compliance monitoring and auditing, cybersecurity, safety management, root cause analysis, safety occurrence reporting, and UAS operations.

IAA International also provides consultancy services worldwide, supporting clients in safety, security, risk management, and regulatory oversight through access to specialised technical experts.

Through the IAA international partnerships, the IAA collaborates across a wide range of domains, including regulatory support, ICAO Article 83 bis agreements, air traffic management, training organisations, airworthiness, design and production organisations, flight simulation training devices, large aeroplanes, and unmanned aircraft systems.

Irish Language Act

The IAA is committed to meeting its obligations under the Official Languages Act 2003 and the Official Languages (Amendment) Act 2021, which require public bodies to provide key services, publications, and communications in Irish or bilingually. In line with these statutory requirements, the IAA continues to implement internal measures to ensure compliance across the IAA publications, customer-facing services, and corporate communications.

During the reporting period, the IAA:

- Published statutory reports in bilingual format, including the Annual Report and Financial Statements.

- Ensured that all key public-facing documents — such as policy statements, strategy documents, and regulatory publications — adhered to bilingual publication standards.
- Continued to enhance quality assurance processes for translation and proofing to uphold linguistic accuracy.
- Responded to enquiries through professional translation services.
- Continued phased bilingual updates across website sections.
- Allocated Irish-language advertising in line with statutory obligations.
- Planning for future capability development aligned with workforce planning requirements under national Irish-language service standards.



03

FINANCIAL REVIEW



03

FINANCIAL REVIEW

The IAA delivered a positive performance in 2025. Profit for the financial year after taxation was €6.1 million (2024: €1.9 million) on turnover of €46 million (2024: €37 million).

Turnover increased from €37 million to €46 million. Operating expenses increased from €38 million to €41 million due largely to increased pay and new pension costs for additional staff recruited to address additional functions and required improvements in service delivery. Recruitment took longer to implement during the year than planned which is the main reason why costs were lower than planned. Alongside this, the organisation had less spending generally than planned during the year. The IAA is working to establish its efficient cost base post its reorganisation in 2023.

The company's net assets increased from €62.3 million to €71.3 million in the year. The key financial and operating highlights for the company were as follows:

Profitability and Balance Sheet

	2025 'm	2024 'm
Turnover	45.6	37.4
Operating profit/(loss)	4	(1)
Profit before tax	7.1	2.6
Profit after tax	6.1	1.9
Cash and deposits	65.1	60.2
Net assets	71.3	62.3

Profitability

Operating Profit before tax for 2025 was €4 million compared to an Operating Loss of €1 million in 2024.

Profit after tax was €6.1 million compared to €1.9 million in 2024.

Pension

The company recorded a pension asset of €1.4 million as at 31 December 2025, compared to €0.4 million as at 31 December 2024. It recorded a pension liability of €0.4 million as at 31 December 2025. This is significantly improved from 2024 when the company recorded a pension liability of €3.06 million. The pension liabilities reduced over the year, mainly due to an increase in the discount rate used to value the liabilities, which reduced the gross liabilities significantly.

Cash and Bank Facilities

The company has cash reserves of €92.1 million at the end of the year (€85.1 million at the end of 2023). This includes €27 million restricted cash which it holds for travel agency and tour operator bonds and the Travelers' Protection Fund current account.

This restricted cash increased during the year from €24.9 million at the end of 2024. This is due to increased bonding levels as a result of more travel agent/tour operator business during the year.

04

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

Year ended 31 December 2025

Registered number: 211082



04

CONTENTS

Directors and other information	30
Governance statement and directors' report	31
Statement on internal control	38
Statement of directors' responsibilities in respect of the directors' report and the financial statements	40
Report of the Comptroller and Auditor General	41
Statement of profit and loss	43
Statement of other comprehensive income	44
Statement of financial position	45
Statement of changes in equity	46
Statement of cash flows	47
Notes to the financial statements	48

DIRECTORS AND OTHER INFORMATION

Directors

Rose Hynes (Chair)
Declan Fitzpatrick (Chief Executive)
Gerry Lumsden
Joan McGrath
Dermot Griffin
Patrick Knight
Ann McGarry
Nóirín O'Sullivan
Colum Hanifan

Secretary David Hodnett

Registered office

The Times Building
11-12 D'Olier Street
Dublin 2, D02 T449
T: 353 1 603 1100
F: 353 1 679 2934
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Auditor

Comptroller and Auditor General
3A Mayor Street Upper
North Wall
Dublin
D01 PF72

Bankers

Allied Irish Banks, p.l.c.
BNP Paribas
Bank of Ireland
Danske Bank
Barclays Bank

Registered number 211082

GOVERNANCE STATEMENT AND DIRECTORS' REPORT

Introduction

The directors present their annual report together with the audited financial statements of the Irish Aviation Authority (“the IAA”, “the Company”) for the year ended 31 December 2025.

Principal activities

The IAA is a commercial semi-state company (Designated Activity Company) and the single civil aviation regulator for Ireland, operating under the Companies Acts (2014) and the Irish Aviation Authority Act 1993. The Company’s employees are based in the Republic of Ireland. The Company does not have any branches in other countries.

Business overview

The IAA is responsible for the regulation of safety, security and consumer interests in the aviation sector in Ireland. The Company’s responsibilities are set out in the framework of applicable global, European and national legislation/regulation.

The regulatory functions of the IAA include:

- Price regulation of Dublin Airport and AirNav Ireland
- Registering aircraft and the certification and oversight of aircraft airworthiness
- Licensing personnel and organisations involved in aircraft maintenance
- Licensing pilots, air traffic controllers and aerodromes
- Approving and monitoring air carrier operating standards
- Registering drone operators and certifying unmanned aircraft system operations
- Setting capacity and slot allocation at Dublin Airport
- Licensing the travel trade in Ireland
- Certifying airlines and the approval of groundhandling services providers
- Monitoring and regulation of Air Passenger Rights, the provision of assistance to Passengers with Reduced Mobility and the Accessibility Act
- Oversight of civil aviation security
- Oversight of Information Security requirements in the aviation industry
- Oversight of ReFuel EU mandates as they relate to airlines and aerodromes

The IAA operates to the highest international safety standards set by:

- International Civil Aviation Organisation (ICAO);
- European Civil Aviation Conference (ECAC);
- European Union (EU); and.
- European Aviation Safety Agency (EASA).

These guide the IAA in ensuring that Irish civil aviation operates in line with regulatory standards.

Our mission is to regulate aviation to the highest professional standards to ensure a safe, secure and consumer-focused aviation environment. Through regulation, we enable and support world-class performance and innovation in civil aviation in Ireland and abroad.

The IAA’s revenues are generated through charges and fees raised from regulated entities and the users of its services.

The IAA is committed to providing – on a sound commercial basis – safe, efficient and cost-effective regulatory services which fulfil its statutory obligations. The information required by Section 327 of the Companies Act 2014 – a review of the business of the Company – is included in the Chair’s Statement and Chief Executive’s Review.

Risks and uncertainties

The IAA’s mission, to regulate to the highest professional standards to ensure a safe, secure and consumer-focused aviation environment and supporting world-class performance and innovation in Irish and global aviation, is founded on six key strategic objectives. These are enhancing regulatory performance in safety and security, enhancing regulatory performance in economic and commercial regulation and consumer protection, promoting sustainability, supporting stakeholders, supporting innovation and growth and building organisational capability – which drive its actions in its day-to-day performance. The key risks and uncertainties likely to have the most significant potential impact on the IAA include:

- failure of regulatory oversight that contributes to a serious incident in the air or on the ground;
- adverse economic and geopolitical conditions that affect the IAA’s business including travel restrictions to geographical regions; and
- security of IAA people and assets, including protection of IAA systems from cyber-security attacks.

Risks and uncertainties are assessed on a continual basis and 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 31 to 39, sets out the IAA’s policies and approach to risks and the related internal control procedures and responsibilities.

Financial position

Details of the Company’s financial results for the year are set out in the profit and loss account on page 43 and in the related notes. As described therein, profit for the financial year after taxation was €6.1 million (2024: €1.9 million) on turnover of €45.6 million (2024: €37.4 million).

GOVERNANCE STATEMENT AND DIRECTORS' REPORT (CONTINUED)

Key performance indicators

The Company reviews its performance based on an analysis of financial key performance indicators. The key performance indicators, which may be measured in absolute terms, as compared to any incremental increase, or as compared to the results of a peer group, include:

- Operating profit,
- Profit after tax; and
- Cash flows

The directors are satisfied with the results of these key performance indicators during the financial year ended 31 December 2025.

