



An tÚdarás Pinsean
The Pensions Authority

THE PENSIONS AUTHORITY ANNUAL REPORT AND ACCOUNTS 2024

www.pensionsauthority.ie

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CHAIRMAN'S STATEMENT

I am pleased to present the annual report and accounts of the Pensions Authority (the Authority) for the year ended 31 December 2024 in accordance with section 23(2) of the Pensions Act, 1990, as amended (the Act).

The Authority is responsible for the oversight of occupational pension schemes and personal retirement savings accounts (PRSAs). In total, these represent an estimated €148 billion of retirement savings.

Pensions Authority strategy

The Authority's Statement of Strategy 2025 to 2029 sets out our vision, mission and values and the high-level strategies that will underpin our work programme for the next five years. The strategy is available on our website.

The long-term objective of the Authority's supervision, advisory and information activities continues to be a pensions system where retirement savings are secure, well-managed, cost-efficient and easily understood, and which encourages pensions savings. The 2025-2029 strategy is consistent with the previous strategy by its emphasis on forward-looking risk-based supervision, and on the importance of reducing the number of pension schemes in order to ensure effective oversight, strong governance and good value for members. An essential part of risk-based supervision is comprehensive data so that the Authority can identify emerging risks and take appropriate action.

Single member pension schemes

There are tens of thousands of single member pension schemes registered with the Authority whose derogation from the obligations of the IORP II Directive will expire in less than a years' time. It is unlikely that it will be economic for most of those schemes to put in place the required governance measures to become compliant, and therefore the most realistic option for such schemes is to transfer into a PRSA or a multi-employer master trust.

Although good initial progress has been made in resolving these schemes, there is a considerable amount remaining to be done, and this is a concern for the Authority. Once the derogation expires in April 2026, the Authority will have to consider whether enforcement actions are appropriate.

Legislation

We welcome the proposals by the Minister for Social Protection to introduce pensions legislation in the near future. In particular, the proposals for a system of pension scheme authorisation will enable a more flexible and responsive system of supervision which can respond to developments in the pensions sector.

Europe

Recent developments in Irish pensions have been mostly as a result of the implementation of EU regulations and directives. Increasingly such European developments are applied to all financial institutions and are not specific to the pensions sector: this reflects the view that those saving for retirement are entitled to no less protection and supervision than other savers. However, the

result of this increasingly complex environment is undoubtedly that pension management and administration require more time and professionalism, and this trend will continue and be reflected in supervisory expectations.

Governance

In 2024, the Authority had a staff of over 90 and fee income of €12.3 million. During 2024, important changes were made to the structure of the organisation to improve management capacity and increase supervision capabilities. I and my fellow members of the Authority are aware of our responsibility to ensure that the organisation is as effective and efficient as possible and provides good value for money. This annual report sets out in detail how the Authority has been managed and run during 2024.

Conclusion

In conclusion, on behalf of myself and the other members of the Authority I would like to thank the Minister and the officials in the Department of Social Protection. We value our close working relationship and their support throughout the year.

We also want to thank the Pensions Regulator, the staff of the Authority and the members of the Audit and Risk Committee for their hard work and professionalism during 2024.



Dr David Begg
Chairman

THE PENSIONS AUTHORITY

The Authority is a statutory body comprising an independent chairperson appointed by the Minister for Social Protection and two ordinary members. The term of office for the Authority members is five years.

The members of the Authority as at 31 December 2024:



Dr David Begg
Chairman



Ms Deirdre Shanley*
Assistant Secretary,
Department of Social
Protection (Representative
of the Minister for
Social Protection)



Mr Michael J. McGrath**
Assistant Secretary
Department of Finance
(Representative of the
Minister for Finance)

*Ciarán Lawler stepped down as an Authority member in March 2024 and has been replaced as the representative of the Minister for Social Protection by Deirdre Shanley, Assistant Secretary, Department of Social Protection.

**Michael McGrath was reappointed in March 2024 as the representative of the Minister for Finance.

Day-to-day decision making is delegated to employees under the Authority's active supervision. The Authority's senior management team is as follows:



Brendan Kennedy
Pensions Regulator



Andrew Nugent
Director



John Gethin
Director



Pat O'Sullivan
Head of Defined
Benefit Supervision



Ger Clarke
Head of Master
Trust Supervision



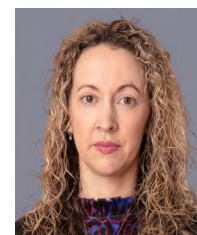
Eoin Cassells
Head of Defined
Contribution
Supervision



Mary Broderick
Head of Policy



P J Kelly
Head of IT & Data



Lydia Leonard
Head of Legal



David Malone
Head of Operations

MEETING THE AUTHORITY'S OBJECTIVES

Forward-looking risk-based supervision

Throughout the year the Authority engaged with many occupational pension schemes using a range of various supervisory methods, including the supervisory review process, audits and desk-based reviews, data requests and engagement meetings. The 'Findings report on 2024 supervisory activities' is published on the Authority's website.

The Authority met regularly with the largest pension providers to monitor scheme consolidation and address any queries or barriers. The Authority also met with smaller providers of derogated one-member arrangements to ensure they have commenced their process of compliance or consolidation ahead of the April 2026 derogation deadline. This work will continue into 2025.

Supervisory review process (SRP)

Section 26J of the Act requires the Authority to conduct a supervisory review of the strategies, processes and reporting procedures established by the trustees of pension schemes. The review consists of an assessment by the Authority of a scheme's system of governance, the risks that the scheme faces and the ability of the trustees to manage those risks.

The Authority began its review programme in 2024 with the selection of six master trusts, one large defined contribution (DC) scheme and one large defined benefit (DB) scheme.

There will be a significant increase in the number of schemes selected for the SRP in 2025 and beyond. The Authority intends to review master trusts at least every three years and to apply the SRP to other schemes in the coming years, having regard to the scale, nature, size and complexity of those schemes.

On conclusion of each review, the Authority issued a preliminary findings letter to each scheme, and the trustees were invited to respond to the findings. A final findings letter was issued following consideration of the trustees' response. Where issues were identified, the Authority has put in place a monitoring programme to ensure all issues are addressed. Failure to address the issues identified within the timeframe specified may result in the imposition of sanctions by the Authority, including the imposition of Advisory Notices in accordance with section 26M of the Act.

The SRP findings for master trusts indicate that trustees are meeting many of the requirements of the Act and the Code of Practice for trustees. However, there are areas that require further trustee attention as set out in the findings report. These include:

- Trustee oversight of service providers.
- Management of conflicts of interest.
- Poor quality scheme policies and procedures.
- The need for rationalisation of fund choices and charging structures.
- Ensuring value-for-money and costs transparency.
- Ensuring effectiveness of member and participating employer communications.
- Trustee engagement with the risk management framework and own-risk assessment (ORA) process.

The Authority expects that any findings issued to trustees are dealt with in a timely manner and that trustees develop a forward-looking risk-based approach to their management of schemes, which is focused on the best interests of members.

Master trust engagement programme

The Authority held engagement meetings with all master trust trustee boards in 2024, either as part of the SRP or as a stand-alone engagement. The non-SRP engagements which took place in 2024 focused on the management of risks in core areas.

The Authority also held a round-table discussion with the independent chairpersons of master trusts on priorities and key concerns for master trusts in 2024.

The Authority collected master trust data monthly throughout 2024 which provided relevant and up-to-date information on the scale and growth of master trusts.

The Authority notes that many master trusts are commencing the process of rationalising fund choices and legacy charging structures following the transition of many stand-alone schemes into master trusts. The Authority considers this process is essential to achieve efficiencies and achieve better value for money for members. However, some schemes have made very limited progress with this, and the Authority intends to continue to monitor progress in this area in 2025.

