Ordnance Survey Ireland

**Annual Report**

**2008**

Orthophotography - Shannon

# Ordnance Survey Ireland (OS*i*)

# ANNUAL REPORT 2008

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# Ordnance Survey Ireland

# Mission Statement

*Excellence in providing quality mapping and spatial information services to meet society's needs.*

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Mission achieved through People Values based on:

**Responsiveness**, *Enterprise***, Innovation**, *Efficiency,* **Results**.

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# OS*i* Vision

*"Ordnance Survey Ireland, the National Mapping Agency since 1824 will continue to provide essential expertise to underpin the Social and Economic Development of Ireland."*

The general function of OSi is to provide a national mapping service in the State.  In this regard it shall operate in the public interest by creating and maintaining the definitive national mapping and related geographic records of the state.

OSi's functions shall include all tasks as are necessary to fulfil its general function.

(a)     To maintain and develop the underlying physical infrastructure which is needed to support mapping applications.

(b)     To create and maintain for the entire State mapping and related geographic databases.

(c)     To provide mapping and related geographic information to the public and private sectors.

(d)     To encourage and promote the benefits of the use of the national mapping and related databases.

(e)     To advise the Government, a Minister of the Government, a body established by or under statute and other public sector organisations on matters relating to the policy and practice of survey, mapping and geographic information.

(f)     To represent the State at international level on matters relating to mapping and geographic information.

(g)     To provide the necessary technical support to the Chief Boundary Surveyor in the performance of his other duties.

(h)     To depict place-names and ancient features in the national mapping and related records and databases.

(i)     To protect Government Copyright.

# HIGHLIGHTS OF 2008

✓ Sales of €22.2 were achieved in 2008 from commercial activities such as licensing data and map sales representing a 3.4% increase on the previous year's sales figures. This represented an excellent achievement having regard to the business climate and difficult market conditions.

✓ The central Exchequer draw down by OSi in 2008 was €5.97m, representing a continuing downward trend in state provision

✓ New multi-year sales contracts entered into with Health Service Executive , Dublin Port, Central Fisheries Board and Defence Forces

✓ Launch of a national on-line Environmental Reporting Service / Smart Maps

✓ All target met in the major contract with the Property Registration Authority (formerly known as Land Registry), which involved the supply of 2,100 maps in 2008.

✓ The business target under data quality enhancement programme remained ahead of schedule and is on target for completion before the middle of 2009.

✓ Implementation of customised management information system, incorporating a project costing model, to assist the detailed analysis of project costs across the organisation including the financial expenditure on public interest mapping.

✓ High level key performance indicators (KPI's) further developed and implemented across the organisation to provide best practice reporting and performance monitoring

✓ Commencement of eBusiness Suite Project focused on delivering spatial information solutions to customers and excellence customer service

✓ Property Registration Authority Project sees productivity increase of 20% on data delivered

✓ Launch of Cross Functional Innovation Teams

✓ Data Encryption Initiative commenced

✓ Border Mapping Project involving OSI and OSNI has created a new database comprehending the border area

✓ Updated Customer Relations Management System Implemented

# CHAIRMAN'S STATEMENT



*I am delighted to report on what has been another successful year for OSI as the organisation grew its trading revenues and continued to deliver on its mandate in the face of increasingly challenging market conditions.*

Since its establishment as a state body in 2002 Ordnance Survey Ireland has distinguished itself by the manner in which it has developed its dual mandate in respect of the commercial and public interest sides to its business. The Board has always considered it to be important that there is transparency in how both the public interest and commercial mapping business areas to the organisation's activities are financially accounted for and reported on. This requirement for greater clarity in how funding is allocated between the dual mandate roles of OSI is regarded as representing best financial management practice and is a prerequisite to ensuring that the organisation is delivering value for money in the form of the grant in aid provided by the Oireachtas. The development of the Service Level Agreement with our parent Department underpins this process by detailing the public interest level of mapping undertaken by the organisation in respect of the funding provided by government through the grant- in-aid.

I am glad to be able to report that in 2008 OSI introduced an annualised financial reporting system that provides comprehensive details on the costs incurred by the organisation in meeting its public interest mapping obligation. The financial information now available on the allocation of costs in respect of the commercial and public interest sides to the business will enhance financial reporting procedures, inform the Service Level work outputs and allow for increased transparency in relation to how tax payers money from which the grant in aid is derived is used by the organisation in fulfilment of its mandate.

The Board accords high priority to corporate governance based on best practice. Under the terms of the Act establishing OSI the organisation is recognised as a body corporate. In the last number of years there has been ongoing developments in relation to the regulatory systems and procedures underlying best governance practice in organisations which include public bodies such as OSI. This governance framework within which OSI functions is regarded as further assisting the organisation to develop more professionally by having in place relevant systems and processes that address the many contingencies that can arise for a complex entity such as OSI.

Accordingly, in 2008 a comprehensive organisational risk management analysis was undertaken by the executive and the outcome of this analysis was reviewed by the

Board.   This process concluded that the organisation has appropriate and responsive internal control systems in place to mitigate significant risks and which act to keep exposure to an acceptable level.  Arrangements were put in place in 2008 for quarterly reporting to the Board on this important aspect of corporate governance.

In the light of the changing and more challenging business environment that emerged in 2008 the Board continued to review the overall strategic direction of the organisation. I am satisfied that the strategy adopted by the organisation to pursue new and developing business market opportunities  in addition to continuing to offer increased value to existing customers across a range of market segments continues to represent the optimum way forward for OSI. The organisation's efforts  to reduce internal costs through the achievement of greater efficiencies and productivity gains was also very evident in 2008.

At the commencement of 2008 OSI transferred its formal reporting functions from the Department of Finance to the Department of Communications, Energy and Natural Resources. I am pleased to report that this transfer was proceeded with in a highly efficient manner and that the necessary supports have been put in place to ensure that the statutory requirements of both the Department and OSI are being met on an on-going basis.

I would like to thank the Minister for Communications, Energy and Natural Resources along with his departmental officials for the contribution they have made to OSI throughout 2008 and for their continued support.

In addition I would like to extend my congratulations to the Chief Executive Officer, Ms Geraldine Ruane and the staff of OSI for the excellent contribution which they have collectively made to meeting the needs of our customers. Finally, I wish to acknowledge the work and commitment of my colleagues represented on the Board and to express my appreciation for their endeavours in this regard.


*Kevin Bonner*
Chairman

# CHIEF EXECUTIVE'S REVIEW

*The performance of OSI in 2008 continued to demonstrate the organisation's ability to achieve overall growth in revenues while optimising the advantages of technology to ensure greater levels of service and value for money to our customers.*

The performance of OSI in 2008 continued to demonstrate the organisation's ability to achieve overall growth in revenues while optimising the advantages of technology to ensure greater levels of service and value for money to our customers.

I am pleased to say that sales of €22.2 million were achieved in 2008 in quite a challenging business environment that saw a significant economic downturn in some of our more traditional market areas including in particular the construction sector. The achievement of a 3% growth in overall business sales arose from increased commercial activity in areas such as licensing data and map sales.

An important strategic objective for OSI is to expand and increase its customer base through the promotion of geographic information as an effective contributor in finding business solutions for private and public sector organisations. During 2008 OSI entered into new multi-year sales were entered into with the Health Service Executive, Dublin Port, Central Fisheries Board and the Defence Forces. The level of commercial activity with private sector businesses continued to grow during 2008 and now represents a total of 52% of the organisation's earned income. The increased relevance of geographic information to a wider population of interests will continue to be promoted on the basis of enhanced intelligence and applicability of the data as well as the accessibility of technology as a means of delivering on that information. In this regard an eBusiness Suite Project was advanced during 2008 which will enhance the service available to customers and achieve greater internal organisational efficiencies as a whole.

During 2008 the organisation embarked on an important customer service initiative in order to continue to make improvements in this vitally important area of OSI's business activity. The putting in place of an enhanced customer relations management system has contributed to ensuring that a more organisational wide and systemic approach is taken to the resolution of customer issues. The achievement of excellence in delivering customer service is being greatly enhanced through this initiative and will continue to be built on in the future.

Innovation in relation to product development and process and system improvement is regarded as being a key part of the current and future success of OSI. The

organisation has always had a proud history of innovation and throughout its history innovation has always been encouraged and supported. In 2008 a formal innovation process was launched across the organisation. This initiative involves a number of cross functional teams of staff who have volunteered, in addition to carrying out their normal duties, to work on key strategic issues facing the organisation in the short and medium term. This development represents an exciting opportunity for OSI to capitalise on the talents of its People while addressing strategic issues that are ultimately aimed at contributing to the organisation's revenue generating potential.

A significant Cross Border Region Mapping Project was undertaken and concluded in 2008 involving OSI and LPS Ordnance Survey Northern Ireland. The output from this joint project resulted in the creation of a new dataset along the border region. This project is significant in that the data has been integrated into the map databases of both organisations providing agreed coordinates for all features within one kilometre of the border for its customers. This joint project continues to build on the strong co-operative links that exist between our two organisations.

OSI continued in 2008 to ensure that the public in general and customers in particular were provided with more user friendly ways of accessing information on the role of the organisation as well as the wide variety of mapping products and services available. The development of our web services has been prominent in facilitating easier access and new ways are constantly being examined to enhance the customer's experience and interaction with the organisation.