Directors

The names of the current directors are set out on page 30. All directors served for the entire year.

Interests of directors and secretary

The directors and secretary who held office at 31 December 2025 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.

Governance

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

The directors are committed to maintaining the highest standards of corporate governance. For the year under review, the IAA complied with the Code of Practice for the Governance of State Bodies, issued in August 2016. The IAA has put in place appropriate measures to comply with this Code and continually reviews its policies and procedures to ensure continued compliance.

Board responsibilities

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 the senior management team sufficient flexibility to run the business efficiently and effectively within a structured reporting framework.

The Board has reserved certain matters for its review, including the approval of the annual and half-year financial statements; budgets; the corporate plan; management accounts; significant contracts; significant capital expenditure and senior management appointments.

Appointments to the Board

The Board comprises nine directors. The gender composition of the Board is split 56% male and 44% female. The directors hold office for such term as the Minister specifies when making the appointment,

but not for a period exceeding four years, unless re-appointed by the Minister thereafter.

	Date of appointment (*or re-appointment)
Rose Hynes, Chair	2 March 2023*
Declan Fitzpatrick, Chief Executive	19 October 2022
Gerry Lumsden	3 December 2022*
Joan McGrath	3 December 2022*
Dermot Griffin	13 April 2023
Patrick Knight	13 April 2023
Ann McGarry	1 May 2023
Nóirín O'Sullivan	1 May 2023
Colum Hanifan	29 May 2024

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.

Effectiveness of the Board

The Board acts in the best interests of the Company with due regard to its legal responsibilities and the objectives set by the shareholder. The Chair leads the Board in the determination of its strategy and in the achievement of its objectives. The Chair 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 Chair and management maintain effective communication with the shareholder. The roles of the Chair and the Chief Executive are separate and are set out in a policy approved by the Board. All the non-executive directors are independent of management. It is the practice of the Board to meet without executive Board members present.

Throughout their time in office, the directors are provided with regular information on all aspects of the business. The Chief Executive 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 which includes an analysis of actual financial performance compared to budget. Reports and papers are circulated to the Board and its committees on a timely basis.

GOVERNANCE STATEMENT AND DIRECTORS' REPORT (CONTINUED)

The Board has approved a code of conduct for both the Board and the IAA's employees, and this is available on the Company's website. The Board also has a conflict-of-interest policy in place, and it considers actual and potential conflicts of interest on an ongoing basis.

Access to professional advice

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. No such professional advice was sought by individual directors during the year. The only professional advice sought during the year was in support of the Board in the course of the performance of their duties as directors.

Performance evaluation

The Board carried out an external independent evaluation of its performance during the year ended 31 December 2024 – the results of which were very strong. The Board carried out an annual internal board self-evaluation in November 2025 in line with the requirements of the Code of Practice for the Governance of State Bodies.

Board committees

The Board has an effective committee structure to assist in the discharge of its responsibilities. The Board committees comprise:

- 1 Audit, Risk and Finance
- 2 Human Resources and Remuneration
- 3 Safety and Security Oversight
- 4 Environment

Audit, Risk and Finance Committee

The Audit, Risk and Finance Committee operates under formal terms of reference, which were reviewed during the year. The Committee held eight meetings during 2025 (2024: eight). The Committee was chaired by Ms. Joan McGrath. Committee members include Mr. Dermot Griffin and Mr. Patrick Knight.

Audit, Risk and Finance Committee members are appointed for a specific term. All three committee members have terms that run to 8 May 2026. Prior to their appointment, the Chair of the Board takes account of their experience, qualifications and interests when deciding to propose them as members of the committee. The Board has ensured that, between them, the committee members have experience of governance, internal audit, the public sector environment and the aviation industry, recent relevant financial experience and experience in risk assessment and technical/specialist areas.

Meetings are usually attended by the director of finance, the CEO (ex officio), the internal auditor and representatives from different IAA units such as operations, safety regulation, human resources, information technology, by invitation, as appropriate. The internal auditor reports directly to the Audit, Risk and Finance Committee.

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

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

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 discuss the results of the annual audit of the financial statements. Procedures are in place to ensure an appropriate relationship with the external auditor. The audit fee is set out in note 7 of the financial statements. The Comptroller and Auditor General does not provide non-audit services.

In November 2025, the Audit, Risk and Finance Committee commenced a self-assessment evaluation of its performance. The Committee reports to the Board, annually and at quarterly intervals, or more frequently should the need arise.

During 2025, the Audit, Risk and Finance Committee:

- reviewed the draft annual financial statements prior to recommending them for approval to the Board;
- considered a report from the external auditor on its audit of the annual financial statements;
- received and considered reports on procedures for risk management;

GOVERNANCE STATEMENT AND DIRECTORS' REPORT (CONTINUED)

- reviewed and recommended to the Board the corporate risk register including the key risks to the business and consideration of the adequacy of the system of risk identification and assessment;
- reviewed and considered reports by the internal auditor on the effectiveness of financial, operational and compliance controls and risk management processes;
- reviewed the work undertaken by internal audit during the year and agreed an internal audit plan for 2025;
- evaluated the effectiveness of internal audit;
- reviewed monthly management accounts;
- received and considered reports and presentations by IAA management on relevant internal control processes;
- reviewed the policy and process in place in respect of the directors' compliance statement;
- reviewed compliance with the 2016 Code of Practice for the Governance of State Bodies;
- considered the impact of current and future disclosure requirements;
- reviewed its own terms of reference.

Human Resources and Remuneration Committee

The Human Resources and Remuneration Committee operates under formal terms of reference. The Committee met four times during the year (2024: four). The Committee is chaired by Mr. Patrick Knight. Committee members include Ms. Rose Hynes and Mr. Gerry Lumsden.

The Committee's role is to consider the remuneration of the Chief Executive in the context of Government policy and the Code of Practice for the Governance of State Bodies and to consider senior management remuneration policy generally and developments in human resources in the IAA. The Committee also has a role in senior management appointments. The Committee reports to the Board following its meetings.

Safety and Security Oversight Committee

The Safety and Security Oversight Committee operates under formal terms of reference and held four meetings during the year (2024: five). The Committee is chaired by Mr. Gerry Lumsden. Committee members include Dr. Ann Mc Garry, Ms. Nóirín O'Sullivan and Mr. Colum Hanifan

The Committee reports to the Board following its meetings.

Environment Committee

The Environment Committee operates under formal terms of reference and met three times (2024: twice) during the year. The Committee was established to oversee the implementation by the IAA of the Climate Action Framework for Commercial Semi-States. The Committee is chaired by Ms. Nóirín O'Sullivan. Dr. Ann McGarry, Mr. Dermot Griffin and Mr. Colum Hanifan are members of the Committee.

The Committee considers the IAA's strategy in relation to environmental matters. It reports to the Board following its meetings.

Attendance at Board and committee meetings

Regular meetings of the Board and its committees are held throughout the year. The number of meetings held by the Board in 2025 was 10. These meetings and committee meetings were attended as follows:

Number of meetings attended/Number of eligible meetings

Director	Board (10)	Audit, Risk and Finance (8)	Human Resources and Remuneration (4)	Safety and Security Oversight (4)	Environment (3)
Rose Hynes	10/10	-	4/4	-	1/3*
Declan Fitzpatrick**	10/10	7/8*	4/4*	3/4*	2/3*
Gerry Lumsden	10/10	-	4/4	4/4	-
Joan McGrath	10/10	8/8	-	-	-
Ann McGarry	10/10	-	-	4/4	3/3
Nóirín O'Sullivan	09/10	-	-	3/4	3/3
Dermot Griffin	10/10	8/8	-	-	3/3
Patrick Knight	10/10	8/8	4/4	-	-
Colum Hanifan	09/10	-	-	4/4	3/3

*Denotes attendance at sub-committee meetings where director is not a standing member of the committee.

** CEO attends Board subcommittee meetings ex officio. He is not a member of the sub committees.

GOVERNANCE STATEMENT AND DIRECTORS' REPORT (CONTINUED)

Directors' remuneration

Fees for directors are determined by the Minister for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation. The remuneration of the Chief Executive, who has a service contract, was approved by the Minister for Transport and communicated to the board of directors. The disclosures made in these financial statements relating to directors' fees and the remuneration of the Chief Executive are set out in note 7 and are those required under the Companies Act 2014 and the 2016 Code of Practice for the Governance of State Bodies.