Defined benefit and defined contribution scheme engagement programme

The Authority met with the trustee boards of three large DB and three large DC schemes during 2024. Engagements with these schemes focused on the trustee board demonstrating that they have an effective system of governance in operation for their scheme and their ability to manage risk. The Authority was largely satisfied that the trustee boards it met had an effective system of governance in place and were adequately managing the risks identified.

The DB scheme trustee boards the Authority met all had an objective of de-risking the scheme over time and one scheme was in the process of agreeing a corporate guarantee. The Authority noted regular engagement with the sponsoring employer on investment strategy, funding, and the sponsor contribution commitment.

Some observations from the engagement with DC schemes included the need for trustee boards to have adequate succession planning in place to mitigate the risk that there is an unforeseen resignation of a member of a trustee board.

Group scheme audits

In 2024, the Authority carried out audits of compliance with specific requirements set out in the Act, including the requirement to prepare an annual compliance statement (ACS), the requirement to appoint a risk management key function holder (KFH) and an internal audit KFH, and the requirement to carry out and document an ORA.

A total of 466 schemes were audited as outlined in the table below.

Audit type	Number of schemes		Total
	DB	DC	
ACS	100	88	188
KFH	21	63	84
ORA	100	94	194
Total	221	245	466

The majority of schemes were found to be compliant with the various requirements. Where the Authority identified issues of non-compliance, or delays in updating data on the Pensions Data Register (PDR), findings letters were issued to the trustees to address these issues. In many cases, non-compliance was due to schemes intending to wind-up and transfer to a master trust or other pension arrangements.

PRSA supervision

There were no significant instances of non-compliance identified by PRSA actuaries in 2024. All minor instances of non-compliance reported by the PRSA actuaries were examined by the Authority and addressed with the relevant PRSA provider, where necessary.

The Authority conducted an audit of the 15 PRSA providers to examine providers' compliance with the requirements of section 113 of the Act. Section 113 requires PRSA providers to ensure they have been furnished with certain disclosure documents before accepting a transfer from an occupational pension scheme to a PRSA, except in certain specific circumstances. Overall, there were no material issues of non-compliance discovered.

In 2024, the Authority, in consultation with Revenue, approved 23 new PRSA products. There were 16 amendment requests received and approved regarding existing products during the year. These amendments related to changes in the charging structure or the addition or removal of funds of a PRSA product. One new PRSA provider had 10 non-standard products approved in 2024.

Public sector scheme supervision

Throughout 2024, the Authority continued its engagement with public sector schemes with a focus on addressing issues regarding disclosure of information and timely payment of benefit within certain sectors. The Authority will continue its engagement with public sector schemes on these matters in 2025.

Registered administrator supervision

In 2024, the Authority renewed 88 registered administrators (RAs), processed one new RA application, and processed 10 RA terminations. The Authority had several engagement meetings with RAs during the year.

Compulsory and voluntary reporting/whistle-blowing

There are statutory provisions, known as whistle-blowing obligations, which place a legal obligation on specified persons involved in the operation of occupational pension schemes, trust retirement annuity contracts (RACs) and PRSAs. Such persons must make a report to the Authority where fraud or material misappropriation is suspected to have occurred, or it is feared is about to occur. Any person can make a voluntary report on matters concerning the state and conduct of a scheme, trust RAC or PRSA. All such reports are treated seriously and confidentially by the Authority. The Authority received 21 such reports in 2024.

Reactive supervision and investigations

There were 17 investigation cases carried forward into 2024 and a further 23 cases opened during the year. Most investigations opened in 2024 related to alleged non-remittance of contributions. During the year 25 cases were closed, and 15 cases remained ongoing at the end of the year.

Prosecutions

There were no prosecution cases in 2024.

IT and data systems development

The Authority is in the process of replacing its supervisory IT platform, and the new system will go live in 2026. The Authority will communicate further with trustees and administrators on the development of this new platform during 2025.

The Authority's objective is to ensure that its systems are robust, and that they support forward-looking risk-based supervision, and evidence-based data driven policy. However, one issue that must be addressed immediately by trustees and their administrators is the quality of data in submissions to the Authority. Staff in the Authority spend far too much time addressing data issues and manually correcting what is sent to us. The new platform will have additional layers of validation to aid with accuracy but equally the Authority will be looking at new approaches to stricter enforcement on data submissions in future. Trustees are ultimately responsible for the data sent on their behalf to the Authority.

In the medium term, the Authority will be collecting more data from pension schemes, and this data will have to be provided on a more timely basis and more frequently than at present. The Authority will be working with colleagues in the Central Bank to avoid data duplication as far as possible. Trustees will be required to ensure that their administration systems can provide timely and accurate data in the formats required.

POLICY DEVELOPMENT

During the year, the Authority:

- ran a public consultation on revisions to the Authority's code of conduct for PRSA providers. The revised code includes new sections on conflicts of interest, risk warning, and product oversight and governance. The revised code was published on 31 January 2025 and will come into effect on 1 August 2025;
- continued to participate in the Interdepartmental Pensions Reform and Taxation Group and progressed several tasks to implement conclusions of the Group's Report. The Authority liaised with the Department of Social Protection (DSP) to develop legislative

amendments related to the disclosure of information to PRSA contributors. The Authority also continued its analysis and development of policy proposals on the potential introduction of in-scheme drawdown. This work will continue into 2025;

- continued to participate in the OECD Working Party on Private Pensions. The Authority chaired the Technical Committee of the International Organisation of Pension Supervisors (IOPS) and contributed to the IOPS project on resilience of pension supervision to identify good practices for crisis management frameworks;
- participated at the EIOPA Board of Supervisors meetings and attended EIOPA Policy Steering Committee meetings. The Authority also participated in and kept a watching brief over other working groups such as the Risk and Financial Stability Committee and Digital Finance Steering Committee. The Authority contributed to various EIOPA IORP workstreams and engaged with other regulators to maintain up to date understanding of developing EU pensions related initiatives;
- provided technical assistance to DSP on a range of pensions matters, including EU legislation, such as the Financial Data Access proposal, the European Single Access Point and the Digital Operational Resilience Act (DORA);
- the Authority liaised with DSP on the development of possible legislative amendments to introduce an authorisation regime for schemes, including master trusts. This work will continue into 2025;
- commenced a collaboration with the Central Statistics Office (CSO) on PRSAs, which involves linking data from a range of databases with the aim of publishing a statistical analysis of PRSA data;
- continued to review and discuss with DSP the suitability of existing PRSA investment rules. This work will continue in 2025;
- engaged regularly with external stakeholders like the Society of Actuaries in Ireland, the Irish Association of Pension Funds, pension providers, DSP, Department of Finance, CSO, Central Bank of Ireland, and Revenue; and
- engaged with trustees, pensions industry professionals, and other regulators on a wide range of pensions issues including consolidation progress and DORA.

SUPPORT INFORMATION AND GUIDANCE

The Authority supports trustees, PRSA providers, administrators, employers and their advisors with information and guidance to help them understand and meet their obligations under the Act.

Over 14,600 general pension and data processing enquiries were received and dealt with during the year. Most of the 7,878 general pension enquiries were from pension scheme members. The most common enquiry topics related to disclosure of information, pension tracing, public sector scheme benefits, PRSAs and family law. All enquiries were responded to in line with the Authority's Customer Charter and no complaints were received in relation to the handling of these enquiries.

The Authority also received and dealt with 78 requests for information from international bodies and other national authorities during 2024.

REQUIRED REPORTING

Protected disclosures

In 2024 the Authority received two disclosure reports from externals. Both external reports were dealt with and resolved. No disclosure reports were received from internal staff members. The Authority's Protected Disclosures 2024 annual report was published on the Authority's website.

Data and information enquiries

During 2024, the Authority:

- dealt with three enquiries from members of the Oireachtas;
- provided information to the DSP in response to 17 parliamentary questions;
- completed five freedom of information requests within the statutory deadlines;
- received and dealt with two data subject access requests under the General Data Protection Regulation;
- received no open data requests; and
- made no data breach reports to the Data Protection Commission.