In mid 2008 the new look OSI website www.OSi.ie was launched and I am very pleased to say that search engine traffic and site visitors has seen very significant increases in the period since this commencement. The website has won in 2008 a number of industry awards which included the Golden Spiders Best eBusiness Website and Best Education, Training & Research Website. In addition the website has won the Innovating Government Award for Services to Customers which recognises excellence and innovation in the public sector. This achievement is a tribute to the hard work and creativity of our People many of whom who have been both directly and indirectly involved in this project.

In 2008 OSI continued to play a pivotal role in the ongoing development of the Geographic Industry in Ireland. The organisation fulfilled this important function by maintaining the currency and accuracy of the national mapping database through its structured revision programmes of updating and enhancement. In addition the organisation continued to provide nationally consistent standards and specifications across all national geographic areas regardless of location or commercial viability. In achieving these key organisational objectives OSI was in position to fulfil its statutory requirements and to meet the dual mandate obligations in respect of both national interest and commercial business activity.

During 2008 the strategic focus of OSI was closely examined to ensure that the organisation was adapting to the rapidly changing market conditions within which it operates. The organisation has always shown an ability to align its strategies with its changing business environment while at the same time ensuring that its national mapping interest obligations are also being met. The strategic range of options chosen in the context of this review will continue to allow OSI adapt successfully to the fast

changing environment within which it provides such essential spatial information solutions for customers.

Against a business environment that in certain market segments such as the construction industry sector has experienced unprecedented declines in revenues OSI has been extending its market reach to include other potential business opportunities. This strategic direction is intended to alleviate any fall off in the more established areas of the organisation's commercial activities. The results in this regard have been very positive and I am pleased to say that in 2008 we established new contracts with a range of new and existing businesses and launched a range of innovative products such as the online Environmental Mapping Reports.

The challenge for OSI going forward is to ensure that we continue to enhance our products and services as we meet the requirements of existing customers and expand the range of new customers. Our ongoing technology developments and improved capability will continue to contribute to productivity and efficiency gains at an internal organisational level. Throughout 2008 the ongoing adaptability of our People to the management of change and commitment to customers continued to be of critical importance to how the organisation positions itself to meet with confidence the significant business challenges that lie ahead.

In conclusion I wish to thank the Chairman, Mr Kevin Bonner and his fellow Board members for their active support and contribution to the organisation during the course of 2008. In addition I would like to express my sincerest thanks to the People of OSI for their ongoing commitment and enthusiasm to making the National Mapping Agency the spatial information provider of choice to our customers.


*Geraldine Ruane*
Chief Executive Officer

# BOARD MEMBERS

Kevin Bonner
*Chairman*

Bill Attley

Liam Egan

Pat W. Fenton

Michael Hayes

Anthony Murray

Liam O'Farrell

Noel Ryan

Rory Scanlon

Geraldine Stafford

# MAPPING  PRODUCTION  REVIEW

*The role of Production Department is to collect the primary geographic data that provides the basis for the creation of the mapping products for our customers in both Digital and Paper format.*

The provision to customers of mapping that is both current and accurate is a key element in the contribution that the Production Department makes to ensuring that the needs of the users of OSI mapping products are met. The Production Department has instituted a Revision Programme that is designed to exceed in many instances the expectations of customers. For example the Urban (1:1000) and Suburban (1:2500) mapping of Ireland is now being maintained within a one year revision cycle; the Peri-urban (1:2500) within a three-year cycle and the Rural (1:5000) mapping is within a five-year cycle with the first revision of this mapping completed in 2007. The updating and improving of the 1:10000 database continues in line with production and customer needs.

Previous Annual Reports have commented on the very major project which OSI has undertaken on behalf of the Property Registration Authority involving the implementation of Digital Mapping technology as part of an Integrated Title Registration Information System (ITRIS). OSI mapping data is central to the successful completion of this project and is being supplied to the PRA in a digital format using the new ITM (Irish Transverse Mercator) coordinate reference system. This project epitomizes the significant advances that OSI has made in applying the latest technology innovations to practical usages in assisting customers to realize greater potential from our data. The PRA project ultimately serves the national interest and does so through the application of a digital mapping based solutions approach designed and fashioned by OSI.

In practical terms the project involves, in respect of all twenty six counties of the State,  the supply of all mapping scales to the PRA as well as the resupply of all revised mapping data at periodic intervals that are agreed between the parties For OSi, this contract involves the supply of all mapping (scales 1:1000; 1:2500 and 1:5000) for all counties in the State and the resupply of revised mapping data at agreed intervals thus ensuring the currency of the records that will underpin the PRA system.  Since the inception of the project, all deadlines have been met by OSi and this project, because of its complex technological nature and demands on both, has resulted in the fostering of a strong professional working relationship between both organisations.

**Data Enhancement**
The role of the Data Enhancement Division includes upspeccing of 1:1000 and 1:2500 Data, maintenance of the Geo Directory and the production of customized mapping for the Central Statistics Office.  During 2008 the up-speccing programme had the following  central objectives:

(a) standardising large scale data across the three large scale data series

(b) ensuring that data is logically and physically consistent

(c) ensuring that the new specification is consistent across edges where each series meets

(d) ensure that full network connectivity is achieved; and

(e) that the data is fully polygonised

A Data Enhancement Programme started in 2006 with an objective of ensuring that OSi data meets the increasingly demanding requirements of the GIS market and our customers for GIS compliant data. Designed to enrich OSi's large scale data by creating full polygons for Roads, Buildings, Water, Land and Rail features, this programme will also ensure connectivity within the data and the segmentation of data at logical intersections such as road junctions. Targets have been exceeded throughout the duration of this project, and the completion target of 2009 is on track.

*Geo Directory*
The GeoDirectory is a national address database which has been created and is maintained jointly by the OSi and An Post. OSi is responsible for the geographic element of each address. The database now contains more than 2 million buildings and 44,000 thoroughfare addresses with, in 2008, in excess of 80,000 new entries being made to the directory, including of some 3,500 postal routes which are the prime source of information to the delivery of mail.
Throughout 2008 the Geo Directory database was maintained by ensuring that the OSI and An Pos t databases were synchronised

*CSO work*
Following the completion of the previous census some work was carried out to reflect the changes in the enumeration areas. All the changes planned for 2008 were completed on target.

## Product Development and Publications (Tourist Mapping):
A commercially important and ongoing part of OSI's business continues to be derived from the digital and paper products based on the large scale and national 1:10000 topographical databases. Customer needs in this sector are quite varied and include: the Discovery Series; the Ireland Series; the City & Town Series; as well as a number of other products produced for specific sectors e.g. State Examinations Commission and Taxi Regulator maps.

The popular Discovery Series which runs to 79 separate maps covering every county in the State, is another very popular product and during 2008 we have completed a review of the series and a new improved product is due for development in 2009, and the first publications will be available late 2009.

Less apparent to many would be the diverse and sometimes once off products that are produced to service specific needs of certain customers. For example, customised mapping was produced for the Constituency Commission's review of Dáil and

European Constituencies; the Royal Irish Academy ( RIA) much acclaimed "Historic Town Atlas" which is an annual publication by them relies on OSi's mapping with Dublin being the town of focus in 2008; the Junior and Leaving Certificate's Geography examinations rely on OSi data for the 190,000 maps required and The Killarney and Donegal international rallies relied on OSi Mapping, with both drivers/navigators and visitors to these events depending on the accuracy of such maps. The "Ordnance Survey Ireland" Killarney Rally of the Lakes remains the main OSi sponsored event for the organisation.

# MAPPING TECHNOLOGY DEPARTMENT

*Technology has a vital role to play in all stages of the creation, delivery and maintenance of geographic information in OSI. The role played by technology is to ensure that the organisation's customers can avail of quality mapping products and services on a timely and cost efficient basis.*

An ongoing challenge for OSI is to ensure that technology developments on the part of major spatial information providers are monitored in the context of ensuring that customers continue to receive excellence in the delivery of services. The internet continues to be an increasingly important resource for interacting with customers and throughout 2008 OSI continued to exploit the opportunities that this electronic facility provides.

2008 was another successful year for the Mapping Technology Department with the focus on continuous process improvement and developing core technology infrastructure to enable future product development and efficiencies.

The OSi Mapping Technology Department is made up of three technology divisions:

- Data Strategy & Development
- Information Technology
- New Technology

## Data Strategy & Development

During 2008 OSi completed the first phase of the Prime2 data re-engineering project to produce a next generation spatial information database. Re-engineering the current OSi digital mapping data into the new Prime2 data model will enable OSi to store and supply its spatial information to customers to industry standard data format.

Phase 1 involved the management and participation in a competitive dialogue procurement process that produced a number of suitable tenders and prototypes of the new Prime2 database.

A preferred tender was selected whose Prime2 prototype database will be extensively tested by OSi during 2009 to ensure that the newly developed data model not only adheres to all relevant industry and international geographic information standards but also can be supported by all OSi production and supply workflows.

Following successful testing of the Prime2 prototype database it is planned that the Prime2 data re-engineering contract phase would begin at the end of 2009 and be completed by the beginning of 2011.

**Information Technology**

In 2008 the OSi IT Department continued the development and enhancement of the core OSi IT infrastructure in line with internal and external customer requirements. Some of these activities included:

- The procurement, installation and commissioning of new HP EVA SAN storage with an additional 38TB; and the implementation of a new Storage Policy on the storage and management of data from the digital airborne camera resulting in cost savings of €170,000.