Disclosures required by the code

The Board recognises that it has responsibility for the preparation of the annual report and financial statements and for ensuring that the financial statements give a true and fair view of the Company's financial performance and financial position at the year-end. The Chair reports regularly to the Minister for Transport on all developments, operational, financial and commercial, affecting the IAA.

The 2016 Code of Practice for the Governance of State Bodies provides for specific financial information to be disclosed. This information is reasonably stated in all material respects.

	2025 €'000	2024 €'000
<i>Travel and subsistence</i>		
Domestic travel and subsistence		
- Board	2	1
- Employees	311	278
International travel and subsistence		
- Board	-	-
- Employees	1,300	1,238
Total	1,611	1,517

	2025 €'000	2024 €'000
<i>Staff welfare and hospitality</i>		
Staff-related	90	82
Client-related	5	1
Total	95	83

	2025 €'000	2024 €'000
<i>Consultancy costs</i>		
Actuarial and other pension advices	281	245
Technical, human resources and financial	501	876
Legal advices	153	197
Total	935	1,318

Consultancy costs include the cost of external advice to management that contributes to decision making or policy making and excludes outsourced 'business as usual' functions.

	2025 €'000	2024 €'000
Legal costs and settlements		
Legal costs	323	1,558
Settlements	407	-
Total	730	1,558

Number of legal cases: 12 * (2024: 8)

GOVERNANCE STATEMENT AND DIRECTORS' REPORT (CONTINUED)

Disclosures required by the code (continued)

The number of legal cases includes cases that were in train at the beginning of the year and commenced during the year.

**This number includes a number of cases involving other State Bodies including the Dublin airport authority, daa plc, Fingal County Council and An Coimisiún Pleanála.*

In 2023, daa plc. commenced a High Court case against Fingal County Council concerning a planning enforcement notice issued to it by the county council. The IAA is a Notice Party in this case.

In 2024, six High Court Judicial Reviews were commenced against the IAA in relation to slot coordination parameters at Dublin airport and the impact of the 32 million passengers per annum planning cap set out in Dublin airport's planning permission on those parameters. The plaintiffs are daa plc, Aer Lingus, Ryanair and Airlines for America (Delta Air Lines, Jetblue Airways and United Airlines).

In 2025, IAA was additionally listed as a Notice Party in four other High Court cases related to this planning cap, which were brought by daa plc., Aer Lingus, Ryanair and local residents against various defendants including Fingal County Council and An Coimisiún Pleanála.

The determination of legal costs in respect of a legacy defamation case from 2014 were settled in 2025 for the sum of €407,486 following a Supreme Court Decision.

Employee short-term benefits

Refer to note 4 for more details.

Statement of Compliance

The Board has adopted the updated Code of Practice for the Governance of State Bodies 2016 and has put procedures in place to ensure compliance with the Code. The IAA was in full compliance with the Code of Practice for the Governance of State Bodies during 2025.

Protected Disclosures Act, 2014

In 2025, the IAA received 1 internal report. The IAA received 14 external reports, of which 9 were closed during the year.

Going concern

The directors believe that the Company has adequate resources to continue in operation for the foreseeable future and to meet its ongoing obligations as they fall due for a period of at least 12 months from the date of the approval of these financial statements and therefore, it is appropriate to continue to adopt the going concern basis in preparing the financial statements. The assessment of going concern is considered further in note 1 to the financial statements.

Accounting records

The directors believe that they have complied with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to maintaining adequate accounting records by employing accounting personnel with appropriate expertise and by providing adequate resources to the finance function. The accounting records of the Company are maintained at The Times Building, 11-12 D'Olier Street, Dublin 2.

Relevant audit information

The directors believe that they have taken all steps necessary to make themselves aware of any relevant audit information and have established that the Company's statutory auditors are aware of that information.

In so far as they are aware, there is no relevant audit information of which the Company's statutory auditors are unaware.

Directors' compliance statement

The directors, in accordance with Section 225(2) of the Companies Act 2014, acknowledge that they are responsible for securing the Company's compliance with certain obligations specified in that section arising from the Companies Act 2014 and tax laws ('relevant obligations'). The directors confirm that:

- a compliance policy statement has been drawn up setting out the Company's policies with regard to such compliance;
- appropriate arrangements and structures that, in their opinion are designed to secure material compliance with the Company's relevant obligations, have been put in place; and
- a review has been conducted, during the financial year, of the arrangements and structures that have been put in place to secure the Company's compliance with its relevant obligations.

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).

GOVERNANCE STATEMENT AND DIRECTORS' REPORT (CONTINUED)

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 2025 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.

Political donations

The Company did not make any political donations during the year which would require disclosure under the Electoral Act, 1997.

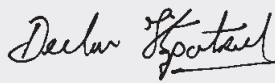
Auditor

The auditor, the Comptroller and Auditor General, will continue as auditor by virtue of Section 30 of the Irish Aviation Authority Act 1993 as amended.

On behalf of the board



Rose Hynes
Chair



Declan Fitzpatrick
Chief Executive

16th April 2026

STATEMENT ON INTERNAL CONTROL

Scope of responsibility

The Board is ultimately responsible for the Company's system of internal control and for monitoring its effectiveness.

Purpose of the system of internal control

The system of internal control comprises those controls established to provide reasonable assurance regarding the safeguarding of assets against loss, the maintenance of proper accounting records and reliable financial information for use within the business or for publication and compliance with relevant laws and regulations.

Risk management

The Board has overall responsibility for the Company's approach to risk. It approves the risk management framework and monitors its effectiveness through both the Audit, Risk and Finance Committee and directly through the Board. An on-going process exists for identifying, evaluating, and managing the significant risks faced by the IAA. This process is reviewed regularly 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.

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. Management reports regularly to the Board on the key risks inherent in the business and on how these risks are managed.

The risk management process is facilitated by internal audit, which provides assurance as to the operation and validity of the system of internal control. An internal audit of the risk management process was conducted in 2024, and related recommendations have been addressed.

Management reviews risks on a quarterly basis and reports on its review of risks, and how they are managed, to the Audit, Risk and Finance Committee, whose role it is to review, on behalf of the Board, the key risks, other than safety and security oversight, 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, Risk and Finance Committee. The Committee reviews the assurance procedures to ensure that an appropriate mix of techniques is used to obtain the level of assurance required by it and the Board.

The Audit, Risk and Finance Committee presents its findings to the Board on an annual and on a quarterly basis or more frequently should the need arise.

Capacity to handle risk

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.

Review of effectiveness

The Board, whether directly or through the Audit, Risk and Finance Committee, has reviewed the effectiveness of the systems of internal control covering financial, operational and compliance controls and risk management systems. This review took place on 12 February 2026 and is effective up to the date of approval of the financial statements.

Risk and control framework

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

- Board committees with clearly defined terms of reference;
- a schedule of matters that are reserved to the Board;
- a code of conduct, approved by the Board, which provides practical guidance for all staff;
- a clearly defined organisational structure with appropriate segregation of duties and limits of authority;
- clearly defined responsibilities with appropriately qualified staff performing these duties;
- a corporate risk management framework;
- clearly defined limits and procedures for financial expenditure including procurement and capital expenditure;
- adherence, as appropriate, to the relevant aspects of the Infrastructure Guidelines;
- a comprehensive system of financial reporting, accounting, treasury management and project appraisal;
- comprehensive budgeting systems with annual budgets approved by the Board;
- a comprehensive planning process that delivers a five-year business plan, reviewed by the shareholder and approved by the Board;
- monitoring of actual performance against budgets and reporting on variances to the Board on a monthly basis;
- an internal audit function which reviews key financial systems and controls and general operations and makes recommendations, where appropriate;
- an Audit, Risk and Finance 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;
- systems in place to safeguard assets;
- systems in place to ensure security of the IAA's information and communication technology systems.

Procurement

The IAA has procedures in place to ensure that it is in compliance with current procurement rules and guidelines. The IAA reports three non-compliances in the combined amount of €228k for 2025.

Digitalisation Project

The IAA commenced an extensive multi-annual digitalisation project in 2019. The project was substantially completed during 2025 with the delivery of an extensive module related to aircraft registration and certification. The system consists of many digital features that are ahead of most regulatory counterparts in the EU and beyond, such as digital licences and certificates.