Prompt payments

The Authority operated a 15-day prompt payment policy and posted its quarterly prompt payment reports on the Authority's website.

Human resources

The Authority is committed to providing a safe place to work and operates in accordance with the Safety, Health and Welfare at Work Act, and provides access to a confidential employee assistance programme.

The Authority provides employees with the opportunity through continuous learning and development to develop the skills and knowledge required to efficiently and effectively carry out their roles to serve the public interest. The Authority is committed to investing in the expertise of its employees so they can advance their careers in this organisation and beyond.

Public sector equality, diversity, and human rights duty

The Authority is committed to meeting its obligations to promote equality, prevent discrimination and protect the human rights of employees, and service users as required by the Public Sector Equality and Human Rights Duty (under section 42 of the Irish Human Rights and Equality Commission Act, 2014).

The Authority is committed to delivering its public sector equality and human rights duty to eliminate discrimination, to promote equality of opportunity and to protect the human rights of those we deal with and the staff who work here.

The Authority will continue to encourage a culture of participation and inclusion in the workplace by engaging where relevant and appropriate with both internal and external stakeholders on matters relating to human rights and diversity, equality and inclusion.

The Authority has an equality, diversity, and inclusion policy in place which is shared with all employees. All employees have access to an online training course on equality, diversity and inclusion.

The Customer Charter and Customer Action Plan which are published on the Authority's website set out how the Authority meets its obligations to service users. Details of the access officers under the Disability Act, 2005 are also published on the Authority's website.

The Authority is an equal opportunities' employer and has a dedicated careers page on its website. The Authority publicly advertises relevant vacant posts on publicjobs.ie and on LinkedIn and operates a competency-based approach when assessing job applications and in conducting interviews.

The Authority monitors compliance with its human rights, equality, diversity, and inclusion obligation throughout the year by reviewing and addressing any internal or external comments, enquiries, or complaints that it receives on these matters.

Official Languages (Amendment) Act, 2021

The Authority recognises that the public has a right to do their business with it in their preferred language whether in English or Irish. Under the Official Languages Act, the public is entitled to specific services through the Irish language including a response to correspondence in Irish and the availability of major publications in Irish, e.g., the Authority's annual report. The Authority is committed to high standards of public service through the Irish language as the national and the first official language of the country and encourages and supports employees to undertake Irish language training. Two employees completed Irish language training in 2024.

Climate action and energy usage

Electricity is the only energy source used in the Authority. The Authority's energy consumption in 2024 was 97,325 kWh, which was a reduction of 1.5% on 2023 (98,799 kWh). Total energy-related CO₂ emissions for 2024 were 25,756 kg CO₂, which was a reduction of 5.71% on 2023 (27,317 kgCO₂). Energy consumption rates are reported through the SEAI Public Sector Monitoring and Reporting (M&R) system.

The Authority has a Climate action roadmap in compliance with our obligations under the Public Sector Climate Action Mandate as set out in the Climate Action Plan 2024. The roadmap focuses on our targets, our people, our way of working, and our building. Throughout 2024, the Authority's Climate action green team promoted sustainability initiatives and responsible management of resources, with policies in place for recycling, waste management and disposal, and efficient energy and water usage.

The Authority adheres to the Office of Government Procurement guidelines for green public procurement. The Authority complies with the mandatory procedures and methodology outlined in the Department of Public Expenditure, NDP Delivery and Reform Circular 01/2020 for all government departments, offices, and agencies, to record, monitor, and value greenhouse gas emissions associated with official air travel made within a calendar year. In line with this, the Authority make a corresponding payment to the Climate action fund, based on the prevailing rate of carbon tax.

COMMITTEE OF THE AUTHORITY

Audit and Risk Committee

The Audit and Risk Committee (ARC) is part of the control environment within the Authority. The ARC is tasked with providing independent advice to the Authority on matters including the suitability and robustness of the organisation's internal control, risk management, governance procedures and the reliability of financial reporting.

The ARC is independent of the day-to-day financial management of the organisation which is the responsibility of the Executive. In particular, the ARC independently monitors the internal control systems including audit activities.

Membership of the ARC

The ARC consists of five members: an independent chairperson, two independent non-executive members, a representative of the Department of Social Protection, and a representative of the Department of Finance.

Schedule of attendance

A schedule of attendance at the ARC meetings for 2024 is set out below:

ARC meetings 2024 Number of meetings held: 5		
Name	Position	Attendance
Patricia Barker	Chairperson	5/5
Brendan O'Leary	Representative of the Department of Finance	5/5
Clíodhna Judge	Independent non-executive member	5/5
Odelle Coogan	Representative of the Department of Social Protection	4/5
Conor Sexton	Independent non-executive member	5/5

ARC Charter

The ARC's terms of reference are set out in its Charter. The ARC conducted its annual review of its Charter

in 2024, and it was approved by the Authority on 22 October 2024.

Work of the ARC in 2024

The ARC, in fulfilling the requirements of its function, assessed the performance of the key elements of the systems of internal control in operation in the Authority in 2024. The ARC held its meetings in-person and supported virtual attendance at the meetings where necessary throughout 2024.

Internal audit

The 2024 internal audit work programme was approved by the ARC and consisted of:

- A review of internal controls in the Authority.
- A review of the Authority's strategic planning process.
- A review of the Authority's business continuity, disaster recovery and cyber security incidence response process.

The ARC met with the internal auditors to discuss the outcome of the audit findings and monitored the implementation of audit recommendations by the Executive throughout 2024.

External audit

The Comptroller and Auditor General (C&AG) is the external auditor of the Authority. The C&AG issued an unqualified audit opinion for the Authority's 2023 financial statements. The ARC met with the external auditors to discuss the outcome of the audit findings and monitored the implementation of audit recommendations by the Executive throughout 2024.

Finance oversight

The ARC has no responsibility for the day-to-day financial management or operations of the organisation which is the responsibility of the Executive. During 2024, the ARC reviewed the quarterly management accounts and examined and discussed with the Executive the reasons for any material variances from planned expenditure. The ARC reviewed the investments of the Authority each quarter. The ARC kept the future financing of the Authority as a standing item on its agenda during 2024. The ARC monitored the future cash flows of the Authority in the light of planned capital expenditure and received reports on the progress of the relevant projects. The ARC also reviewed the draft 2025 budget and provided their feedback to the Authority.

Risk management

A risk register is compiled and managed by the Executive and identifies key risks facing the Authority and the actions being taken by the Executive, to the extent possible, to mitigate those risks. The ARC provided feedback to the Authority on their quarterly review of the risk register. The ARC is satisfied that the process of identifying, assessing, and addressing key risks is sufficiently robust to ensure that an effective system of risk management was in place in the Authority in 2024.

Corporate governance

During 2024, the ARC received updates from the Pensions Regulator on the supervision activities of the Authority and on matters including pensions reform initiatives, the implementation of the IORP II Directive, liability-driven investments, IT systems development and data management projects, auto-enrolment, fee income, and human resources.

The ARC undertook a skills audit to assess if the ARC had access to the relevant skills and knowledge to fulfil its duties. A lacuna was identified around ICT governance and cybersecurity. Following a recruitment process an additional member was appointed to the ARC in March 2024 to address this gap.

The ARC, as a matter of course, meets for a short period, with no Executive members present, at the end of each of its meetings.

The Chair of the ARC presented a report to the Authority after each of its meetings in 2024. The ARC was compliant with its obligations under the Code of Practice for the Governance of State Bodies in 2024.

Plan for 2025

The ARC is alert to the many risks faced by the Authority as it progresses with the implementation of forward-looking risk-based supervision as required by the IORP II Directive and will continue to monitor these risks throughout 2025.

The internal audit schedule planned for 2025 includes:

- Q1 – Organisational culture.
- Q2 – Forward-looking risk-based supervision.