- IT Server room improvements were undertaken and included the installation and commissioning of multiple fibre cabling between the two OSi server rooms, air conditioning expansion and new Uninterrupted Power Supply (UPS) installation.

- Laptop Encryption technology was successfully piloted and published during quarter 4 of 2008, and deployed to all relevant personnel. A Removable Media device policy was also published and enforced.

- Throughout 2008 a programme of work was undertaken to refresh hardware on specific elements of the existing eCommerce solution incorporating the additional elements of the newly developed Map Viewer from ESRI. User interface design, testing and bug fixing of the new Map Viewer were also undertaken by the OSi IT Division.


**New Technology**

The New Technologies area of the organisation ensures that OSi keeps abreast of any new technological developments and advances in the collection of geographical information which has been a cornerstone in its continuing success in meeting the ever increasing and changing expectations and requirements of its customers.

2008 was a very challenging year for OSi flying activities with flying operations of the two OSi aircraft being severely hampered by unsuitable weather conditions throughout the summer and autumn periods. A total of 3,860 map sheets were flown and aerial imagery captured for OSi map updating and orthophoto production.

In addition to OSi production requirements during 2008, additional flying contracts were undertaken by OSi for 6 aerial imagery projects and 13 Lidar projects.

During 2008 the OSi GPS network of 14 permanently recording GPS stations were upgraded to be GNSS (Global Navigation Satellite System) compliant enabling OSi and external customers to access not only the American GPS navigation information but also the Russian GLONASS data. This GNSS upgrade combined with the enhancement of an additional 3 stations to the OSi network during 2008 provides OSi internal and external customers with an optimised system for surveying.

# SALES AND MARKETING REVIEW

*The Business and Marketing Department plays a strategic role in ensuring that the spatial information needs of customers are understood and delivered on by the organisation. During 2008 the Department was reorganised to ensure that structures and systems were more finely honed to meeting increased value to customers. A key outcome of this reorganisation was the development of a more fully integrated relationship between Business and Marketing and Mapping Production and Mapping Technology Departments in terms of the how the data needs of customers are identified and subsequently delivered on.*

The Business and Marketing Department is responsible for the sale, marketing and supply of OSi's products and services to the organisation's diverse range of customers. It is required to ensure that these products and services meet both the requirements and expectations of these customers while at the same time providing them with true value for their money. The requirement to generate revenue for the organisation in furtherance of the stated requirement in the OSI Act that the organisation must conduct its business at all times in a cost effective and efficient manner is also a key driver for this area.

The organisation is now in a wide number of different business segments of the economy and during 2008 a number of important initiatives were undertaken in relation to furthering commercial opportunities with the private sector. The development of a flood model for Ireland which is used within the insurance industry is an example of this type of expanding business role for OSI. Equally the organisation has an industry standard laser technology called LIDAR that allows for the capture of very accurate height information. This specific data is of particular importance to a number of developing businesses in such sectors as wind farm development and in the area of broad band technology development.

♦ **Sales Revenue**
In 2008, record sales were achieved but this was not without its challenges. A significant slowing of the construction sector was experienced throughout 2008. The impact of this downturn was immediately apparent in the low revenue returns of our Map Sales Agents and Mapsales Shop. During the latter part of 2008 the slowing economy saw a fall off in business in all sectors of the market. However the development of new markets and products and the securing of specific new contracts during 2008 compensated for any fall off in business.

♦ **Key role played by OSi and the Geographic Information (GI) Industry**
There has been an organic evolution in the GI industry Computer Aided Design (CAD) to sophisticated Geographic Information Systems (GIS). Arising from these developments an important change has occurred in the operating business environment for spatial information businesses such as OSI. The opportunities and demands that this industry development has given rise to for OSI include:

- Diversity in our portfolio of spatial products

- Quality of product and service delivery

- Supporting infrastructure

- Confidence in our expertise

- Partnership with customers in addressing their business needs

OSi has continued to meet these challenges through 2008 and ongoing initiatives will ensure we are well placed to provide the Irish GI industry with the quality of service it requires in the future.

Much of our continuing development is driven by our recognition of the need to build a solid and sustainable basis for the Irish Spatial Data Infrastructure (ISDI), consistent with these growing customer demands. Significant developments in 2008 in support of these objectives have been the completion of Phase 2 of the Small Areas Project, continued progress on the implementation of the Prime 2 database project and the creation of a new National Height database. The Prime 2 database is being designed consistent with international best practice and will provide OSI with the capability to further improve data quality, enhance an already wide product portfolio and introduce new efficiencies in product and service delivery. Based on the 'capture once use many' SDI philosophy, it will fully support OSi's commitments to ISDI. Customers will experience significant better value for money when the Prime 2 database becomes available in 2011.

Our national gazetteer developed through 2008 has the potential to provide the Irish spatial industry with a nationally consistent placename database, capable of utilisation across a variety of business sectors. This dataset has been validated against all prevailing legislation and will continue to be developed according to market demands. Our constant drive towards improving data quality has led to the formulation of a Data Quality Management Strategy based on ISO spatial standards. The design of this DQMS follows extensive engagement with key customers and will lay the foundations for improved data quality standards in the future.

♦ **Integrated organisational response to Customer Service:**
The development of organisational excellence in the delivery of Customer Service continued to be a key theme throughout 2008. OSI has been building strong foundations in the design and delivery of customer care programmes and this can be seen in 2008 by the introduction of a more interactive Customer Relations Management (CRM) System. The CRM System is fully integrated across all departments and has fundamentally assisted the organisation to move away from any internal 'silo' syndrome that might have impeded customer service. The basis of the CRM System is that it ensures that the organisational systems, structures and processes are interlinked to facilitate and improve the manner in which the service to customers is not alone delivered but also monitored and reported on.

The Sales & Marketing Department works in close co-operation with all other areas of the organisation in the development of new products and services. Ensuring that the needs of the customers are fully made known across the production and support areas

of the organisation is critical to sustaining the levels of service and excellence to customers. Throughout 2008 OSI continued to build on its internal systems of communication to ensure that a seamless process of customer related information flows between all business critical sections of the organisation. The introduction of the CRM System consolidates this essential process.

The development of a wider customer base in different market segments continues to be a key strategic objective of the organisation and is being achieved through a business policy of harnessing the technical capability to delivering on the business needs of our customers.

It is important to us that our customers are provided with a range of services and products at the right price, to very high quality levels, and on a timely basis. Listening to our customers is key in enabling us to respond rapidly to their needs and to work with them in providing solutions to their business issues and requirements, both as they exist at present and as they develop/expand into the future. It is also important to OSi that it increases the customers' own expectations, outlining for them the full and often unexplored capabilities of the data rich information that OSi can provide for them. Interestingly, it is this "support" rather than the data that is proving increasingly important to customers and this is something that perhaps OSi has undervalued over the years, possessing as it does an unparalleled level of expertise that is available to all customers.

In 2008 a specific reorganisation initiative was undertaken to continue to build and improve on customer service by the creation of a dedicated team for this purpose. The focus and responsibilities of the team will be to coordinate customer service by the following means:

- Offering customer support on all service related issues coming through the OSI main switch and web services
- Monitoring call levels and response times to continuously improve our support levels
- Operating and improving the OSI CRM System in relation to customer issues

Given the increasing and ongoing demand for more sophisticated products and services in the spatial information market generally, it is vital that the OSi maintains its position as market leader in this area by continually focusing on the use of technological developments to augment its range of products and services to meet customer needs. Ongoing dialogue with customers and a continuing emphasis on developing an appropriate range of products and services will be crucial, as indicated, in maintaining OSi's leadership market position.

The completion in 2004 of the monumental task of the digital mapping of the entire country will significantly ensure that OSi remains relevant to the needs of its customers. This has provided the organisation with exceptionally detailed and accurate core mapping in a robust and highly flexible way which will facilitate the development of a wide range of future information services. Crucially, it will facilitate the evolution and development of many entirely new applications in a world in which technology changes on almost a daily basis. OSi's increasingly diverse range of

quality mapping and geographical information services will therefore continue to underpin the ongoing and future commercial, economic and social activities throughout the State.

The examples given below illustrate how OSi's range of digital products and services offer benefits and opportunities for its very varied customer base operating across a number of market segments. As indicated, this range is continually reviewed and updated.

## *Products*

### *Environmental Reporting Services*
Extensive work into the development of this product has already been carried out by the OSi in conjunction with the Geological Survey of Ireland and the Environmental Protection Agency. The product uses a variety of databases to give a detailed range of information about any particular site and its environs, from historical uses to geological stability and water history. It is particularly useful to planning and environmental consultants and also to house and property purchasers and vendors.

The product has been launched on a pilot basis to test market acceptability. The feedback from environmental consultants has been very positive. Work is currently underway to add additional information databases to further improve the product which should assure its success in its target market.

### *Education*
For many years OSi paper maps have been used in schools in connection with the teaching of geography. They form a core part of the teaching of this subject in state examinations up to and including leaving certificate level.

With the advent of the computer age, the use of electronic maps and the internet has opened up many new and exciting possibilities in this area. We consequently launched an initiative with the Department of Education and the Geography Teachers Support Network to avail of the new technology in new and creative ways. Essentially, the aim was to assist with the teaching of map reading skills in a fun and innovative way and to progress from that to the understanding and use of Geographical Information Systems (GIS) in the classroom.