To date the system has processed €5.3 million in online customer payments. Circa 89,000 accounts have been created whereby registered users have made payments for various types of aviation licences or certificates. Approx. 145,000 transactions have been processed through the system resulting in approx. 57,000 digitally signed certificates/licences being issued and it has handled 874,000 user correspondence messages.

The IAA is currently engaged with the vendor to negotiate a renewed support contract and the priorities and timeline for completion of remaining functionality. This work is taking into consideration the changes in IAA priorities since the project commenced in 2019. The IAA continues to operate strict cost control over the project and engagement with the vendor on the delivery of the remaining functionality is on-going. This is a standing item on the Board agenda so that it can monitor progress.

Ongoing monitoring and review

These controls were reviewed by internal audit during the year as part of its annual work programme. Internal audit reports directly to the Audit, Risk and Finance Committee on the operation of internal controls, other than safety and security oversight controls which are reserved to the Board, and makes recommendations for improvements, if appropriate.

The Board confirms that, for 2025, and up to the date of approval of the financial statements, there is a process for identifying and managing risks and that an appropriate system of internal control is in place and that these systems operated effectively in the year. No material weaknesses or frauds were identified during the review of the effectiveness of the system of internal control.



Rose Hynes
Chair

16th April 2026

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

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

Company law and Section 30 of the Irish Aviation Authority Act, 1993 ("the 1993 Act") requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare Company financial statements in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* as applied in accordance with the provisions of the Companies Act 2014.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company and of the Company's profit or loss 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;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

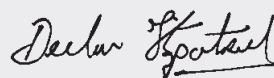
The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company and which enable them to ensure that the financial statements of the Company comply with the Companies Act 2014 and the 1993 Act. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company 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 Act 2014 and the 1993 Act.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company'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



Rose Hynes
Chair



Declan Fitzpatrick
Chief Executive

16th April 2026



Ard Reachtaire Cuntas agus Ciste Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Opinion on the financial statements

I have audited the financial statements of the Irish Aviation Authority for the year ended 31 December 2025 as required under the provisions of section 30 of the Irish Aviation Authority Act 1993, as amended. The financial statements comprise the statement of profit and loss, the statement of comprehensive income, the statement of financial position, the statement of changes in equity, 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 the Irish Aviation Authority at 31 December 2025 and of its profit for the year then ended
- have been properly prepared in accordance with Financial Reporting Standard (FRS) 102 — *The Financial Reporting Standard applicable in the UK and the Republic of Ireland*, and
- have been properly prepared in accordance with the Companies Act 2014.

Basis of opinion

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

Conclusions related to going concern

The directors have prepared the financial statements on a going concern basis. As described in the appendix to this report, I conclude on

- the appropriateness of the use by the directors of the going concern basis of accounting, and
- whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern.

I have nothing to report in that regard.

Opinion on matters prescribed by the Companies Act 2014

Based solely on the work undertaken in the course of the audit, I report that in my opinion

- the information given in the directors' report is consistent with the financial statements, and
- the directors' report has been prepared in accordance with the Companies Act 2014.

I have obtained all the information and explanations that I consider necessary for the purposes of my audit of the financial statements.

In my opinion, the accounting records of the Irish Aviation Authority were sufficient to permit the financial statements to be readily and properly audited, and the financial statements are in agreement with the accounting records.

The Companies Act 2014 also requires me to report if, in my opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act are not made. I have nothing to report in that regard.

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

The directors have presented certain other information with the financial statements. This comprises the annual report, the governance statement and directors' report, the statement of directors' responsibilities, 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.

Georgina O Mahony

For and on behalf of the
Comptroller and Auditor General
21 April 2026

APPENDIX TO THE REPORT OF THE C&AG

Responsibilities of the directors

As explained in the directors' report, the directors are responsible for

- the preparation of financial statements in the form prescribed under the Companies Act 2014
- 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 Section 30 of the Irish Aviation Authority Act 1993 as amended, to audit the financial statements of the Irish Aviation Authority and to report thereon to the Houses of the Oireachtas.

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

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

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

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

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

Information other than the financial statements

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

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

Reporting on other matters

My audit is conducted by reference to the special considerations which attach to State bodies in relation to their management and operation. I report if there are 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 find 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.

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 DECEMBER 2025

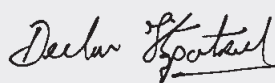
	Note	2025 €'000	2024 €'000
Turnover	2	45,628	37,435
Operating expenses	3	(41,490)	(38,408)
Operating (loss)/profit		4,138	(973)
Other income		1,872	1,895
Interest receivable and similar income	5	1,832	2,224
Interest payable and similar charges	6	(766)	(569)
Profit/(loss) on ordinary activities before taxation		7,076	2,577
Tax on ordinary activities	8	(1,010)	(670)
Profit/(loss) for the financial year		6,066	1,907

The statement of cashflow and notes 1-23 forms part of these financial statements.

On behalf of the board



Rose Hynes
Chair



Declan Fitzpatrick
Chief Executive

16th April 2026

STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2025

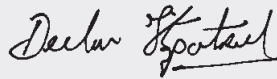
	Note	2025 €'000	2024 €'000
Profit for the financial year		6,066	1,907
Other comprehensive (loss)/gain			
Re-measurement of the net defined benefit asset/liability	19	3,362	(1,341)
Related deferred tax	15	(420)	168
Other comprehensive (loss)/gain for the year		2,942	(1,173)
Total comprehensive gain for the year		9,008	734

The statement of cashflow and notes 1-23 forms part of these financial statements.

On behalf of the board



Rose Hynes
Chair



Declan Fitzpatrick
Chief Executive

16th April 2026

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025

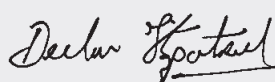
	Note	2025 €'000	2024 €'000
Fixed assets			
Tangible assets	9	867	863
Intangible assets	10	6,367	6,070
Pension asset	19	1,379	422
Deferred tax asset	15	370	1,003
		8,983	8,358
Current assets			
Debtors due within one year	11	8,371	7,874
Financial assets	12	27,013	24,852
Short term deposits	12	63,170	55,511
Cash and cash equivalents	12	1,965	4,764
		100,519	93,001
Creditors: amounts falling due within one year	13	(37,826)	(36,000)
		62,693	57,001
Net current assets		62,693	57,001
Total assets less current liabilities		71,676	65,359
Provisions for liabilities			
Retirement benefit obligations	19	(374)	(3,063)
		71,302	62,296
Net assets		71,302	62,296
Capital and reserves			
Called up share capital	16	22,675	22,675
Profit and loss account		45,919	36,913
Capital contribution reserve	22	2,708	2,708
		71,302	62,296
Shareholders' funds – equity		71,302	62,296

The statement of cashflow and notes 1-23 forms part of these financial statements.

On behalf of the board



Rose Hynes
Chair



Declan Fitzpatrick
Chief Executive

16th April 2026

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2025

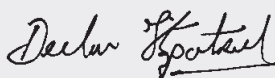
	Called up share capital €'000	Profit and loss account €'000	Capital contribution reserve €'000	Total equity €'000
Balance at 1 January 2024	22,675	36,179	2,708	61,562
Comprehensive income				
Profit for the financial year	-	1,907	-	1,907
Other comprehensive income	-	(1,173)	-	(1,173)
Total comprehensive income for the year	-	734	-	734
Transactions with shareholders recognised directly in equity				
Dividends	-	-	-	-
Balance at 31 December 2024	22,675	36,913	2,708	62,296
Balance at 1 January 2025	22,675	36,913	2,708	62,296
Comprehensive income				
Profit for the financial year	-	6,066	-	6,066
Other comprehensive income	-	2,942	-	2,942
Total comprehensive income for the year	-	9,008	-	9,008
Transactions with shareholders recognised directly in equity				
Dividends	-	-	-	-
Balance at 31 December 2025	22,675	45,919	2,708	71,302

The statement of cashflow and notes 1-23 forms part of these financial statements.