Conclusion

The ARC is satisfied that a robust system of internal control and financial management is in place in the Authority. It is also satisfied that there is an appropriate system in place for effective risk management in the Authority. These systems will continue to be monitored by the ARC.

The ARC's full annual report is available on the Authority's website.

Patricia Barker

Patricia Barker
ARC Chair
December 2024

GOVERNANCE STATEMENT AND AUTHORITY MEMBERS' REPORT

Governance

The Authority is a statutory body set up under the Act. The functions of the Authority are set out in section 10 of the Act. The Authority is accountable to the Minister for Social Protection. The Authority is responsible for ensuring good governance within the organisation and performs this task by agreeing strategic objectives and targets with the Executive and taking strategic decisions on all key business issues. The Pensions Regulator and the senior management team must follow the broad strategic direction agreed with the Authority and must ensure that all Authority members have a clear understanding of the key activities and decisions related to the entity, and of any significant risks likely to arise.

Authority responsibilities

The Authority is collectively responsible for leading and directing the Authority's activities. It delegates operational responsibility for the day-to-day running of the Authority to the Pensions Regulator and the Executive. Such delegation does not absolve the Authority from the duty to supervise the discharge of the delegated functions. The Authority is responsible for fulfilling key functions, comprising reviewing and guiding strategic direction and major plans of action, risk management policies and procedures, annual budgets and business plans, setting performance objectives, monitoring implementation and the Authority's performance, and overseeing major capital expenditure and investment decisions.

Standing items considered by the Authority at their meetings include:

- conflicts of interest,
- risk,
- reports from the ARC (including financial reporting),
- Pensions Regulator report, and
- enforcement and regulatory decisions.

Section 22 of the Act requires the Authority to keep, in such form as may be approved by the Minister for Social Protection with consent of the Minister for Public Expenditure, National Development Plan Delivery and Reform (PENDPDR), all proper and usual accounts of money received and expended by it.

In preparing these financial statements, under the Code of Practice for the Governance of State Bodies (2016), the Authority is required to:

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

The Authority must keep adequate accounting records which disclose, with reasonable accuracy at any time, its financial position and enables it to ensure that the financial statements comply with section 22 of the Act. The maintenance and integrity of the corporate and financial information on the Authority's website is the responsibility of the Authority members.

The Authority is responsible for:

- Approving the annual plan and budget. An evaluation of the performance of the Authority by reference to the annual plan was carried out at the Authority meeting on 10 December 2024. The review of the annual budget was carried out on 10 December 2024.
- Making a recommendation to the Minister for Social Protection regarding occupational pension scheme and PRSA fees annually.
- Safeguarding its assets and hence for taking reasonable steps to prevent and detect fraud and other irregularities.

The Authority considers that the financial statements of the Authority give a true and fair view of the financial performance and the financial position of the Authority at 31 December 2024.

Going concern

The Executive has reviewed cashflows for the next year and is satisfied that there will be sufficient funds available to ensure that the Authority will continue to operate as a going concern for the foreseeable future.

Authority structure

The Authority consists of a chairperson, and two ordinary members, all of whom are appointed by the Minister for Social Protection. Appointment to the Authority is for a period of up to five years. Members are eligible for reappointment. The Authority members meet approximately every six weeks in accordance with a schedule of meetings agreed at the beginning of each year.

The table below details the date of appointment of 2024 Authority members.

Authority member	Role	Date appointed
David Begg*	Chairman	12 January 2016
Michael McGrath**	Representative of the Minister for Finance	17 February 2020
Ciarán Lawler***	Representative of the Minister for Social Protection	29 March 2021
Deirdre Shanley****	Representative of the Minister for Social Protection	06 March 2024

* David Begg was reappointed as Chairman of the Authority on 13 January 2021.
** Michael McGrath was reappointed in March 2024 as the representative of the Minister for Finance.
*** Ciarán Lawler stepped down as an Authority member in March 2024.
**** Deirdre Shanley was appointed in March 2024 as the representative of the Minister for Social Protection.

Schedule of attendance, fees and expenses

A schedule of attendance at the Authority meetings for 2024 is set out below including the fees and expenses received by each member.

Authority meetings 2024 Number of meetings held: 7				
Name	Position	Number of meetings attended	Fees 2024 €	Expenses 2024 €
David Begg	Chairman	7/7	20,520	0
Michael McGrath	Representative of the Minister for Finance	7/7	0	0
Ciarán Lawler	Representative of the Minister for Social Protection	2/2	0	0
Deirdre Shanley	Representative of the Minister for Social Protection	4/5	0	0

Gender balance in the Board membership

The three members of the Pensions Authority Board are:

- Chairperson, and
- Ordinary members – a representative of the Department of Social Protection and a representative of the Department of Finance.

In March 2024, Deirdre Shanley, Assistant Secretary, Department of Social Protection was appointed as an Authority member replacing Ciarán Lawler as the representative of the Minister for Social Protection.

At 31 December 2024, the Authority had 33.3% female and 66.7% male members. The Authority, therefore, did not meet the target in the Code of Practice for the Governance of State Bodies of a minimum of 40% representation of each gender in the membership of State Boards.

Appointments to the Authority are a matter for the Minister for Social Protection. For any future appointments to the Authority, the chairman will draw the Minister's attention to the current gender balance on the Authority Board.

Since the establishment of the Authority in 1990 (known then as the Pensions Board), there have been 29 female ordinary members and 39 male ordinary members of the board. In 2013, the composition of the board was changed from 17 members to three by the Social Welfare and Pensions (Miscellaneous Provisions) Act, 2013. In addition, there have been three female and four male chairpersons of the Authority since 1990.

Audit and Risk Committee

The Authority has established an ARC which comprises four members and an independent chairperson.

The role of the ARC is to provide independent advice to the Authority on matters including the suitability and robustness of the organisation's internal control, internal audit, risk management, governance systems procedures and the reliability of financial reporting.

The ARC is independent of the day-to-day financial management of the organisation by the Executive. In particular, the ARC ensures that the internal control systems including audit activities are monitored actively and independently.

The ARC after each of their meetings formally reports to the next Authority meeting. The ARC also produces an annual report which is approved by the Authority and published on the Authority's website.

The ARC consists of five members and at the end of 2024 its membership was as follows:

- Ms. Patricia Barker, Chairperson (independent).
- Ms. Cliodhna Judge, ordinary member (independent).
- Mr. Conor Sexton, ordinary member (independent).
- Mr. Brendan O'Leary, ordinary member (representative of the Department of Finance).
- Ms. Odelle Coogan, ordinary member (representative of the Department of Social Protection).

Schedule of attendance, fees and expenses

A schedule of attendance at the ARC meetings for 2024 is set out below including the fees and expenses received by each member.

ARC meetings 2024 Number of meetings held: 5				
Name	Position	Number of meetings attended	Fees 2024 €	Expenses 2024 €
Patricia Barker	Chairperson	5/5	2,414	0
Cliodhna Judge	Ordinary member	5/5	1,697	0
Conor Sexton*	Ordinary member	5/5	1,414	446
Brendan O'Leary	Representative of the Department of Finance	5/5	0	0
Odelle Coogan	Representative of the Department of Social Protection	4/5	0	0

*Conor Sexton was appointed to the ARC on 14 March 2024.

The following members did not receive an Authority or ARC fee under the One Person One Salary principle:

- Ciarán Lawler.
- Michael McGrath.
- Deirdre Shanley.
- Odelle Coogan.
- Brendan O'Leary.

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

The Authority is responsible for ensuring that the organisation has complied with the requirements of the Code of Practice for the Governance of State Bodies (the Code), as published by the DPENDPDR in August 2016.

The following disclosures are required by the Code:

Employee short-term benefits breakdown

Details of employee short-term benefits in excess of €60,000 and the salary costs of key management personnel are set out in note number three in the financial statements.