In this connection, OSi developed a version of its DVD product targeted at the educational area and designed to achieve the purposes outlined. This product has been very successful and the Department of Education is now developing a web site to enable on line mapping services to be available to every school in Ireland for use in the classroom. The OSi has worked closely with the Department in developing this site.

### *Agent Network*
The OSi's country wide agency network plays an important role in providing a localised service to OSi's customers and selling OSi products, primarily the PLACE (Planning, Legal, Agricultural, Construction and Engineering) Maps whose main customer

group is the professional sector. This sector is now embracing the new format digital planning pack that was recently introduced and is both aware of and starting to realise the greater potential of this digital product. Throughout 2008 continuing efforts were being made to encourage the conversion of traditional paper map users to digital map products.

## *Services*

♦ *e-Government*

This is a key plank of current Government policy and occupies a central position in the OSi's strategy.

Effective policy and planning is dependent on the ability to analyse disparate sets of information. Accordingly, integrated databases with a location context are crucial in providing faster data analysis and, ultimately, cost saving and increased efficiencies. The following examples illustrate the effectiveness and use of such databases:

▪ the Department of Agriculture's administrative monitoring and control systems in relation to CAP and REP payments are based on GIS technology and OSi mapping products. The use of this system and related products enables Ireland to meet EU audit requirements for these schemes.

▪ the programme of modernisation being undertaken by the Property Registration Authority (formerly the Land Registry) is reliant on OSi digital mapping. In particular, this technology will significantly increase the capacity of the PRA to undertake the further extension of title registration in Ireland and will play a central part in the successful implementation of the PRA's current electronic conveyancing project. Indeed, PRA's electronic service strategy to date has placed customer service at the centre of its delivery model by providing convenient access to its electronic records base of folios and filed plans and associated information through on line searching using OSi's digital mapping products.

▪ Ordnance Survey Ireland's recently established website, www.OSiSmartmaps.ie provides customers with an option to purchase and download Land Registry compliant Maps, Wind Maps and Orthophotography Maps in PDF format. It also allows customers to order online Environmental Reports which are emailed or posted to the customer within 2 working days.

♦ *Emergency Services*

OSi data plays a very important role in facilitating the work of the emergency services, the Gardaí and health professionals. From highly detailed street level mapping to an accurate overview of a region, our digital information data provides vital location intelligence in a number of key areas. The digital mapping tools available to command and control personnel pinpoint the exact location of incidents, thus enabling an immediate response which can help to prevent serious crime and in the ultimate save lives. With the intelligence provided by OSi's digital mapping, the

quickest and best route (not necessarily the shortest one) can be rapidly identified, taking into consideration known congestion areas.

At an overall level, integrated geographic data can provide important intelligence on patterns of crime, fire occurrence and other incidents for reporting and periodic analysis, thereby helping to inform resource planning and incident prediction.


♦ *Utilities-Gas, Electricity and Telecommunication*
Geographic information plays a key role in asset management (the need to provide and monitor physical infrastructures and implement required changes and replacements) and operational activities (the need to manage repair and maintenance teams and to utilise available manpower resources) of utility companies. Use of the OSi's geographic data enables such companies to increase operational efficiencies, to respond to emergencies in a quick and effective way, and to provide an efficient and cost effective service to customers.

# HUMAN RESOURCES

The HR area plays an important role in the realisation of OSi's business strategies by working closely with line management in all departments to facilitate the development and implementation of appropriate policies and initiatives aimed at securing a skilled, flexible and highly motivated workforce fully capable of responding to the demands facing the organisation. In this context the HR Department advises line managers on the implementation of change in the way OSi's business is managed and delivered with a view to continually improving the efficiency and cost effectiveness of operations and use of resources across the organisation. .

The successful management of change is regarded as being of fundamental importance to the overall achievement of the organisation's strategic goals and objectives. Throughout the distinguished history of OSI the organisation has shown an adaptability to meeting successive waves of technological innovation and change through an open mindedness on the part of its People to new ideas and improved ways of achieving results. In order to continue to build on this core organisational competency of managing change an initiative was undertaken in 2008 involving the Management Group with the following purpose:

- Assisting the Management Group build on its current strengths in managing change
- Developing each manager's skills and knowledge in change management
- Inculcating a strong collegiate sense of purpose amongst the Management Group as regards their collective sense of involvement in the management of change
- Providing an opportunity to develop best practice and facilitate the Management Group to learn from each other

This initiative proved very instructive and provided the Management Group with opportunities for a range of action learning projects that will continue to ensure that the management of change is fully integrated into the ongoing management process in OSI.

Having the appropriate structures in place to oversee the implementation of change is an important element to ensuring that the views and ideas of all organisational interests can be taken into account particularly when large scale change initiatives are contemplated. The involvement of the Partnership Committee in OSI has proved to be a very important dimension to ensuring that change is being managing both sensitively and strategically. The involvement throughout 2008 of the Partnership Committee in the introduction of the Management Information System contributed in no small measure to the overall success of that System's implementation.

Throughout 2008 the overall corporate management of the People in OSI continued to be through the principles and objectives contained in the strategy document "Managing People Strategically". This document focuses on two crucial issues - to actively contribute to the achievement of successful business and corporate outcomes that meet customers' expectations and to support the development of OSi people in

the realisation of these outcomes. A central objective of the strategy is to assist OSi staff in maximising their performance and personal potential in a fast changing and challenging operational environment

The management of performance is an integral part to the overall management of People in OSI. Under the provisions laid down in the Performance Management & Development System (PMDS) managerial and supervisory staff must ensure that their People are informed of what is expected of them as well as being provided with feedback on how that work performance is progressing. The PMDS contributes to continuous improvement in performance through adhering to the following precepts:

- Aligning individual and team performance with the goals of OSI
- Provides clarity in setting objectives and related performance targets for individuals and teams
- Provides a mechanism for monitoring progress

Throughout 2008 the PMDS continued to be implemented across the organisation with consistently high rates of completions and returns. The PMDS is linked to the OSI internal promotion system and serves as the basis for salary incremental progression.

The ongoing development and implementation of PMDS is consistent with the greater delegation of People management responsibility to line managers. Throughout 2008 this principle continued to be advanced clearly establishing that the primary responsibility for managing performance rests with staff and their managers. Individual staff training and development plans are derived from the PMDS and are based on the skills needs of the organisation. A total of 1.7% of payroll costs in 2008 was spent on external training and development for staff at all levels in the organisation. This represented an increase of 20% on the previous year's expenditure. In addition OSI conducts a significant amount of in-house training and development on a range of technical work related systems and programmes. This together with the external training and development expenditure brings OSI to within a three to four percent of total payroll financial commitment in this important area of resource development.

A key development in 2008 was the implementation of the human resources element of the Management Information System. The system has been successfully developed over a period of time and was rolled out to line managers during 2008. This Management Information System is of specific importance and relevance to the reorientation of the Human Resources Function in OSI. Throughout 2008 the system allowed for a range of appropriate and local human resource management issues to be devolved to line managers. The benefits of the Management Information System will include:

- Enhanced management information and reporting on a range of human resource issues
- Improved processes including the elimination a number of out of date processes
- Greater efficiency in administration and improved services to staff
- An integrated system of human resources, administration and training / development

# CORPORATE SERVICES

The Corporate Services Department has responsibility for:

- ensuring that the organisation's obligations under corporate governance codes of practice  and related legislation are complied with

- providing the Secretariat and administrative support to the Board

- co-ordinating the Risk Management process throughout the organisation

- developing and managing all Health & Safety practices and procedures for the organisation.

- managing the infrastructural network throughout OSi's centralised and regional accommodation

- delivering on the annual Corporate Services Business Plan

## *Corporate Governance*

The Corporate Governance role in OSI comprehends the overseeing and implementation of the statutory and non statutory codes of practice which the organisation is obliged to adhere to in the discharge of its responsibilities as a state agency.

Throughout 2008 a number of systematic reviews were conducted by the Corporate Services Department to ensure that the Department of Finance Code of Practice for the Governance of State Bodies including Board Members and Staff were being adhered to. In addition the Corporate Services Department ensured that the provisions of the Ethics in Public Office Act 1995 and the Standards in Public Office Act 2001 as they apply to Board Members, senior officials and any designated positions in the organisation are uniformly applied and fully complied with.

## *OSi Board and its sub-committees:*

*- OSi Board:*
The Board of Ordnance Survey Ireland comprises 10 members appointed by the Minister for Finance under the provisions of the Ordnance Survey Act 2001. During 2008, the Board met on 9 occasions and on a further day to specifically discuss and review the corporate strategy of the organisation.

*- Audit Committee:*
The Audit Committee of the Board comprises Board Members Messrs Liam Egan and Pat W. Fenton and is Chaired by Mr Liam Egan. The Committee met regularly during 2008 and the minutes of all meetings of the Audit Committee are circulated to all

members of the Board and to the CEO and the Chairman of the Audit Committee provides the Board updates on issues at all Board Meetings. The Audit Committee has access to any required external expertise to facilitate its effective discharge of its responsibilities. The Internal Auditor as required reports directly into the Audit Committee.

*- Capital Expenditure Committee:*
Established to evaluate any proposed capital projects where the expenditure either will or is likely to exceed €250,000, this committee had no cause to meet during 2008. Membership of the committee comprised Mr Kevin Bonner as Chairman, Liam Egan, Anthony Murray, Liam O'Farrell and Rory Scanlan.