On behalf of the board



Rose Hynes
Chair



Declan Fitzpatrick
Chief Executive

16th April 2026

STATEMENT OF CASH FLOWS

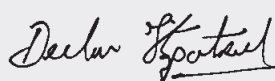
FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	2025 €'000	2024 €'000
Cash flows from operating activities			
Profit for the financial year		6,066	1,907
<i>Adjustment for:</i>			
Depreciation and amortisation	7, 9, 10	535	548
Loss on disposal of tangible/intangible fixed assets	7, 9, 10	22	41
Interest receivable and similar income	5	(1,120)	(1,769)
Interest payable and similar charges	6	-	-
		5,503	727
Decrease/(Increase) in debtors		(792)	3,373
Decrease/(Increase) in financial assets		(2,161)	16,828
(Decrease)/Increase in creditors		1,542	(23,161)
		4,092	(2,233)
Tax received/(paid)		506	1,065
		4,598	(1,168)
Cash flows generated/(used in) investing activities			
Acquisition of tangible/intangible fixed assets		(858)	(247)
Investment in short term deposits		(7,659)	(2,421)
Interest received		1,120	1,769
		(7,397)	(899)
Cash flows used in financing activities			
Interest paid		-	-
Dividends paid		-	-
		-	-
Net decrease in cash and cash equivalents			
Cash and cash equivalents at beginning of year		4,764	6,831
Cash and cash equivalents at end of year	12	1,965	4,764

On behalf of the board



Rose Hynes
Chair



Declan Fitzpatrick
Chief Executive

16th April 2026

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting policies

General information and basis of preparation

The Irish Aviation Authority (“IAA”, “the Company”) is a private limited company formed under the Irish Aviation Authority Act, 1993 (“the 1993 Act”) as amended by the Air Navigation and Transport Act (“the 2022 Act”), and registered under the Companies Act 2014.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (“FRS 102”). The presentation currency of these financial statements is Euro. All amounts in the financial statements have been rounded to the nearest €1,000.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements and have, unless otherwise stated, been applied consistently to all periods presented in the financial statements. Judgements made by the directors, in the application of these accounting policies that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 20.

Going concern

The financial statements have been prepared on a going concern basis. This assumes that the Company will have adequate resources to continue in operation for the foreseeable future and can meet its ongoing liabilities as they fall due for a period of at least 12 months from the date of approval of the financial statements.

At 31 December 2025, the Company had cash and cash equivalents and short terms deposits of €65.1 million (2024: €60.2 million). There are challenges to the short-term outlook including macro-economic headwinds in the form of movements in inflation and higher fuel prices as well as geopolitical risks. The Company’s cash flow forecasts show that the Company should be able to operate within the level of its available liquidity for the foreseeable future. Management will continue to monitor the cash position of the Company.

Accordingly, having considered the future cash requirements of the Company’s business, the economic environment over the next 12 months, the principal risks and uncertainties facing the Company and the Company’s operating budget, the directors believe that the Company has adequate resources to continue in operation for a period of at least 12 months from the date of approval of the financial statements and that it is appropriate to adopt the going concern basis in the preparation of the financial statements.

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (“FRS 102”). The Company is also subject to the requirements of the Companies Act 2014.

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.

Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for services provided. Where the consideration receivable in cash or cash equivalents is deferred, and the arrangement constitutes a financing transaction, the fair value of the consideration is measured as the present value of all future receipts using the imputed rate of interest.

Schedules of Charges

In accordance with the Irish Aviation Authority Act 1993 (“the 1993 Act”), the IAA recognises revenue for the performance of its functions under the 1993 Act (or other enactments), which includes functions performed by the IAA pursuant to European Union Regulations listed in the 1993 Act.

The fees for same are set out in the Schedules of Charges, which are available on the IAA website. These are updated annually.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting policies (continued)

Turnover (continued)

Deferred revenue

The IAA recognises revenue for certificates of airworthiness, charged annually on aircraft based in the EU, in line with its monitoring and performance obligations on a straight-line basis over a twelve-month period.

Licence fees

Licence fee income is recognised in the period in which the licence is issued.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, less accumulated depreciation and accumulated impairment losses. 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 as follows:

Leased building fixtures and fittings	5 – 10 years
Office furniture and ICT equipment	3 – 5 years
Hardware	3 – 5 years

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. The carrying amounts of tangible fixed assets are reviewed at each reporting date to determine whether there is any indication of impairment.

Intangible assets

Expenditure on research activities is recognised in the profit and loss account as an expense as incurred. Expenditure on development activities is capitalised if the product or process is technically and commercially feasible and the company intends, and has the technical ability and sufficient resources, to complete development, future economic benefits are probable and if the company can measure reliably the expenditure attributable to the intangible asset during its development. Development activities involve the design, construction or testing of the production of new or substantially improved products or processes. The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads and capitalised borrowing costs. Other development expenditure is recognised in the profit and loss account as an expense as incurred. Capitalised development expenditure is stated at cost less accumulated amortisation and less accumulated impairment losses. Intangible assets under development are amortised from the date they become substantially available for use in the manner intended by Management.

Other intangible assets that are acquired by the Company are stated at cost less accumulated amortisation and less accumulated impairment losses. Amortisation is calculated on a straight-line basis over its expected useful life as follows:

Software	3 – 8 years
----------	-------------

Acquired intangible assets are amortised from the date they are commissioned for use.

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 the functional currency at the rate of exchange ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the year-end rate of exchange. The resulting profits and losses are dealt with in the profit and loss account for the year.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting policies (continued)

Government grants

The Company recognises Government grants in line with the accruals model under FRS 102. Revenue grants in respect of expenditure are recognised in the profit and loss account at the same time as the related expenditure for which the grant is intended to compensate is incurred.

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 reporting date. Provision is made at the rates expected to apply when the timing differences reverse. Timing differences are differences between the Company's taxable profits and its results, as stated in the financial statements, which 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.

Retirement benefits

The IAA has a number of pension schemes in place: "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; and "The Irish Aviation Authority Hybrid Pension Plan 2012" – for staff whose employment commenced since 1 January 2012. These were all in existence before the company was reorganised in 2023 and cover future service for staff post 01 May 2023. In 2023, the IAA established another defined benefit/hybrid scheme(s) for the liabilities associated with future service of staff as well as for pension benefits associated with pensionable pay increases after the reorganisation of the company in 2023. It also has the CAR DB Scheme members (Closed scheme of former CAR employees sponsored by the IAA following the dissolution of CAR) and the SPSPS Replica members Scheme (former CAR employees who elected for the SPSPS scale of benefits from 1 May 2023). In 2025, the IAA opened a new Defined Contribution Scheme which is now the default pension scheme for all new employees

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, were reported as an asset/liability on the statement of financial position.

The amount charged to the profit and loss account for the year ended 31 December 2025 is the total of:

- (a) the actuarially determined cost of pension benefits promised to employees for service during the year plus any benefit improvements granted to members during the year (current/past service cost), and
- (b) the net interest on the net defined benefit liability comprising interest cost on the defined benefit obligation and interest income on plan assets.

The difference between the interest income on assets and the return 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 re-measurement gains and losses in the statement of other comprehensive income ("OCI").

Where a scheme's assets exceed its obligation, an asset is recognised to the extent that it does not exceed the present value of future contribution holidays or refunds of contributions (the asset ceiling). In the case of the Company schemes, the asset ceiling is not applied as, in certain specified circumstances, such as wind-up at the end of the life of the scheme, the Company expects to be able to recover any surplus. Similarly, a liability in respect of future minimum funding requirements is not recognised. The trustees do not have a substantive right to augment benefits, nor do they have the right to wind up the plan except in the event of the dissolution of the entity or the termination of contributions by the Company.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting policies (continued)

Travel Trade Bonds and the Travellers' Protection Fund

Responsibility for administering the licensing of travel agents and tour operators in accordance with the Transport (Tour Operators and Travel Agents) Act, 1982 as amended, was transferred from the Department of Public Enterprise (at the time) to CAR on its establishment day, 27 February 2001. This responsibility transferred to the IAA on the vesting date (1 May 2023) in accordance with the requirements of the Air Navigation and Transport Act, 2022.

Monies lodged as cash bonds by travel agents and tour operators pursuant to Section 13 of the 1982 Act are held in separate bank accounts under the control of the IAA. The IAA makes payments on foot of claims made on the bonds as they arise. Unspent balances on bond accounts as at 31 December 2025 are accounted for as creditors.

The Travellers' Protection Fund was established under Section 15 of the Transport (Tour Operators and Travel Agents) Act, 1982 to provide for any shortfall on the travel bonds in covering losses or liabilities incurred by customers of travel agents and tour operators.

The bond accounts and the Fund are administered by the IAA whose expenses are reimbursed from the bonds or the Fund under the terms of the 1982 Act. Separate financial statements are prepared for the called bond accounts and the Travellers' Protection Fund and are also audited by the Comptroller and Auditor General.