Consultancy costs

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

	2024 €	2023 €
Legal advice	304,982	363,129
Financial/actuarial advice	0	0
Public relations	0	0
Research consultancy	0	8,918
Business improvement	0	0
ICT consultancy	1,184,460	785,792
Investigation and compliance support	122,293	131,719
Total consultancy costs	1,611,735	1,289,558
	2024 €	2023 €
Consultancy costs capitalised ¹	1,184,460	785,792
Consultancy costs charged to the income and expenditure and retained revenue reserves	427,275	503,766
Total	1,611,735	1,289,558

¹ €1,184,460 of consultancy costs capitalised relate to IT development projects and are set out in note 11 and are capitalised in accordance with the rules set out in FRS102.

Legal costs and settlements

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

	2024 €	2023 €
Legal fees – legal proceedings	0	7,407
Conciliation and arbitration payments	0	0
Settlements	0	0
Total	0	7,407

Travel and subsistence expenditure

Travel and subsistence expenditure is categorised as follows:

	2024 €	2023 €
Domestic		
- Authority members	0	0
- Employees	2,129	811
International		
- Authority members	0	0
- Employees	17,392	18,593
Total	19,521	19,404

Hospitality expenditure

The income and expenditure account includes the following hospitality expenditure:

	2024 €	2023 €
Employee hospitality ²	8,807	11,690
Client hospitality	1,303	1,039
Total	10,110	12,729

Statement of compliance

The Authority has adopted the Code of Practice for the Governance of State Bodies (2016) and has put procedures in place to ensure compliance with the Code. The Authority was in compliance with the Code of Practice for the Governance of State Bodies for 2024.



Dr David Begg
Chairman

17 June 2025



Brendan Kennedy
Pensions Regulator

17 June 2025

² This includes employer contribution to the employee social committee and other activities.

STATEMENT ON INTERNAL CONTROL

Responsibility for system of internal control

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

Purpose of the system of internal control

The system of internal control is designed to manage risk to a tolerable level rather than to eliminate it. The system can therefore only provide reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented, or detected in a timely manner.

The system of internal control, which accords with guidance issued by the DPENDPDR, has been in place in the Authority for the year ended 31 December 2024 and up to the date of approval of the financial statements.

Audit and risk management

The ARC met five times during 2024.

The Authority has an outsourced internal audit function, which is adequately resourced and conducts a programme of work as agreed with the ARC.

The Authority has a risk management policy, which sets out its risk appetite, the risk management processes in place and details the roles and responsibilities of employees in relation to risk. The Authority approved the policy and the risk management processes. The policy has been issued to all employees who are expected to work within the Authority's risk management processes.

Risk and control framework

The Authority has a risk register which identifies key risks and the management actions being taken, to the extent possible, to mitigate those risks. The key risks facing the Authority have been evaluated and graded according to their significance. The risk register is

reviewed quarterly by senior management, the ARC and the Authority. The outcome of these assessments is used to allocate resources to ensure risks are managed to an acceptable level.

I confirm that a control environment containing the following elements is in place:

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

Ongoing monitoring and review of internal controls

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

- Key risks and related controls have been identified and processes have been put in place to monitor the operation of those key controls and report any identified deficiencies.
- Reporting arrangements have been established at all levels where responsibility for financial management has been assigned.
- There are quarterly reviews by senior management of financial reports which indicate performance against budgets/forecasts.

Ongoing hybrid working arrangements

The Authority introduced a hybrid work model arrangement in July 2022. Overall, employees continued to work professionally and successfully, and all priority work was maintained, including day-to-day supervision work, and responding to telephone and online enquiries. All financial controls were maintained, and IT systems, recruitment and procurement all operated effectively over the period.

Integrated Pensions System (IPS) software development project

Development of a replacement for the Authority's main IT system started in 2021, using a mix of staff and external contractors. The original planned release date was the end of 2024. In late 2022/early 2023, four key staff were lost to the project.

In Q2 2024, extensive analysis of the requirements gathered and of the data migration required to support those requirements was undertaken. This analysis process resulted in an updated release date of Q2 2026.

If the IPS project had delivered to its original timeline of end 2024 the estimated ICT external resources software development costs would have been in the region of €2.3 million versus the current projected cost of €3.9 million resulting in a difference of €1.6 million amplified predominately by the extension in the timeline for delivery of IPS 1.0 out to end of Q2 2026. The internal staff resource costs attributed to the IPS project from 2024 to end of Q2 2026 are estimated at €1 million.

The Board of the Authority approved the revised IPS project delivery timeline and expenditure plans at their meeting in December 2024.

Procurement

I confirm that the Authority has procedures in place to ensure compliance with current procurement rules and guidelines.

Review of effectiveness of internal controls

I confirm that the Authority has procedures to monitor the effectiveness of its risk management and control procedures. The Authority's monitoring and review of the effectiveness of the system of internal financial control is informed by the work of the internal and external auditors. The senior management in the Authority are responsible for the development and maintenance of the internal financial control framework.

I confirm that the Authority conducted an annual review of the effectiveness of the internal controls for 2024 on 1 April 2025.

Internal control issues

No weaknesses in internal control were identified in relation to 2024 that require disclosure in the financial statements.



Dr David Begg
Chairman

17 June 2025

REPORT OF THE COMPTROLLER AND AUDITOR GENERAL



Ard Reachtaire Cuntas agus Ciste Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Pensions Authority

Opinion on the financial statements

I have audited the financial statements of the Pensions Authority for the year ended 31 December 2024 as required under the provisions of section 22 of the Pensions Act 1990. The financial statements comprise

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

In my opinion, the financial statements give a true and fair view of the assets, liabilities and financial position of the Pensions Authority at 31 December 2024 and of its income and expenditure for 2024 in accordance with Financial Reporting Standard (FRS) 102 — *The Financial Reporting Standard applicable in the UK and the Republic of Ireland*.

Basis of opinion

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

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

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

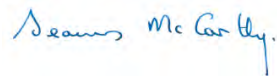
The Pensions Authority has presented certain other information together with the financial statements. This comprises the annual report, the governance statement and Authority members' report, and the statement on internal control. My responsibilities to report in relation to such information, and on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

Integrated Pensions System software development project

Development of a replacement for the Pensions Authority's main information technology system commenced in 2021, using both Authority staff and external contractors. The statement on internal control discloses that the Authority estimated the cost of the external contractor resources required for the project would be €2.3 million. The expected date for completion of the development project was the end of 2024.

Report of the C&AG (continued)

Progress on the development of the new system was not in line with the planned timeline. Following analysis of the requirements of the project in mid-2024, the Authority now expects completion of the project in the quarter April to June 2026, and estimates the cost of the contractor services for the project will be €3.9 million.



Seamus McCarthy
Comptroller and Auditor General

26 June 2025

APPENDIX TO THE REPORT

Appendix to the report

Responsibilities of Authority members

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

- the preparation of annual financial statements in the form prescribed under section 22 of the Pensions Act 1990
- ensuring that the financial statements give a true and fair view in accordance with FRS102
- ensuring the regularity of transactions
- assessing whether the use of the going concern basis of accounting is appropriate, and
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibilities of the Comptroller and Auditor General

I am required under Section 22 of the Pensions Act 1990 to audit the financial statements of the Pensions Authority and to report thereon to the Houses of the Oireachtas.

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

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

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

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

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

I report by exception if, in my opinion,

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

Information other than the financial statements

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

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

Reporting on other matters

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

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

STATEMENT OF INCOME AND EXPENDITURE AND RETAINED REVENUE RESERVES

For the year ended 31 December 2024			
		2024	2023
	Notes	€	€
Revenue			
Occupational pension scheme fees		5,659,740	5,904,155
Personal retirement savings account fees		6,532,150	4,886,355
Other income	2	115,172	55,928
Total income		12,307,062	10,846,438
Expenditure			
Remuneration	3	8,070,957	7,305,871
Authority members' fees	5	20,520	20,520
Rent and office expenses	6	821,380	1,163,075
Training, education and employee-related expenses	7	149,622	198,289
Information, research and publicity	8	231,425	283,993
Professional fees	9	641,442	700,911
General administration	10	917,463	1,066,150
Depreciation	11	129,399	167,969
Total expenditure		10,982,208	10,906,778
Surplus/(deficit) for the year		1,324,854	(60,340)
Revenue reserve at 1 January		6,101,070	6,161,410
Surplus/(deficit) for the year		1,324,854	(60,340)
Revenue reserve at 31 December		7,425,924	6,101,070

The statement of cash flows and notes 1 to 22 form part of these financial statements.