### Board Member Fees:
The annual fee payable to the Members of the Board for 2008 is in accordance with the rate approved by the Minister for Finance which is as follows:
Chairman: €14,000.00
Board Members (9): €9,000.00 each

### Remuneration of Chief Executive:
The Chief Executive, Ms Geraldine Ruane, is remunerated under the arrangements applicable to the CEOs of commercial State-sponsored Bodies (HAY). In 2008, Ms Ruane received the following:

**~ Basic Salary rates:**
1st January 2008 => €152,765.40 pa
1st March 2008 => €160,499.06 pa (due to 2.5% increase)
1st September 2008 => €164,511.17 pa (due to 2.5% increase)

**~ Bonus:**
€32,116.42 paid on 6th March 2008 in respect of performance in 2007.

**Risk Management:**

*- The Risk Management process:*
OSi has a well developed Risk Management Register which records and indicates the range of measures necessary, either ongoing or once off, to mitigate the diverse range of risks identified. Senior Managers have responsibility for the monitoring and management of their own risks and are required to provide progress reports on a regular basis with planned mitigation measures and to report additional risks as they arise.

The Audit Committee of the Board and the Internal Auditor who reports directly into the Audit Committee routinely receive and monitor the Risk Register. The Board is advised of the key risks prevailing at the end of each quarter or more often where a particularly serious Risk arises or is imminent.

*- Major Risk mitigation measures in 2008:*
Mid 2008 saw the completion of a major electrical project at the OSi HQ complex involving the replacement and relocation of the main electrical plant room. The Office of Public Works supported this extremely complex project, the successful conclusion of which resulted in the removal of significant risk of power outage at the complex, either due to the impact of flooding of the basement area which housed the original electrical plant equipment or simply system failure due to the ageing electrical plant.

The decision to also provide for the introduction of full generator backup as part of this project added to the complexity of the project. The Office of Public Works was involved in providing the professional expertise critical to the successful completion of this project. The resulting electrical infrastructure allied to the established test procedures now in place, provides a level of protection that assures the continuity of the business in the event of a main electrical outage at the complex and effectively removes the major risk that prevailed in this area, a risk that could not be sustained in an organisation whose customers and employees have an almost total dependency on accessing OSi's central database.


**Corporate Health & Safety:**

Ordnance Survey Ireland recognises its responsibility with regard to the safety, health and welfare at work of all its employees and members of the public who may be affected by its operations. It is the organisation's policy to comply with all legal safety health and welfare requirements as a minimum standard and with relevant codes of practice and guidelines where appropriate. The responsibility for the Safety and Health at work flows from the highest level of Management through to operations line managers and staff. H&S issues are not ancillary to OSi's business, but part of its core. The Health & Safety Committee comprising both staff and management representatives met on a number of occasions, reviewing documentation, procedures and practices with a view to the furtherance of safety awareness in the organisation.

The initiative in 2007 to introduce Defibrillators into the organisation with units rolled out to the offices at headquarters in Dublin as well as all six regional offices of the organisation was further developed to the point now where all the organisation's voluntary First Aid staff received their refresher training in house every 90 days in line with the best practice enunciated by the Irish Heart Foundation. The cost of this training has been minimised by adopting a "train the trainer" approach thus ensuring that the organisation's Health & Safety Adviser can now deliver all required refresher training.


**Management of corporate accommodation;**

*- Maintenance of accommodation:*
The management of the accommodation at the OSi HQ complex in the Phoenix Park and at the 6 Regional Offices (Cork, Ennis, Kilkenny, Longford, Sligo and Tuam) presents its own challenges. The headquarters complex comprises a number of magnificent but ageing building located on over 17 acres. Even routine maintenance

work requires that the fullest consideration be given of any possible adverse implications for these protected structures.

The input of the Office of Public Works is critical to ensuring that not alone is the integrity of these buildings protected but also that the working environment for staff is conducive to the requirements of an organisation with a high reliance on technology and the infrastructure that come with that. It is important that in any annual review there is an acknowledgement and appreciation expressed for the level of resources and professional expertise afforded by the Office of Public Works to OSi in the management of its challenging accommodation issues.

*- OSi and Corporate Responsibility:*

Ordnance Survey Ireland implemented a number of measures/initiatives in 2008 which are considered to have a positive impact on the organisation's "Carbon Footprint" in reducing inefficient energy usage.

*- Electrical Lighting:* Proximity Sensors were introduced into a number of areas in 2007 and this initiative was further extended in 2008. These ensure that after a set lapse of time, lights in an area are extinguished if that area is unoccupied and will only come on again when a presence is detected in the area thus ensuring that the organisations usage of electricity is kept to a minimum in these areas.

- **Information Technology Efficiency:** In 2007, OSi completed a project that saw the introduction of greater integrated usage of IT systems which has had the effect of reducing the need to run multiple operating systems on a separate basis through the use of a single server.
- **IT Servers:** Since September 2007 OSi have deployed servers with lower power consumption (by up to 25% on previous models, providing an increase in performance per watt of electricity of up to 169%) and addressing OSi requirements to reduce the cost and environmental impact of its data centre power demands.

In 2008 it is anticipated that the above initiatives will continue and indeed will be increased. Attempts will be made to identify other opportunities to impact the organisations Carbon Footprint favourably.

*Energy Committee:* Supported by the initiative of the Office of Public Works, 2008 saw the establishment of an "Energy Committee" involving both staff and management representatives whose imperative is to reduce overall energy consumption by the organisation.

# FINANCIAL REVIEW

## Trading Revenue

Trading Revenue for year ended 31 December 2008 was € 22.2m representing a 3% increase over 2007. This result was supported by continued close relationships with our customer base and the addition of a number of new multi-year customer contracts during the year, e.g. National Roads Authority, An Post, Bord Iascaigh Mhara, Department Communication, Rural & Gaeltacht, Department of Defence, Department of Education and Science, Eirgrid, eNet, Health Service Executive, National Parks and Wildlife, NUI Galway.

Sales within the Head Office Shop and countrywide Agent network, representing 15% of total invoiced sales, recorded a 28% decrease due to the general economic downturn and in particular, the continuing slowdown in the construction sector throughout 2008. The Agent Network is strategically located throughout the country and service a variety of professional customers such as Architects, Engineers and Surveyors. This sector is supported through a number of strategic initiatives such as on- site Training, Improved Product Utilisation through conversion from paper maps to digital and general expansion of the product range.

Copyright license revenue continues to be maintained at a good level as professionals and members of the public recognise the value of authorised copying of maps within the business environment.

In line with the National Mandate, and while not linked to any revenue stream, considerable progress continues to ensure all public interest mapping is maintained and enhanced at a high quality level.

The introduction in 2008 of a customised Management Information System, which provides key data to assist the analysis of project costs throughout the organisation represents an important development in the management of effectiveness and efficiency throughout the organisation. The MIS allows for greater transparency in the identification of costs between work carried out by the organisation in respect of the public interest and the commercial area of business.

## Operating Costs

Cost of Production and Sales amounted to €18.6m, representing 1% decrease over prior year. Changes of note included Salaries and Wages ( increase €0.5m) due to standard partnership pay awards, Outsourced Mapping ( decrease of €1.1m ) due mainly to the deferment of the next revision of the 5000 series mapping following unfavourable flying conditions required for collection of raw data.  Other changes included IT costs (increase of €0.4m) as additional maintenance contracts were activated for critical production systems.

Distribution and Administration Expenses amounted to €11.2m, representing a 7% increase over prior year with contributions from Salaries and Wages (increase of €0.3m) due to salary inflation, Pension payments (increase of €0.5m) in line with

additional retirees during 2008 and finally Provision for Bad Debts (increase of €0.1m) in recognition of the difficult economic climate within the construction services related sector.

The introduction of accounting standard FRS 17 in 2005 (Financial reporting on retirement benefits) required an annual independent actuarial valuation and the inclusion in the Income and Expenditure Account a cost for past pension service and interest on scheme liabilities and finally a representation of the total deferred pension liability in the Balance Sheet.

The overall cost included in the 2008 Income and Expenditure amounted to €8.1m and the total liability in the Balance Sheet at 31$^{st}$ December 2008 amounted to €116m.


# Oireachtas Grant

The annual Grant in Aid received from the Department of Communications, Energy and Natural Resources was €5.97m in 2008 and has reduced considerably over the past 5 years. This result was assisted by commercial sales growth and focused management of debtor days.

# Ordnance Survey Ireland

# Financial Statements 2008

**Ordnance Survey Ireland**

**Financial Statements**

**Year ended 31 December 2008**

**Ordnance Survey Ireland**
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BOARD MEMBERS AND OTHER INFORMATION


**Board Members at 31 December 2008**

Mr. Kevin Bonner – Chairman
Mr. Bill Attley
Mr. Liam Egan
Mr. Pat W. Fenton
Mr. Michael D. Hayes
Mr. Anthony Murray
Mr. Liam O'Farrell
Mr. Noel Ryan
Mr. Rory M. Scanlan
Ms. Geraldine Stafford

**Solicitor**

McCann Fitzgerald Solicitors
2 Harbourmaster Place
International Financial Services Centre
Dublin. 1.


**Auditor**

Comptroller and Auditor General
Treasury Block
Dublin Castle
Dublin. 2.