Basic financial instruments

Basic financial assets, including trade receivables, accrued income, other receivables and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest and recognised against revenue. Such assets are subsequently carried at amortised cost using the effective interest method and recognised as interest income.

Trade and other debtors and creditors

Trade and other debtors are recognised initially at transaction price plus attributable transaction costs. Trade and other creditors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost, using the effective interest method, less any impairment losses in the case of trade debtors.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Interest on the impaired asset continues to be recognised on the net carrying amount. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Cash, cash equivalents and short-term deposits

Cash represents cash held at banks and available on demand. Cash equivalents are highly liquid investments (other than cash) that are readily convertible into known amounts of cash, typically cash deposits ranging from one day to three months. Short-term deposits represent cash deposits ranging from three months to one year. Cash and cash equivalents and short-term deposits are recorded initially at fair value and then subsequently stated at amortised cost and are categorised as loans and receivables.

Provisions

A provision is recognised when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured, and it is probable that an outflow of economic benefits will be required to settle the obligation.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2 Turnover

	2025 €'000	2024 €'000
<i>Activity:</i>		
Certification	19,020	16,939
Air Navigation (NSA) Oversight	7,283	7,050
Licensing	3,634	3,948
General Levy	3,529	-
Aviation Security	3,116	2,523
Airport Charges Oversight	2,368	2,230
Slot Coordination Annual Fee	2,062	766
Consumer Protection Levy	1,521	966
International Services	1,329	1,690
Aerodromes	1,211	1,152
ReFuel EU	334	-
Airline Recharges	221	171
	45,628	37,435

The IAA's turnover is primarily derived from aviation-related services and statutory functions provided in the Republic of Ireland. Comparative figures have been restated in line with updated presentation.

3 Operating Expenses

	2025 €'000	2024 €'000
Payroll costs	24,768	22,009
Training, agency staff, and other staff-related costs	1,418	1,102
Travel & subsistence	1,611	1,518
Rent, rates & building service charge	4,155	4,096
Maintenance, utilities & other property related costs	877	614
Information technology & communications	3,577	3,163
Insurance	748	680
Consultancy & other professional fees	2,889	3,635
Depreciation charge	535	548
Other operating costs	912	1,043
	41,490	38,408

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4 Staff numbers and costs

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

	2025 Number	2024 Number
Safety regulation	144	134
Other operational	21	20
Corporate services	40	35
Total employees	205	189

The aggregate payroll costs of these persons, included in the profit and loss account, were as follows:

	2025 €'000	2024 €'000
Wages and salaries	20,691	18,451
Social welfare costs	2,205	1,940
Redundancy costs	77	-
Pension costs – current service cost (note 19)	1,451	1,397
Pension costs – defined contribution (note 19)	342	221
Pension costs – past service cost (note 19)	2	-
	24,768	22,009

Wages and salaries can be further analysed as follows:

	2025 €'000	2024 €'000
Basic pay	20,414	18,275
Overtime	-	-
Allowances and other payments	277	176
	20,691	18,451

The number of employees paid in excess of €50,000 are categorised into the following bands:

	2025 Number	2024 Number
€50,000 – €74,999	47	36
€75,000 – €99,999	23	24
€100,000 – €124,999	20	21
€125,000 – €149,999	47	41
€150,000 – €174,999	28	24
€175,000 – €199,999	4	5

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5 Interest receivable and similar income

	2025 €'000	2024 €'000
Interest income on defined benefit assets	712	455
Bank interest	1,120	1,769
	1,832	2,224

6 Interest payable and similar charges

	2025 €'000	2024 €'000
Interest expense on defined benefit liabilities	766	569
	766	569

7 Statutory and other information

The profit for the financial year is stated after charging the following:

	2025 €'000	2024 €'000
Depreciation and amortisation (note 9 and 10)	535	548
Rentals payable under operating leases - buildings	2,778	3,138
Rentals payable under operating leases - other	1	3
Disposal loss on tangible fixed asset and intangible asset (note 9 and 10)	22	41

Auditor's remuneration	2025 €'000	2024 €'000
<i>The Office of the Comptroller Auditor General</i>		
- audit	39	35
Total auditor's remuneration	39	35

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7 Statutory and other information (continued)

	2025 €	2024 €
Directors' remuneration		
<i>Fees payable to directors</i>		
Ms Rose Hynes (<i>Chair</i>)	21,600	21,600
Mr Declan Fitzpatrick [†] (<i>Chief Executive</i>)	-	-
Mr Gerry Lumsden	12,600	12,600
Ms Joan McGrath	12,600	12,600
Mr Dermot Griffin	9,700	12,600
Mr Patrick Knight	12,600	12,600
Ms Ann Mc Garry	12,600	12,600
Ms Nóirín O'Sullivan	12,600	12,600
Mr Colum Hanifant	-	-
	94,300	97,200

[†] Mr Hanifan and Mr Fitzpatrick did not receive a director's fee and were paid as employees of the IAA.

In aggregate, expenses paid to, or paid on behalf of, directors, in respect of services as director were €1,959 in total during 2025 (2024: €1,050). These expenses primarily related to travel and subsistence.

Emoluments and pension contributions relating to the Chief Executive's contract of employment

	2025 €'000	2024 €'000
Mr Declan Fitzpatrick		
Annual basic salary	195	195
Other taxable benefits	-	-
Pension contribution	21	21
	216	216

Pursuant to his Chief Executive's contract, Mr Fitzpatrick's salary is €195,000 per annum. The emoluments and pension contributions relating to his contract of employment were €21,255.

Total compensation of key management personnel in the year amounted to €1.7 million (2024: €1.7 million) comprising salaries and other short-term employee benefits of €1.5 million (2024: €1.5 million) and post-employment benefits of €0.2 million (2024: €0.2 million). Key management compensation represents compensation to those people having the authority and responsibility for planning, directing and controlling the activities of the Company. These include the Board members and senior executives.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8 Tax on profit on ordinary activities

	2025 €'000	2024 €'000
Analysis of tax charge in the year		
<i>Current tax</i>		
Corporation tax	764	483
Adjustments in respect of prior periods	(66)	29
	698	512
<i>Deferred tax</i>		
Origination and reversal of timing differences	312	158
Adjustments in respect of prior periods	-	-
	312	158
Tax on profit on ordinary activities	1,010	670
Profit and loss total tax reconciliation		
Profit on ordinary activities before tax	7,076	2,577
Expected current tax at 12.5 %	884	322
<i>Effects of:</i>		
Expenses not deductible for tax purposes	201	379
Income not taxable at the standard rate	145	231
Corporation tax in respect of prior years	(67)	29
Other adjustments	(153)	(291)
Tax on profit on ordinary activities	1,010	670

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

9 Tangible fixed assets

	Leased building – furniture and fittings €'000	Office furniture and ICT equipment €'000	Hardware €'000	Total €'000
Cost				
At beginning of year	2,933	24	1,240	4,197
Additions in year	272	-	144	416
Disposals in year	-	-	(353)	(353)
At end of year	3,205	24	1,031	4,260
Accumulated depreciation				
At beginning of year	2,640	11	684	3,335
Charge in year	98	4	288	390
Disposals in year	-	-	(331)	(331)
At end of year	2,738	15	640	3,393
Net book value				
At 31 December 2025	467	9	391	867
At 31 December 2024	294	13	556	863

Following review completed during the year, a disposal loss of €22k (2024: €9k) has been recognised in operating expenses in the profit and loss account.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

10 Intangible assets

	Software €'000	Intangible asset under development €'000	Total €'000
Cost			
At beginning of year	27	6,057	6,084
Additions	-	441	441
Transfers during year	6,498	(6,498)	-
Disposals	-	-	-
At end of year	6,525	-	6,525
Accumulated depreciation			
At beginning of year	14	-	14
Charge in year	144	-	144
Disposals in year	-	-	-
At end of year	158	-	158
Net book value			
At 31 December 2025	6,367	-	6,367
At 31 December 2024	13	6,057	6,070

Intangible assets under development represent third-party costs incurred for the development of IAA's MySRS platform.