Dr David Begg
Chairman

17 June 2025



Brendan Kennedy
Pensions Regulator

17 June 2025

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2024			
		2024	2023
	Notes	€	€
Surplus/(deficit) for the year		1,324,854	(60,340)
Experience gains/(losses) on retirement benefit obligations ³	18	37,000	(276,000)
Change in assumptions underlying the present value of retirement benefit obligations		603,000	(1,159,000)
Adjustment to retirement benefit funding	18	(640,000)	1,435,000
Total comprehensive income for the year		1,324,854	(60,340)

The statement of cash flows and notes 1 to 22 form part of these financial statements.



Dr David Begg
Chairman

17 June 2025



Brendan Kennedy
Pensions Regulator

17 June 2025

3 The 'experience gains on retirement benefit obligations' reflects the impact on the liability valuation of differences between the assumptions made at the start of the year and the actual experience over the year. For example, gains or losses arise from differences between assumed and actual mortality experience, inflation, salary inflation and pension increases.

STATEMENT OF FINANCIAL POSITION

At 31 December 2024			
		2024	2023
	Notes	€	€
Non-current assets			
Property, plant and equipment	11	2,447,721	1,353,849
Current assets			
Receivables	12	826,222	1,118,682
Cash and cash equivalents	17	6,706,506	6,650,653
		7,532,728	7,769,335
Creditors' amounts falling due within 1 year			
Payables	13	1,054,524	1,522,114
Net current assets		6,478,203	6,247,221
Net assets before retirement benefits		8,925,924	7,601,070
Retirement benefits			
Retirement benefit liability	18	(30,864,000)	(29,528,000)
Deferred exchequer retirement benefit funding	18	30,864,000	29,528,000
Net assets after retirement benefits		8,925,924	7,601,070
Representing			
Compliance enforcement reserve	15	1,500,000	1,500,000
Revenue reserve	15	7,425,924	6,101,070
Total		8,925,924	7,601,070

The statement of cash flows and notes 1 to 22 form part of these financial statements.



Dr David Begg
Chairman

17 June 2025



Brendan Kennedy
Pensions Regulator

17 June 2025

STATEMENT OF CASH FLOWS

For the year ended 31 December 2024			
		2024	2023
	Notes	€	€
Net cash inflow/(outflow) from operating activities	16	1,163,950	851,086
Cash flows from financing activities Interest received		115,173	55,789
Cash flows from investing activities Payments to acquire property, plant and equipment		(1,223,271)	(831,255)
Transfers from short-term deposit accounts		0	0
Increase/(decrease) in cash and cash equivalents in year		55,852	75,620
Reconciliation of net cash flow to movement in net funds	17		
Increase/(decrease) in net funds in the year		55,852	75,620
Net funds at 1 January		6,650,654	6,575,033
Net funds at 31 December		6,706,506	6,650,653

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

1. Accounting policies

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

a) General information

The Authority was set up under the Act, with a head office at Verschoyle House, 28-30 Lower Mount Street, Dublin 2.

The Authority's primary objectives as set out in section 10 of the Act are:

- to monitor and supervise the operation of this Act and pensions developments generally,
- to advise the Minister either on request or on its own initiative on all matters relating to the functions assigned to the Authority under this Act and on matters relating to pensions generally,
- to issue guidelines on the duties and responsibilities of trustees of schemes and codes of practice on specific aspects of their responsibilities,
- to encourage the provision of appropriate training facilities for trustees of schemes,
- to advise the Minister on standards for trustees of schemes and on their implementation,
- to publish an annual report and such other reports as it may from time to time consider necessary, and
- to perform such tasks as the Minister may from time to time request.

The Authority is a Public Benefit Entity (PBE).

The financial statements are denominated in Euro.

b) Statement of compliance

The financial statements have been prepared in compliance with the applicable legislation, and with FRS 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland, issued by the Financial Reporting Council in the UK.

c) Basis of preparation

The financial statements are prepared under the accruals method of accounting, on the going concern basis and under the historical cost convention, unless otherwise disclosed, in the form approved by the Minister for Social Protection, with the concurrence of the Minister for Public Expenditure, NDP Delivery and

Reform, in accordance with section 22(1) of the Act.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Authority's financial statements.

d) Oireachtas recoupments

Oireachtas recoupments represent the amount made available in respect of the year by the Department of Social Protection to recoup the cost of superannuation benefits paid by the Authority. Oireachtas recoupments are recognised in the year in which the related pensions are paid.

e) Fee income

i) Occupational pension scheme fees

Fees are payable to the Authority by scheme trustees in accordance with section 25 of the Act. The 2024 fee rates payable are set out in Statutory Instrument No. 773 and 774 of 2021 - Occupational Pension Schemes (Fees) (Amendment) Regulations, 2021.

Fees in respect of group schemes are payable on a current year basis and one-member schemes are payable a year in arrears.

The Authority recognises all fees due as income on a calendar year basis and fees due in respect of one-member schemes are included as debtors at year end.

ii) PRSA fees

Amounts due in respect of application, product and annual fees are levied on PRSA providers. Annual PRSA fees are calculated by reference to the number of registered approved products and the value of funds under management by the provider as at the end of the prior year.

The current fee rates are set out in Statutory Instrument No. 506 of 2002 - Personal Retirement Savings Accounts (Fees) Regulations, 2002.

f) Property, plant and equipment

Property plant and equipment are stated at cost less accumulated depreciation. Depreciation is charged in the statement of income and expenditure and revenue reserves on a straight-line basis, from the point the asset comes into use. Depreciation is applied at the annual rates set out below, so as to write off the assets, adjusted for estimated residual value, over the expected useful life of each appropriate category.

• Leasehold improvements	6¾%	15 years
• Computer equipment	25%	4 years
• Office furniture	12½%	8 years
• Office equipment	20%	5 years

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

If there is objective evidence of impairment of the value of an asset, an impairment loss is recognised in the statement of income and expenditure and retained revenue reserves in the year.

g) Operating lease

Rental payments are dealt with in the statement of income and expenditure and retained revenue reserves in the year to which they relate.

h) Retirement benefits (see note 18)

Nature of schemes

The following DB pension schemes are in operation for employees of the Authority:

For employees appointed prior to 1 January 2013:

- Pensions Authority Superannuation Scheme, 1993, and the Spouses' and Children's Contributory Pension Scheme, 1993, with the scheme structure based on the Public Service model (the 'Model scheme').

For employees appointed after 1 January 2013:

- Single Public Service Pension Scheme (SPSPS), which provides consumer price index-linked DB pensions based on career-average pay (the 'Single scheme').

Pension benefits are payable by the Exchequer. The Authority's arrangements have a number of specific characteristics:

- The Authority makes agreed contributions to the Department of Social Protection for the Pensions Authority Superannuation Scheme, 1993, and the Spouses' and Children's Contributory Pension Scheme, 1993 and to the DPENDPDR for the SPSPS.
- The contributions for both schemes comprise an employee element and an employer element.
 - The employer contribution for the Pensions Authority Superannuation Scheme, 1993, and the Spouses' and Children's Contributory Pension Scheme, 1993 amounts to 25% of gross pay for employees paying PRSI at the A rate and 30% of gross pay for employees paying PRSI at the D rate.
 - The employer contribution paid by the Authority to the SPSPS amounts to three times the employee contribution.
- There is an explicit commitment from the Department of Social Protection, with the agreement of the DPENDPDR, that the Exchequer will meet the cost of benefits as they fall due.
- An asset corresponding to the unfunded deferred liability for retirement benefit on the SPSPS is recognised on the basis of the provisions of section 44 of the Public Service Pensions (Single Scheme and Other Provisions) Act, 2012.