**Banker**

Bank of Ireland
Main Street
Blanchardstown
Dublin. 15.

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# ORDNANCE SURVEY IRELAND

# STATEMENT OF BOARD MEMBERS' RESPONSIBILITIES

# YEAR ENDED 31$^{ST}$ DECEMBER 2008

The Board is required by the Ordnance Survey Ireland Act, 2001 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of Ordnance Survey Ireland and of its income and expenditure for that period.

In preparing those statements, the Board is required to

- Select suitable accounting policies and then apply them consistently

- Make judgements and estimates that are reasonable and prudent

- Disclose and explain any material departures from applicable accounting standards, and

- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that Ordnance Survey Ireland will continue in existence.

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of Ordnance Survey Ireland and to enable the Board to ensure that the financial statements comply with the Act and with the accounting standards laid down by the Minister for Finance. The Board is also responsible for safeguarding the assets of Ordnance Survey Ireland and hence for taking reasonable steps for the prevention and the detection of fraud and other irregularities. The books of account of the Board are held in Ordnance Survey Ireland headquarters in Phoenix Park Dublin 8.

On behalf of the Board:

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Kevin Bonner
Chairman

## STATEMENT ON INTERNAL FINANCIAL CONTROL

## YEAR ENDED 31$^{ST}$ DECEMBER 2008.

On behalf of the Board of Ordnance Survey Ireland, I acknowledge our responsibility for ensuring that an effective system of internal financial control is maintained and operated.

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

The Board has taken steps to ensure an appropriate control environment is in place by:
- Clearly defining management responsibilities and powers
- Establishing formal procedures for monitoring the activities and safeguarding the assets of the organisation
- Developing a culture of accountability across all levels of the organisation

The Board has established processes to identify and evaluate business risks by
- Identifying the nature, extent and financial implication of risks facing the body including the extent and categories which it regards as acceptable;
- Assessing the likelihood of identified risks occurring;
- Working closely with Government and various Agencies to ensure that there is a clear understanding of the goals of OSi and support for the strategies to achieve those goals.

The system of internal financial control is based on a framework of regular management information, administration procedures including segregation of duties, and a system of delegation and accountability. In particular, it includes:
- A comprehensive budgeting system with an annual budget which is reviewed and agreed by the Board
- Regular reviews by the Board of periodic and annual financial reports which indicate financial performance against forecasts
- Setting targets to measure financial and other performance
- Formal project-management disciplines.

The internal audit function operates in accordance with the Framework Code of Best Practice set out in the Code of Practice on the Governance of State Bodies. The work of internal audit is informed by analysis of the risk to which OSi is exposed and annual internal audit plans are based on this analysis. The analysis of risk and the internal audit plans are endorsed by the Audit Committee. The Board's monitoring and review of the effectiveness of the system of internal financial control is informed by the work of the Internal Auditor, the Audit Committee which oversees the work of the Internal Auditor, the executive managers within OSi who have responsibility for the development and maintenance of the financial control framework, and comments made by the Comptroller and Auditor General in his management letter.

I confirm that the Board carried out a review in December 2008 of the effectiveness of the system of internal controls in operation during 2008.

Signed on behalf of the Board.

Kevin Bonner Chairman.

**Report of the Comptroller and Auditor General for presentation to the**

**Houses of the Oireachtas**

I have audited the financial statements of Ordnance Survey Ireland for the year ended 31 December 2008 under the Ordnance Survey Ireland Act, 2001.

The financial statements, which have been prepared under the accounting policies set out therein, comprise the Accounting Policies, the Income and Expenditure Account, the Operating Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet, the Cash Flow Statement and the related notes.

**Respective Responsibilities of the Board and the Comptroller and Auditor General**

Ordnance Survey Ireland is responsible for preparing the financial statements in accordance with the Ordnance Survey Ireland Act, 2001 and for ensuring the regularity of transactions. Ordnance Survey Ireland prepares the financial statements in accordance with Generally Accepted Accounting Practice in Ireland. The accounting responsibilities of the Members of the Board are set out in the Statement of Board Members' Responsibilities.

My responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

I report my opinion as to whether the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland. I also report whether in my opinion proper books of account have been kept. In addition, I state whether the financial statements are in agreement with the books of account.

I report any material instance where moneys have not been applied for the purposes intended or where the transactions do not conform to the authorities governing them.

I also report if I have not obtained all the information and explanations necessary for the purposes of my audit.

I review whether the Statement on Internal Financial Control reflects Ordnance Survey Ireland's compliance with the Code of Practice for the Governance of State Bodies and report any material instance where it does not do so, or if the statement is misleading or inconsistent with other information of which I am aware from my audit of the financial statements. I am not required to consider whether the Statement on Internal Financial Control covers all financial risks and controls, or to form an opinion on the effectiveness of the risk and control procedures.

I read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the financial statements.

**Basis of Audit Opinion**

In the exercise of my function as Comptroller and Auditor General, I conducted my audit of the financial statements in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board and by reference to the special considerations which attach to State bodies in relation to their management and operation. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures and regularity of the financial transactions included in the financial statements. It also includes an assessment of the significant estimates and judgments made in the preparation of the financial statements, and of whether the accounting policies are appropriate to Ordnance Survey Ireland's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations that I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

## *Opinion*

In my opinion, the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of Ordnance Survey Ireland's affairs at 31 December 2008 and of its income and expenditure for the year then ended.

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

**John Buckley**
**Comptroller and Auditor General**
**22nd July 2009**

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ACCOUNTING POLICIES

## 1.     General

Ordnance Survey Ireland (OSi) was established by Statutory Instrument No. 73 of 2002, on 4th March 2002 under the Ordnance Survey Ireland Act, 2001.

## 2.     Basis for Accounting

The financial statements have been prepared on an accruals basis, except as stated below, under the historical cost convention and in accordance with generally accepted accounting practice. Financial reporting standards recommended by the recognised accounting bodies are adopted as they become applicable.

## 3.     Establishment Reserve

On Establishment day, 4th March 2002, the assets and liabilities of the Ordnance Survey were transferred to OSi on the basis of their values at that date and an amount equivalent to the net assets was credited to Reserves.

## 4.     Income recognition

OSi receives an Oireachtas Grant from the Department of Finance. This amount is shown in the Income and Expenditure Account in the period in which it is received. A Service Contract for the services to be provided in exchange for the Oireachtas Grant has been agreed with the Minister for Finance.

Digital customers may be supplied by licensing of access to Ordnance Survey data. Revenue from the sale of licences is earned evenly over the life of the licence.

Digital customers may also be supplied with mapping data under annual contracts or for periods of excess of one year. Revenues under these contracts are recognised as obligations under the contracts as fulfilled. Costs in relation to these contracts are charged to the Income and Expenditure Account as incurred.

Other sales and revenues are recognised when the product has been despatched or the service provided.

## 5.     Superannuation

OSi operates defined benefit pension schemes which are funded annually on a pay as you go basis from monies available to it, including monies provided by the Department of Finance and contributions deducted from staff salaries.

Pension scheme liabilities are measured on an actuarial basis using the projected unit method. Scheme liabilities are presented separately on the balance sheet.

Pension benefits paid in respect of the year are charged in arriving at the Surplus/(Deficit) for the year after taxation.

A further pension charge comprising the current service cost, past service cost and the interest cost on the scheme liabilities less pension benefits paid in respect of the year is recognised as pension

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cost in the Operating Account for the year. An equivalent amount is charged to the Pension Reserve.

Actuarial gains and losses arising from changes in actuarial assumptions and from experience surpluses and deficits are recognised in the statement of total recognised gains and losses for the year in which they occur and are charged to the Pension Reserve.

## 6. The National Topographic Database

The National Topographic Database is used to create and maintain digital mapping data. The database is of central importance to OSi's activities and income generation.

The National Topographic Database comprises two key elements – the database management system and the underlying topographical data (the database).

The database management system is accounted for as computer equipment under tangible fixed assets (see note 8 to the financial statements). The existing asset as at 4$^{th}$ March 2002 was transferred into the opening balance sheet at cost less accumulated depreciation.

Although OSi enjoys access to and usage of topographical data, the intellectual property rights to the data are retained by the Government of Ireland. Accordingly, no value has been ascribed to topographic data in these financial statements.

OSi incurs expenditure on an ongoing basis maintaining and enhancing the topographic database. This comprises money spent on New Mapping and Continuous Revision activities. Such expenditure is charged to the Income and Expenditure Account as incurred.

## 7. Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

Depreciation is calculated in order to write off the cost of tangible fixed assets by equal annual instalments. The estimated useful lives by reference to which depreciation has been calculated are as follows:

| | |
|---|---|
| Fixtures and fittings | 3 to 10 years |
| Motor vehicles | 5 years |
| Computer equipment | 4 years |

## 8. Stocks

Stocks comprise printed maps and supplies and are stated at the lower of cost and net realisable value.

## 9. Foreign currencies

Transactions denominated in foreign currencies are translated into euro at the exchange rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into euro at the exchange rates ruling at the balance sheet date and resulting gains and losses are included in the Income and Expenditure Account for the period.