11 Debtors

	2025 €'000	2024 €'000
Trade debtors	1,689	2,541
Prepayments	584	981
Accrued income	4,898	3,437
Other debtors	1,075	438
Corporation tax	125	418
Deferred tax asset (note 15)	-	59
	8,371	7,874
Due within one year	8,371	7,874
Due after more than one year	-	-
	8,371	7,874

Included in trade debtors are amounts past due of €0.55 million (2024: €1.1 million) of which €Nil (2024: €Nil) is provided for within bad debt provisions.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

12 Cash and cash equivalents, short-term deposits and restricted cash

	At 1 January 2025 €'000	Cash flows €'000	Utilisation €'000	At 31 December 2025 €'000
Cash and cash equivalents	4,764	-	(2,799)	1,965
Short term deposits	55,511	7,659	-	63,170
Restricted cash	24,852	2,161	-	27,013
	85,127	9,820	(2,799)	92,148

Restricted Cash relates to Traveller's Protection Fund Current Account and cash bonds held for licenced travel agents and tour operators.

13 Creditors: amounts falling due within one year

	2025 €'000	2024 €'000
Trade creditors	468	1,065
Other creditors including tax and social welfare (note 14)	1,218	784
Deposits taken	27,013	24,852
Accruals	3,415	2,859
Deferred income	5,712	6,440
	37,826	36,000

14 Taxation and social welfare included in other creditors

	2025 €'000	2024 €'000
PAYE	1,057	616
Value added tax	16	28
Professional services withholding tax	101	140
	1,174	784

15 Deferred tax asset/(liability)

	Ref	2025 €'000	2024 €'000
Deferred tax asset – excluding employee benefits-related (current)	(i)	(41)	59
Deferred tax asset – employee benefits-related (non-current)	(ii)	370	1,003
Deferred tax asset		329	1,062

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

15 Deferred tax asset/(liability) (continued)

(i) Deferred taxation – excluding employee benefits-related

	2025 €'000	2024 €'000
At beginning of year	59	18
Credit/(charge) to profit and loss account (note 8)	(100)	41
At end of year	(41)	59

(ii) Deferred taxation – employee benefits-related

	2025 €'000	2024 €'000
At beginning of year	1,003	1,034
Changes in actuarial assumptions recognised in OCI	(420)	168
Charged to profit and loss account (note 8)	(213)	(199)
At end of year	370	1,003

16 Called up share capital – equity

	2025 €'000	2024 €'000
Authorised, allotted, called up and fully paid		
17,858,000 ordinary shares of €1.27 each	22,675	22,675

17 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 (“DAA”) plc., Shannon Airport Authority Ltd, Electricity Supply Board (“ESB”), Airnav Ireland and the Department of Transport.

During the year, IAA earned revenue of €7.28 million (2024: €7.04 million) in providing safety regulation oversight of Airnav Ireland. During the year, the IAA also earned rental income of €1.2 million (2024: €1.7million) for leasing a portion of its head office building to AirNav Ireland. As at 31 December 2025, the IAA has a receivable due from AirNav Ireland of €0.9 million (2024: €0.7 million).

See note 7 for disclosures relating to key management personnel.

18 Commitments

	2025 €'000	2024 €'000
Future capital expenditure approved by the directors:		
Not contracted for	-	-
Contracted for	844	844
	844	844

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

18 Commitments (continued)**i) Operating lease commitments**

The total of future minimum lease payments under non-cancellable operating leases are as follows:

	Buildings 2025 €'000	Buildings 2024 €'000
Payable:		
Within one year	2,932	1,227
Between one and five years	11,640	11,665
More than five years	16,734	19,643
	31,306	32,535

19 Retirement benefits

	2025 €'000	2024 €'000
Defined benefit pension asset/(liability) (see A below)	581	(2,123)
Retirement benefit scheme asset/(liability) – CAR (see B below)	424	(518)
Single Services Pension Scheme – CAR (see C below)	-	-
Total retirement benefit (obligations)/assets	1,005	(2,641)

The pension entitlements of employees arise under a number of defined benefit schemes, the assets of which 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 annual actuarial valuation was as at 31 December 2025 and covers all accrued benefits. These valuations were conducted by qualified independent actuaries.

The valuations employed for FRS 102 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 2025 and to take account of financial conditions at this date. The valuations used for FRS 102 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 with the exception of the single services pension scheme (SPSPS). There are no outstanding or pre-paid contributions at year end.

A. The Irish Aviation Authority Defined Benefit Schemes

(i) Amounts recognised in the statement of financial position	2025 €'000	2024 €'000
Present value of wholly or partly funded obligations	(13,463)	(13,656)
Fair value of plan assets	14,044	11,533
Net asset/(liability)	581	(2,123)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

19 Retirement benefits (continued)**A. The Irish Aviation Authority Defined Benefit Schemes (continued)**

The pension assets increased year-on-year due to significant employer contributions totalling €1.5m over the year. The pension liabilities reduced over the year, mainly due to an increase in the discount rate used to value the liabilities, which reduced the gross liabilities by €2.3m over the year. As a result, the Company carried a net pension asset as at 31 December 2025 of €0.6 million (2024: liability of €2.1 million) in respect of the defined benefit pension schemes ("the Schemes").

The discount rate is the main assumption driving the change in the Scheme's gross liabilities. If the discount rate used were to decrease by 0.25% to 4.25%, without impacting the assets value, the net asset would decrease to €0.07 million. Given the duration of the pension scheme, it is foreseen that material discount rate movements could occur, affecting the net asset or liability position of the Scheme.

The Company has recognised the net asset as at 31 December 2025.

(ii) Actuarial assumptions	2025 Projected unit	2024 Projected unit
<i>Weighted average assumptions to determine benefit obligations</i>		
Discount rate	4.50%	3.60%
Rate of general compensation increase	2.50%	2.50%
Rate of promotional increase	0.50%	0.50%
Rate of price inflation	2.00%	2.00%
Rate of pension increase	0.00%	0.00%

The assumptions relating to longevity underlying the pension liabilities at the reporting 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:

	2025	2024
<i>Life expectancy for a male member from age 65 on post-retirement mortality table used to determine benefit obligations for:</i>		
Current active and deferred members	25.4	25.3
Current pensioner members	23.6	23.5
<i>Life expectancy for a female member from age 65 on post-retirement mortality table used to determine benefit obligations for:</i>		
Current active and deferred members	27.2	27.1
Current pensioner members	25.3	25.3

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

19 Retirement benefits (continued)**A. The Irish Aviation Authority Defined Benefit Schemes (continued)**

	2025 €'000	2024 €'000
(iii) Movements in fair value of plan assets		
Fair value of plan assets at beginning of year	11,533	2,305
Re-measurement: return on plan assets excluding interest income	(138)	94
Interest income	455	243
Employer contributions	1,546	8,219
Member contributions	752	735
Benefits paid from plan	(104)	(63)
Fair value of plan assets at end of year	14,044	11,533
(iv) Movements in present value of defined benefit obligations		
Benefit obligation at beginning of year	(13,656)	(9,165)
Current service cost	(1,296)	(1,259)
Interest expense	(490)	(329)
Member contributions	(752)	(735)
Re-measurement: actuarial gains	2,629	(1,707)
Benefits paid from plan	104	63
Transfer from supplementary ex-gratia pension (See B below)	-	(524)
Loss on changes	(2)	-
Benefit obligation at end of year	(13,463)	(13,656)
(v) Components of pension cost		
<i>Expense recognised in the profit and loss account</i>		
Current service cost (note 4)	(1,296)	(1,259)
Additional cash cost (note 4)	-	-
Interest income on defined benefit assets (note 5)	455	243
Interest expense on defined benefit liabilities (note 6)	(490)	(329)
Total pension cost recognised in the profit and loss	(1,331)	(1,345)
Amounts recognised in other comprehensive income		
Actuarial (losses)/gains immediately recognised	2,491	(1,613)
Loss on changes	(2)	-
	2,489	(1,613)
Total for the year	1,158	(2,958)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

19 Retirement benefits (continued)

A. The Irish Aviation Authority Defined Benefit Schemes (continued)

	Amount of plan assets 2025 €'000	Amount of plan assets 2024 €'000
(vi) Plan assets		
<i>The asset allocations as at 31 December:</i>		
Equity securities	-	-
Bond securities	6,776	5,620
Other	7,268	5,913
	14,044	11,533

Interest income on plan assets will be charged at 4.5% (2024: 3.6%).