In substance, the Authority considers that the obligation to pay pension benefits remains with the Authority, but that the Exchequer has committed to providing the Authority with sufficient funds to settle any such obligations as they fall due. This is on the basis that the Authority pays employees' and the employer's contributions to the relevant Department set out above.

Accordingly, the financial statements recognise both a deferred pension benefit obligation and a deferred exchequer pension funding receivable and full details of superannuation benefit payments are included in the financial statements as an expenditure item and there is a corresponding income representing recoupment of payments from the Department of Social Protection.

Scheme actuarial gains or losses

Actuarial gains or losses arising from changes in actuarial assumptions and from experience surpluses and deficits are recognised in the year in which they occur, and a corresponding adjustment is recognised to the balance for deferred exchequer retirement benefit funding. Pension costs in the statement of income and expenditure and retained revenue reserves comprise the employer's contribution in the year.

Scheme liabilities

Scheme liabilities represented by the present value of future payments earned by Authority employees to date are measured on an actuarial basis using the projected unit method. Pension costs reflect pension benefits earned by employees. The amount to be included in the financial statements for the deferred exchequer benefit funding amount is estimated at an amount equal to the estimate of the obligation for the pension scheme liabilities.

i) Compliance enforcement reserve

As the Authority is a statutory regulatory body charged with monitoring and enforcing compliance with the provisions of the Act it may require recourse to legal action from time to time.

In certain cases, such action could involve the Authority in significant costs. It is not possible to anticipate when such cases may arise, or the resulting level of costs, but the Authority considers it prudent to ensure that adequate resources are available and to spread such costs over the years.

Accordingly, amounts are transferred from the statement of income and expenditure and retained revenue reserves to the compliance enforcement reserve when deemed prudent or necessary.

Amounts are transferred from the compliance enforcement reserve to the statement of income and expenditure and retained revenue reserves in the case of significant legal proceedings, i.e., contested high court actions.

j) Critical accounting judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following judgements have had the most significant effect on amounts recognised in the financial statements.

Depreciation and residual values

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

Retirement benefit obligation

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

The assumptions can be affected by:

- (i) the discount rate, changes in the rate of return on high-quality corporate bonds, and
- (ii) future compensation levels, future labour market conditions.

2. Other income

	2024 €	2023 €
Interest income	115,173	55,789
Recoupment of prosecution costs	0	0
Miscellaneous income	0	139
Total	115,173	55,928

3. Remuneration

The average number of full-time equivalent employees during the year was 90 (2023, 84) and the Employment Control Framework was 112 as at the end of 2024 (2023, 111). The aggregate employee and related costs were as follows:

	2024 €	2023 €
Salaries	6,095,824	5,605,335
Employer superannuation contributions	1,117,881	1,047,133
Employer PRSI contributions	628,194	579,328
Agency/temporary staff	229,058	74,075
Total	8,070,957	7,305,871

Key management personnel

Key management personnel in the Authority consist of the Pensions Regulator, the Head of Operations (Finance) and two new Directors in 2024. The total value of short-term employee benefits for key management personnel is set out below:

	2024 €	2023 €
Salaries ⁴	501,452	303,629

Employee short-term benefits breakdown⁵

Employees' short-term benefits in excess of €60,000 are categorised into the following bands:

Range of total employee benefits		Number of employees	
From €	To €	2024	2023
€60,000	€69,999	16	5
€70,000	€79,999	9	12
€80,000	€89,999	8	9
€90,000	€99,999	8	1
€100,000	€109,999	3	4
€110,000	€119,999	2	2
€120,000	€129,999	1	4
€130,000	€139,999	3	0
€140,000	€149,999	0	0
€150,000	€159,999	0	0
€160,000	€169,999	0	0
€170,000	€179,999	0	1
€180,000	€189,999	1	0

⁴ Figures are in line with grades as set out in Circular 14/2024. This does not include the value of retirement benefits earned in the period. The key management personnel are members of the Authority's pension scheme and their entitlements in that regard do not extend beyond the terms of the model public service pension scheme.

⁵ For the purposes of this disclosure, short-term employee benefits in relation to services rendered during the reporting period include salary, overtime allowances and other payments made on behalf of the employee but exclude employer's PRSI.

4. Pensions Regulator remuneration⁶

	2024 €	2023 €
Salary	184,552	176,435
Employer superannuation contribution	46,138	44,109
Total	230,690	220,544

The Pensions Regulator is a member of the Authority's Staff Superannuation scheme and his pension entitlements do not exceed the standard entitlements provided in the model public sector DB superannuation scheme. The value of retirement benefits earned in the period is not included above.

5. Authority members' fees

Name	2024 €	2023 €
David Begg - Chairman	20,520	20,520

6. Rent and office expenses

	2024 €	2023 €
Rent ⁷	712,488	771,735
Service charge	187,330	166,703
Rates	(141,046)	109,127
Electricity	27,887	39,732
Cleaning	23,516	22,192
General maintenance	9,770	49,544
Offsite storage	1,435	4,042
Total	821,380	1,163,075

The Authority occupies office premises on the first, second and fourth floors and basement at Verschoyle House, Lower Mount Street, Dublin 2, under a 25-year lease, which commenced on 16 July 2001. The Authority entered into an additional lease for the third floor of Verschoyle House from 21 October 2016 to 15 July 2026.

⁶ Included as part of employee costs in note 3. There were no overtime payments in 2024.

⁷ Rent in 2024 includes €100,000 dilapidation provision as current office lease expires in July 2026.

7. Training, education and employee-related expenses

	2024 €	2023 €
Training and education	140,815	186,599
Employee-related expenses ⁸	8,807	11,690
Total	149,622	198,289

8. Information, research and publicity

	2024 €	2023 €
Advertising and engagement activities	182,675	208,556
Printing, publications and website	48,750	75,437
Total	231,425	283,993

9. Professional fees

	2024 €	2023 €
Legal advice	304,982	370,536
Investigation and compliance support	102,676	88,552
Research consultancy	0	8,918
Internal audit fees	57,036	54,921
Statutory audit fees	26,200	25,000
Recruitment consultancy and advertising	28,256	21,266
Other ⁹	122,294	131,718
Total	641,444	700,911

⁸ Includes contributions to employee social committee and other activities.

⁹ Includes ICT security audit and HR technical advice.

10. General administration

	2024 €	2023 €
Stationery and administration expenses ¹⁰	29,921	32,318
Corporate subscriptions	255,290	243,499
Telephone and postage	18,687	21,147
Computer maintenance and consumables	517,147	658,667
Travel and subsistence ¹¹	19,521	19,404
Insurances	73,793	87,305
Bank charges	3,104	3,810
Total	917,463	1,066,150

11. Property, plant and equipment¹²

	Leasehold improvements €	Computer equipment €	Office furniture €	Office equipment €	Capital WIP €	Total €
Cost or valuation						
At 1 January 2024	1,329,264	1,694,151	32,239	7,442	1,038,504	4,101,600
Additions in the year		38,811	0	0	1,184,460	1,223,271
Transfer to computer equipment						
Disposal in the year	0	0	0	0	0	0
At 31 December 2024	1,329,264	1,732,962	32,239	7,442	2,222,964	5,324,871
Accumulated depreciation						
At 1 January 2024	1,195,504	1,512,736	32,069	7,442	0	2,747,751
Disposal in the year	0	0	0			0
Charge in the year	12,436	116,793	170	0	0	129,399
At 31 December 2024	1,207,940	1,629,529	32,239	7,442	0	2,877,150
Net book value						
At 31 December 2023	133,760	181,414	171	0	1,038,504	1,353,849
At 31 December 2024	121,324	103,433	0	0	2,222,964	2,447,721

10 Includes ARC member fees of €5,525.

11 Included in travel and subsistence costs were:

a) Foreign travel - €17,392 (includes €10,918 foreign travel for the Pensions Regulator).

b) Pensions Regulator expenses - €11,146 (includes €10,918 foreign travel) (2023 - €10,373).