## INCOME AND EXPENDITURE ACCOUNT

|  | Notes | 2008 € | 2007 € |
|---|---|---|---|
| Sales | 1 | 22,239,567 | 21,506,696 |
| Oireachtas Grant |  | 5,970,000 | 5,250,000 |
| Other Operating Income | 4 | 41,332 | 98,314 |
|  |  | 28,250,899 | 26,855,010 |
| Costs of Production and Sales | 2 | (18,574,446) | (18,720,842) |
| Distribution and Administration Costs | 5 | (11,247,912) | (10,504,100) |
| Surplus/(Deficit) for year before tax |  | (1,571,459) | (2,369,932) |
| Tax on Surplus/(Deficit) on ordinary activities | 7 | - | - |
| Surplus/(Deficit) for year after tax |  | (1,571,459) | (2,369,932) |

**Operating Account**

|  |  | 2008 | 2007 |
|---|---|---|---|
| Deficit on Income and Expenditure Account |  | (1,571,459) | (2,369,932) |
| Pension Cost for year | (13c) | (8,060,000) | (8,170,000) |
| Operating Deficit for year |  | (9,631,459) | (10,539,932) |

The Accounting Policies on pages 7 and 8, and the notes on pages 13-20 form part of these financial Statements.

**On behalf of the Board**

Kevin Bonner
Chairman

Geraldine Ruane
Chief Executive Officer

**Ordnance Survey Ireland**

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| Statement of Total Recognised Gains and Losses | 2008 | 2007 |
|---|---:|---:|
| | € | € |
| Surplus/(Deficit) | (1,571,459) | (2,369,932) |
| Pension Cost Charged to Operating Account | (8,060,000) | (8,170,000) |
| Actuarial gain/(loss) | (940,000) | 4,170,000 |
| Total Recognised gain/(Loss) | (10,571,459) | (6,369,932) |
| **Movement in Reserves** | | |
| **Revenue Reserve** | | |
| Balance at 1<sup>st</sup> January | (3,292,942) | (923,010) |
| Surplus/(Deficit) for year | (1,571,459) | (2,369,932) |
| Balance at 31<sup>st</sup> December | (4,864,401) | (3,292,942) |
| **Pension Reserve** | | |
| Balance at 1<sup>st</sup> January | (107,000,000) | (103,000,000) |
| Pension Cost charged to Operating Accounts | (8,060,000) | (8,170,000) |
| Actuarial Gain/(Loss) | (940,000) | 4,170,000 |
| Balance at 31<sup>st</sup> December | (116,000,000) | (107,000,000) |

## BALANCE SHEET AS AT 31st DECEMBER

|  | Notes | 2008 € | 2007 € |
|---|---|---|---|
| **Fixed Assets** | | | |
| Tangible Assets | 8 | 5,028,230 | 5,772,384 |
| | | | |
| **Current Assets** | | | |
| Stock | 9 | 602,690 | 527,716 |
| Debtors | 10 | 4,783,460 | 5,948,088 |
| Cash at bank and in hand | | 1,846,428 | 767,745 |
| | | 7,232,578 | 7,243,549 |
| | | | |
| **Creditors – amounts falling due within one year** | 11 | 8,658,845 | 7,842,511 |
| | | | |
| **Net current Assets excluding pension liabilities** | | (1,426,267) | (598,962) |
| | | | |
| **Deferred Pension Funding** | | 116,000,000 | 107,000,000 |
| **Pension Liability** | 13(b) | (116,000,000) | (107,000,000) |
| | | | |
| **Net Assets** | | 3,601,963 | 5,173,422 |
| | | | |
| **Represented by** | | | |
| Establishment Reserve | | 8,466,364 | 8,466,364 |
| Revenue Reserve | | (4,864,401) | (3,292,942) |
| | | 3,601,963 | 5,173,422 |

The Accounting Policies on pages 7 and 8, and the notes on pages 12-19 form part of these financial statements.

**On behalf of the Board**

Kevin Bonner
Chairman

Geraldine Ruane
Chief Executive Officer

## CASHFLOW STATEMENT

| | Notes | 2008 € | 2007 € |
|---|---|---|---|
| **RECONCILIATION OF NET MOVEMENT FOR THE YEAR** | | | |
| Surplus/(Deficit) for period after taxation | | (9,631,459) | (10,539,932) |
| Depreciation | | 3,001,841 | 3,153,941 |
| Net Deferred Pension Remuneration | | 8,060,000 | 8,170,000 |
| Deposit Interest | | (40,682) | (84,100) |
| Decrease/(Increase) in debtors and prepayments | | 1,164,628 | 451,250 |
| Increase/(Decrease) in creditors | | 816,334 | 1,487,076 |
| (Increase)/Decrease in stocks | | (74,974) | (77,966) |
| **Net cash inflow/(outflow) from operating activities** | | 3,295,688 | 2,560,269 |
| | | | |
| **CASH FLOW STATEMENT** | | | |
| **Net cash inflow/(outflow) from operating activities** | | 3,295,688 | 2,560,269 |
| **Return on investments and servicing of finance** | | | |
| Interest received | | 40,682 | 84,100 |
| **Net cash inflow/(outflow) from return on investments and servicing of finance** | | 40,682 | 84,100 |
| | | | |
| **Capital Expenditure** | | | |
| Receipts on sale of tangible fixed assets | 8 | - | - |
| Purchase of tangible fixed assets | 8 | (2,257,687) | (3,710,503) |
| **Net cash outflow from capital expenditure** | | (2,257,687) | (3,710,503) |
| | | | |
| **Increase/(decrease) in cash** | | 1,078,683 | (1,066,134) |
| | | | |
| **Reconciliation of Net Cash Flow to Movement in Net Funds** | | | |
| Net increase/(decrease) in cash | | 1,078,683 | (1,066,134) |
| | | | |
| Net funds at 1 January | | 767,745 | 1,833,879 |
| Net funds at 31 December | | 1,846,428 | 767,745 |
| Movement in net funds | | 1,078,683 | (1,066,134) |

The Accounting Policies on pages 7 and 8, and the notes on pages 12 – 19 form part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

|  | 2008 | 2007 |
|---|---:|---:|
|  | € | € |

### 1    Sales

| | 2008 | 2007 |
|---|---:|---:|
| Long term contracts – County Councils | 3,202,710 | 2,303,799 |
| Long term contracts – Utilities and government bodies | 10,798,595 | 9,048,293 |
| Map Sales including annual licensing | 8,238,262 | 10,154,604 |
| | 22,239,567 | 21,506,696 |

### 2.    Cost of Production and Sales

| | 2008 | 2007 |
|---|---:|---:|
| | € | € |
| Cost of production (New Mapping and Continuous Revision) | | |
| Salaries & Wages | 11,099,143 | 10,575,426 |
| IT costs | 2,461,681 | 2,087,494 |
| Depreciation | 2,759,959 | 2,888,424 |
| Outsourced mapping | 154,802 | 1,243,030 |
| Flight and maintenance costs | 529,230 | 457,094 |
| Travel & Subsistence | 586,963 | 533,637 |
| Vehicle Running costs | 185,125 | 167,569 |
| Contractor costs | 1,550 | 3,414 |
| Incidental expenses | 73,821 | 35,846 |
| Stationery | 30,156 | 18,545 |
| Field equipment | 18,406 | 16,667 |
| Plotter costs | 30,543 | 46,496 |
| | 17,931,379 | 18,073,642 |
| Cost of Sales: | | |
| Opening Stock | 527,716 | 371,192 |
| Outsourced printing costs | 718,041 | 803,724 |
| Closing stock as at 31 December | (602,690) | (527,716) |
| Total Cost of Production and Sales | 18,574,446, | 18,720,842 |

**NOTES TO THE FINANCIAL STATEMENTS – Continued**

**3        New Mapping and Continuous Revision Costs**

As described in paragraph 6 to the accounting policies, expenditure incurred on enhancing and maintaining the topographic database is charged to the Income and Expenditure Account in the period in which incurred. The amounts charged to the Income and Expenditure Account were:

|  | 2008 | 2007 |
|---|---|---|
|  | € | € |
| New Mapping | 9,046,381 | 9,092,702 |
| Continuous Revision | 8,884,998 | 8,980,940 |
|  | 17,931,379 | 18,073,642 |

OSi estimates that the topographic database will be renewed through continuous revision over a five-year cycle.

**4.  Other operating Income**

|  | 2008 | 2007 |
|---|---|---|
|  | € | € |
| Deposit interest | 40,682 | 84,100 |
| Other income | 650 | 14,214 |
|  | 41,332 | 98,314 |

## NOTES TO THE FINANCIAL STATEMENTS – Continued

### 5. Distribution and Administration Expenses

|  | 2008 | 2007 |
|---|---:|---:|
|  | € | € |
| Salaries & Wages | 6,542,986 | 6,210,965 |
| Pension payments* | 1,189,729 | 718,643 |
| Travel & Subsistence | 160,755 | 188,770 |
| Training & subscriptions | 376,949 | 363,670 |
| Marketing & Promotions | 371,002 | 357,649 |
| Incidental expenses | 159,042 | 114,954 |
| Bank Charges | 30,260 | 23,823 |
| Office premises expenses | 557,876 | 645,927 |
| General Insurance | 77,780 | 84,011 |
| Light & heat | 316,676 | 301,804 |
| Cleaning | 187,008 | 155,086 |
| Postage & Telephone | 282,036 | 282,681 |
| Provision for bad debts | 100,000 | - |
| Depreciation | 241,882 | 265,517 |
| Consultancy | 303,288 | 510,723 |
| Contract photography | 31,138 | 2,478 |
| Legal & professional costs | 83,601 | 44,870 |
| Directors' fees | 95,000 | 95,000 |
| Outsourced payroll services | 65,412 | 54,426 |
| Audit fees | 36,000 | 37,900 |
| Stationery and office equipment | 39,311 | 43,614 |
| Bad debts | 181 | 1,589 |
|  | 11,247,912 | 10,504,100 |

OSi occupies premises rent free in the Phoenix Park, Dublin which are provided by the Office of Public Works. In December 2003 the Minister for Finance announced that OSi Headquarters will be relocating to Dungarvan, Co. Waterford.