	2025 €'000	2024 €'000
<i>Actual return on assets</i>		
Actual return on plan assets	317	337

(vii) Other required disclosure amounts	€'000
Contributions expected to be paid by the IAA during 2026	1,575

B. Retirement Benefit Scheme – CAR

(i) Amounts recognised in the statement of financial position	2025 €'000	2024 €'000
Present value of wholly or partly funded obligations	(6,398)	(7,153)
Fair value of plan assets	6,822	6,635
Net asset/(liability)	424	(518)

This retirement benefit scheme is a defined benefit final salary retirement benefit arrangement with benefits defined by reference to current “model” public sector scheme regulations. Employer contribution rates are set having regard to actuarial advice and periodic review of the funding rate required for the scheme. The scheme provides a retirement benefit (one eightieth per year of service), a gratuity or lump sum (three eightieths per year of service) and spouses’ and children’s retirement benefits. Normal retirement age is a member’s 65th birthday. Retirement benefits in payment (and deferment) normally increase in line with price inflation.

The Company carried a net pension asset as at 31 December 2025 of €0.4 million (2024: liability of €0.5 million) in respect of the defined benefit pension schemes.

The discount rate is the main assumption driving the change in the Scheme’s gross liabilities. If the discount rate used were to decrease by 0.25% to 4.25%, without impacting the assets value, the net asset would reduce to €0.1 million. Given the duration of the pension scheme it is foreseen that material discount rate movements could occur, affecting the net asset or liability position of the Scheme.

The Company has recognised the net asset as at 31 December 2025.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

19 Retirement benefits (continued)**B. Retirement Benefit Scheme – CAR (continued)**

(ii) Actuarial assumptions	2025	2024
	Projected unit	Projected unit
<i>Weighted average assumptions to determine benefit obligations</i>		
Discount rate	4.50%	3.60%
Rate of general compensation and promotional increase	3.00%	3.00%
Rate of price inflation	2.00%	2.00%
Rate of pension increase	2.00%	2.00%

The assumptions relating to longevity underlying the pension liabilities at the reporting 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:

	2025	2024
<i>Life expectancy for a male member from age 65 on post-retirement mortality table used to determine benefit obligations for:</i>		
Current active and deferred members	25.3	25.3
Current pensioner members	23.5	23.5
<i>Life expectancy for a female member from age 65 on post-retirement mortality table used to determine benefit obligations for:</i>		
Current active and deferred members	27.1	27.1
Current pensioner members	25.3	25.3

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.

(iii) Movements in fair value of plan assets	2025	2024
	€'000	€'000
Fair value of plan assets at beginning of year	6,635	5,948
Income	(228)	349
Interest income	242	199
Employer contributions	244	230
Member contributions	43	40
Benefits paid from plan	(114)	(131)
Fair value of plan assets at end of year	6,822	6,635

(iv) Movements in present value of defined benefit obligations	2025	2024
	€'000	€'000
Benefit obligation at beginning of year	(7,153)	(6,801)
Current service cost	(155)	(138)
Interest expense	(261)	(227)
Member contributions	(43)	(40)
Re-measurement: actuarial gains	1,100	(77)
Benefits paid from plan	114	130
Benefit obligation at end of year	(6,398)	(7,153)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

19 Retirement benefits (continued)**B. Retirement Benefit Scheme – CAR (continued)**

	2025 €'000	2024 €'000
(v) Components of pension cost		
<i>Expense recognised in the profit and loss account</i>		
Current service cost (note 4)	(155)	(138)
Interest income on defined benefit assets (note 5)	242	199
Interest expense on defined benefit liabilities (note 6)	(261)	(227)
Total pension cost recognised in the profit and loss	(174)	(166)
Amounts recognised in other comprehensive income		
Actuarial gains immediately recognised	871	272
Total for the year	697	106
	Amount of plan assets 2025 €'000	Amount of plan assets 2024 €'000
(vi) Plan assets		
<i>The asset allocations as at 31 December:</i>		
Equity securities	3,426	3,131
Bond securities	2,288	2,471
Other	1,108	1,033
	6,822	6,635

Interest income on plan assets will be charged at 3.3% (2023: 3.5%).

	2025 €'000	2024 €'000
Actual return on plan assets	14	548
(vii) Other required disclosure amounts		€'000
Contributions expected to be paid by the IAA during 2026		263

C. Single Services Pension Scheme (SPSPS) – CAR

	2025 €'000	2024 €'000
(i) Amounts recognised in the statement of financial Position		
Present value of unfunded obligations	(374)	(422)
Deferred retirement benefit asset (see below)	374	422
Net asset/(liability)	-	-

This is a Single Public Services Pension Scheme (“Single Scheme”), which is a defined benefit scheme for pensionable public servants appointed on or after 1 January 2013. Single Scheme members’ employee and employer contributions are paid over to the Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation. The IAA recognises an asset corresponding to the unfunded deferred liability for Retirement Benefits on the basis of the provisions of Section 44 of the Public Service Pensions (Single Scheme and Other Provisions) Act, 2012.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

19 Retirement benefits (continued)**C. Single Services Pension Scheme (SPSPS) - CAR****(i) Amounts recognised in the statement of financial position (continued)**

As the IAA is a semi-State body, the Single Pension Scheme members whose contracts of employment were taken over by the IAA on 1 May 2023 were no longer entitled to stay in the SPSPS. A mirror scheme with the same rules as the SPSPS was created by the IAA for these employees. On 1 May 2023 they became deferred members of the SPSPS based on their contributions to 30 April 2023.

The Company recognised an asset corresponding to the unfunded deferred liability for the SPSPS on the basis of the provisions of Section 44 of the Public Service Pensions (Single Scheme and Other Provisions) Act, 2012.

	2025 Projected unit	2024 Projected unit
(ii) Actuarial assumptions		
<i>Weighted average assumptions to determine benefit obligations</i>		
Discount rate	4.50%	3.60%
Rate of general compensation increase	3.00%	3.00%
Rate of price inflation	2.00%	2.00%
Rate of pension increase	2.00%	2.00%
(iii) Movements in present value of defined benefit obligations		
	2025 €'000	2024 €'000
Benefit obligation at beginning of year	(422)	(395)
Current service cost	-	-
Interest expense	(15)	(13)
Member contributions	-	-
Re-measurement: actuarial gains	63	(14)
Benefits paid from plan	-	-
Benefit obligation at end of year	(374)	(422)
(iv) Components of pension cost		
	2025 €'000	2024 €'000
<i>Expense recognised in the profit and loss account</i>		
Current service cost (note 4)	-	-
Additional cash cost (note 4)	-	-
Interest income on defined benefit assets (note 5)	15	13
Interest expense on defined benefit liabilities (note 6)	(15)	(13)
Total pension cost recognised in the profit and loss	-	-
Amounts recognised in other comprehensive income		
Actuarial gains immediately recognised	-	-
Total for the year	-	-

The deferred funding asset for the SPSPS as at 31 December 2025 amounted to €374,292 with movements of €15,196 and €63,041 being recognised in the statement of profit and loss and the statement of other comprehensive income respectively, during the reporting period.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

19 Retirement benefits (continued)

D. The Irish Aviation Authority Defined Contribution Pension Schemes

During the year the IAA operated The Irish Aviation Authority Defined Contribution Pension Plan 2012 and opened a new Defined Contribution Scheme which is now the default pension scheme for all new employees. The pension charge for the year represents contributions payable by the IAA to the schemes and amounted to €342k (2024: €221k).

20 Accounting estimates and judgements

Key sources of estimation uncertainty

The preparation of financial statements requires management to make estimates and judgements that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period.

Estimates and judgements are based on historical experience and on other factors that are reasonable under current circumstances. Actual results may differ from these estimates if these assumptions prove to be incorrect or if conditions develop other than as assumed for the purposes of such estimates. The following is the critical area requiring estimates and judgements by management.

Pension assumptions

The valuation of the defined benefit pension schemes is a significant estimate in the IAA's financial statements. Further details are given in note 19. The assumption which contains the most estimation uncertainty is the discount rate. The directors have reviewed and assessed as reasonable the assumptions made by independent professional actuaries in assessing the fair value of the defined benefit pension schemes.

21 Post balance sheet events

There were no other significant events affecting the Company since 31 December 2025 which require adjustment to, or disclosure in, the financial statements.

22 Capital Contribution Reserve

This represents the carrying value of the assets and liabilities of the Commission for Aviation Regulation, that were transferred to the IAA on 01 May 2023 pursuant to the Air Navigation and Transport Act, 2022.

23 Approval of the financial statements

The financial statements were approved by the directors on 16th April 2026.





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