12 Capital work in progress (WIP) includes development work on inhouse Integrated Pensions System which has not yet been depreciated. Development work is not depreciated until the asset is in use. Only development work undertaken by external contractors is capitalised.

12. Receivables

Amounts falling due within one year:	2024 €	2023 €
Fee income	481,607	647,489
Prepayments	267,765	298,972
Debtors other	76,850	172,221
Total	826,222	1,118,682

13. Payables

Amounts falling due within one year:	2024 €	2023 €
Creditors' accruals	532,207	1,020,617
Holiday pay accrual	98,388	65,024
Tax creditor	246,892	248,991
Trade creditors	177,037	187,482
Total	1,054,524	1,522,114

14. Financial commitments**(i) Capital commitments**

At 31 December 2024, there is a drawdown of ICT services contract in place for the IPS software development project. There is no contracted commitment to spend however, at the date of signing the financial statements there is no intention to cease the IPS project with anticipated remaining spend of €1.8m.

(ii) Operating leases

The Authority had commitments payable under non-cancellable operating leases as follows:

	2024 €	2023 €
Within 1 year	677,131	677,131
2-5 years	369,793	1,046,924
Over 5 years	-	-
Total	1,046,924	1,724,055

Lease payments are recognised as an expense.

15. Revenue reserves

	2024 €	2023 €
Compliance enforcement reserve		
At beginning and end of year	1,500,000	1,500,000
Revenue reserve		
At end of year	7,425,924	6,101,070
Total	8,925,924	7,601,070

16. Reconciliation of surplus for the year to net cash inflow from operating activities

	2024 €	2023 €
Surplus /(deficit) for year	1,324,854	(60,340)
Non-operating items		
Finance income	(115,173)	(55,789)
Non-cash items		
Depreciation	129,399	167,969
(Increase)/decrease in receivables	292,461	212,923
Increase/(decrease) in non-capital payables	(467,591)	586,323
Loss on disposal of fixed asset	0	0
Net cash inflow/(outflow) from operating activities	1,163,950	851,086

17. Analysis of changes in cash flows**Cash and cash equivalents**

	At 1 January 2024 €	Cash flow €	At 31 December 2024 €
Cash at bank and on hand	1,754,965	(1,058,334)	696,632
Short term deposits	4,895,689	1,114,185	6,009,874
Total	6,650,654	55,851	6,706,506

18. Accounting treatment for retirement benefits

There are two DB pension schemes in operation for employees of the Authority (see note 1(h) for further details).

a) Actuarial valuation

The Authority commissioned an actuarial valuation of retirement benefit liabilities under FRS102 at the statement of financial position date and the cost of benefits (service costs) accrued during the year. This valuation, which was based on the Project Unit method, is premised on the following key financial assumptions (with comparatives for 2023):

	31 December 2024	31 December 2023
Discount rate ¹³	3.50% p.a.	3.40% p.a.
Inflation rate	2.30% p.a.	2.40% p.a.
Increases to pensions in payment	3.30% p.a.	3.40% p.a.
Pensionable salary increases ¹⁴	3.30% p.a.	3.40% p.a.

13 The discount rate is prescribed under FRS102 and is based on the yield on high quality corporate bonds at the valuation date.

14 Includes an allowance for public sector pay scales.

The key demographic assumptions used to calculate the retirement benefit liabilities under FRS102 at the beginning and the end of the period were as follows:

	31 December 2024		31 December 2023	
Mortality: pre-retirement	None		None	
Mortality: post retirement	58% (male) of ILT15 62% (female) of ILT15 with allowance for future mortality improvements		58% (male) of ILT15 62% (female) of ILT15 with allowance for future mortality improvements	
Life expectancy at age 65:	Male	Female	Male	Female
FRS date:	22.4	24.7	22.3	24.6
FRS date + 20 years:	24.7	26.7	24.5	26.6
Retirement	70% of those with the option are assumed to retire at 60 with all other members assumed to retire at normal retirement age.		70% of those with the option are assumed to retire at 60 with all other members assumed to retire at normal retirement age.	
Age gap	Spouses are assumed to be 3 years younger than male members and 3 years older than female members.		Spouses are assumed to be 3 years younger than male members and 3 years older than female members.	

b) Analysis of total pension costs charged to expenditure

	2024 €	2023 €
Total employer contribution	1,123,331	1,055,804
Adjustments for seconded employees and transfers out	0	0
Current service cost ¹⁵	1,468,000	1,287,000
Interest cost	1,045,000	1,023,000
Adjustment to deferred Exchequer funding	(2,513,000)	(2,310,000)
Total charge to the statement of income and expenditure and retained revenue reserve	1,123,331	1,055,804

15 Includes employee contributions totalling €512,000 in 2024 and €473,000 in 2023.

c) Movement in net pension liability

	2024 €	2023 €
Net pension liability at 1 January	29,528,000	26,362,000
Current service cost	1,468,000	1,287,000
Interest cost	1,045,000	1,023,000
Experience (gains)/losses on scheme liabilities	(37,000)	276,000
Change in assumptions	(603,000)	1,159,000
Benefits paid during the year	(537,000)	(579,000)
Net pension liability at 31 December	30,864,000	29,528,000

d) Actuarial adjustments

	2024 €	2023 €
Experience (gains) / losses on retirement benefit obligations	(37,000)	276,000
Change in assumptions underlying the present value of retirement benefit obligations	(603,000)	1,159,000
Adjustment to deferred retirement benefits funding	640,000	(1,435,000)

e) Superannuation deductions and contributions

The total superannuation deductions and contributions remitted to the Department of Social Protection and the DPENDPDR were as follows:

	2024 €	2023 €
Employer ordinary contributions	1,123,331	1,057,297
Employee ordinary contributions ¹⁶	306,028	286,271
Additional superannuation contribution	206,066	187,208
Total	1,635,425	1,530,776

16 2024 employee contributions include an amount of €4,249 (2023 €10,542) in respect of notional service purchased.

Breakdown of remittance of pension deductions

The table below provides a breakdown of the remittance of pensions deductions.

	2024 €	2023 €
DSP:		
Employer ordinary contributions	593,399	603,619
Employee ordinary contributions	128,721	134,989
Additional superannuation contribution	206,066	187,208
DPENDPDR:		
Employer ordinary contributions	529,932	453,678
Employee ordinary contributions	177,307	151,282
Total	1,635,425	1,530,776

f) Superannuation receipts and payments

	2024 €	2023 €
State grant in respect of pension payments ¹⁷	470,064	423,894
Superannuation benefits paid	(470,064)	(423,894)

19. Disclosure of transactions

In accordance with the Code of Practice for the Governance of State Bodies, the Authority has in place a Code of Business Conduct for Authority members. The Code of Business Conduct includes guidance in relation to the disclosure of interests by Authority members and these procedures have been adhered to by the Authority during the year covered by these financial statements. During 2024, there were no financial transactions with Authority members other than the payment of Authority fees detailed in note 5.

20. Taxation

The Authority is exempt from Corporation Tax under Section 220 of the Taxes Consolidation Act, 1997.

21. Subsequent events

There are no events between the reporting date and the date of approval of these financial statements for issue that require adjustment to the financial statements.


22. Comparative figures

The comparative figures have been amended to reflect current year classifications. This has no impact on the reported surplus for 2023.

23. Approval of financial statements

The financial statements were approved by Authority members on 17 June 2025.

¹⁷ Department of Social Protection Vote 37 subhead A43.2.



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