* Pension payments are shown net of employee contribution of €450,000.

### 6. Staff costs and employee information

|  | 2008 | 2007 |
|---|---:|---:|
|  | € | € |
| Wages and salaries (including pension contributions) | 18,016,924 | 16,752,712 |
| Social insurance costs | 814,934 | 752,322 |
|  | 18,831,858 | 17,505,034 |

The average number of persons employed during the period was 317 (2007: 322).

## NOTES TO THE FINANCIAL STATEMENTS – Continued

**7      Tax on surplus/(deficit) on ordinary activities**

|  | 2008 | 2007 |
|---|---:|---:|
|  | € | € |
| Current Tax charged for the period | - | - |
| Overprovision in respect of previous years | - | - |
| Deferred tax: | | |
| Origination and reversal of timing differences | - | - |
| Tax charge/(credit) for the period | - | - |

| **8      Tangible assets** | **Motor Vehicles** | **Computer Equipment** | **Fixtures & Fittings** | **Total** |
|---|---:|---:|---:|---:|
|  | € | € | € | € |
| **Cost or valuation** | | | | |
| At 1st January 2008 | 693,656 | 23,593,627 | 1,974,083 | 26,261,366 |
| Additions | 55,897 | 2,194,935 | 6,855 | 2,257,687 |
| Disposals | - | - | - | - |
| At 31st December 2008 | 749,553 | 25,788,562 | 1,980,938 | 28,519,053 |
| | | | | |
| **Accumulated depreciation** | | | | |
| At 1st January 2008 | 503,998 | 19,318,735 | 666,249 | 20,488,982 |
| Charge for the period | 80,398 | 2,759,959 | 161,484 | 3,001,841 |
| Disposals | - | - | - | - |
| At 31st December 2008 | 584,396 | 22,078,694 | 827,733 | 23,490,823 |
| | | | | |
| **Net book amount** | | | | |
| At 31st December 2008 | 165,157 | 3,709,868 | 1,153,205 | 5,028,230 |
| At 31st December 2007 | 189,658 | 4,274,892 | 1,307,834 | 5,772,384 |

# NOTES TO THE FINANCIAL STATEMENTS – Continued

| 9 | Stocks | 2008 | 2007 |
|---|---|---|---|
| | | € | € |
| Consumables | | 86,179 | 70,349 |
| Map Stocks | | 516,511 | 457,367 |
| | | 602,690 | 527,716 |

| 10 | Debtors | 2008 | 2007 |
|---|---|---|---|
| | | € | € |
| Amounts falling due: | | | |
| Trade debtors | | 2,377,416 | 3,347,238 |
| Other Debtors | | 6,975 | 58,560 |
| Prepayments | | 1,053,399 | 653,264 |
| Amount recoverable on contracts | | 1,345,670 | 1,889,026 |
| | | 4,783,460 | 5,948,088 |

| 11 | Creditors – amounts falling due within one year | 2008 | 2007 |
|---|---|---|---|
| | | € | € |
| Trade creditors | | 733,840 | 44,863 |
| VAT | | 549,219 | 449,750 |
| Income Tax deducted under PAYE | | 210,541 | 197,024 |
| Pay Related Social Insurance | | 110,257 | 103,195 |
| Other creditors | | 181,697 | 157,996 |
| Accruals | | 1,318,847 | 1,807,877 |
| Payment/invoicing in advance on long-term contracts | | 5,554,444 | 5,081,806 |
| | | 8,658,845 | 7,842,511 |

## 12 Future capital expenditure not provided for.

OSi has not contracted for any future capital expenditure.

## 13 Pension Costs

### (a) Analysis of the amount charged in arriving at the operating surplus / (deficit) for the year.

| | 2008 | 2007 |
|---|---|---|
| | € | € |
| Charged to Income and Expenditure Account | 1,640,000 | 1,230,000 |
| Charged to Operating Account | | |
| Current Service costs | 3,800,000 | 3,700,000 |
| Interest on Scheme Liability | 5,900,000 | 5,700,000 |
| Benefits Paid | (1,640,000) | (1,230,000) |
| Pension Cost Charged to Operating Account | 8,060,000 | 8,170,000 |
| Total charged in arriving at Operating Surplus/(Deficit) | 9,700,000 | 9,400,000 |

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## NOTES TO THE FINANCIAL STATEMENTS – Continued

**(b)      Analysis of the movement in liability during the year**

|  | 2008 | 2007 |
|---|---|---|
|  | € | € |
| Scheme liability at 1 January | 107,000,000 | 103,000,000 |
| Current service cost | 3,800,000 | 3,700,000 |
| Interest costs | 5,900,000 | 5,700,000 |
| Actuarial loss/(gain) | 940,000 | (4,170,000) |
| Pensions paid in year | (1,640,000) | (1,230,000) |
| Scheme liability at 31 December | 116,000,000 | 107,000,000 |

**(c)      Deferred Funding for Pensions**

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

The Net Deferred Funding for Pensions recognised in Income and Expenditure Account was as follows:

|  | 2008 | 2007 |
|---|---|---|
|  | € | € |
| Funding recoverable in respect of current year pension costs | 9,700,000 | 9,400,000 |
| State grant applied to pay pensioners | (1,640,000) | (1,230,000) |
|  | 8,060,000 | 8,170,000 |

The deferred funding asset for pensions as at 31 December 2008 amounted to €116m (2007: €107m)

**(d)      History of experience gains and losses**

|  | 2008 | 2007 |
|---|---|---|
|  | € | € |
| Experience losses/(gains) on scheme liabilities |  |  |
| Amount (€) | 940,000 | (4,170,000) |
| Percentage of the present value of the scheme liabilities | 1% | (4%) |

The cumulative actuarial loss (or gain as may be the case) recognized in the Statement of Total Recognised Gains and Losses amounts to €940,000.

**(e)**      OSi operates defined benefit Staff Superannuation and Spouses' and Children's Contributory Pension Scheme.  Superannuation entitlements arising under these schemes are paid out of OSi current income and are charged in arriving at the Surplus/(Deficit) on the Income and Expenditure account in the year in which they become payable.  No separate fund is maintained and no assets are held to finance the payment of pensions and gratuities.  An actuarial valuation at 31$^{ST}$ December 2008 determined a valuation of

# NOTES TO THE FINANCIAL STATEMENTS – Continued

pension liability in respect of serving and retired staff in the sum of €116m (€107m at 31st December 2007). At vesting date the liability was €62m. The results are based on the actuarial valuation of the pension liabilities as at 31 December 2008. This valuation was carried out by a qualified independent actuary for the purposes of the accounting standard, *Financial Reporting Standard No.17 – Retirement benefits* (FRS 17)

The main financial assumptions used were:

|  | At 31/12/08 | At 31/12/07 | At 31/12/06 |
|---|---|---|---|
| Discount rate | 5.5% | 5.5% | 5.5% |
| Rate of increase of salaries | 4.0% | 4.0% | 4.0% |
| Rate of increase in pension | 4.0% | 4.0% | 4.0% |
| Inflation | 2.0% | 2.0% | 2.0% |

The information for disclosure required by FRS 17 in relation to mortality has not been provided by the actuary. This information will be provided by the actuary for 2009 and subsequent years."

### (f)      Revised FRS17 Disclosures

The information on pensions has been presented in line with new disclosure requirements required from 2008 under an amendment to FRS17.

### (g)      Departure from FRS 17 presentation

The financial statements disclose both the surplus for the year after charging pension benefits paid in respect of the period and the deficit after providing for all pension costs as determined under FRS17. The Board believes that this presentation gives a fairer presentation of OSi's financial performance having regard to the fact that its pension schemes are operated on a pay-as-you-go basis and the fact that its funding from the state is not intended to enable OSi to pre-fund.

### 14      Board Members' remuneration, loans and transactions

|  | 2008 € | 2007 € |
|---|---|---|
| Emoluments: |  |  |
| -      for service as Board members | 95,000 | 95,000 |
| -      for other services | - | - |
|  | 95,000 | 95,000 |

There were no loans to, or transactions with Board Members in the year ended 31st December 2008. The Board adopted procedures in accordance with guidelines issued by the Department of Finance in relation to the disclosure of interests by Board members and these procedures have been adhered to in the year. There were no transactions in relation to the OSi's activities in which Board Members' had any beneficial interest.

## NOTES TO THE FINANCIAL STATEMENTS – Continued

**15      Post balance sheet events**

There are no events of significance.

**16      Going Concern**

The balance sheet discloses a substantial deficit arising out of the adoption of FRS17. Notwithstanding this the Board believes that OSi will have sufficient resources available to it in the foreseeable future either from its commercial activities or by way of State grant to continue its operations and discharge its statutory mandate.  In the circumstances the Board believes that it continues to be appropriate to prepare the financial statements on the going concern basis.

**17      Approval of financial statements**

The directors approved the financial statements on 29th April 2009.