An tÚdarás Pinsean
The Pensions Authority

The Pensions Authority
Annual Report and Accounts 2025.

www.pensionsauthority.ie

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Chair's Statement

I am pleased to present the annual report and accounts of the Pensions Authority (the Authority) for the year ended 31 December 2025 in accordance with section 23(2) of the Pensions Act, 1990, as amended (the Act).

Pensions Authority responsibilities

The Authority is responsible for the oversight of occupational pension schemes and personal retirement savings accounts (PRSAs), totalling over €162 billion of retirement savings. These savings represent a very important part of the retirement plans for many individuals, and the objective of the Authority's supervision is to achieve good outcomes for contributors through the supervision of trustees and of PRSA providers.

These good outcomes depend on those who manage pensions on behalf of savers; occupational pension scheme trustees and PRSA providers. Savers are entitled to expect well managed arrangements, with appropriate investments and unambiguous legible communications that help members make good decisions, and these are the Authority's priorities.

Changes to Irish pensions

The transposition of IORP II into Irish pensions legislation in 2021 set off a series of changes in Irish pensions which are ongoing. The five-year derogation from the new obligations for pre-existing one-member arrangements expired in April 2026. The Authority has extensively engaged with administrators and trustees to support the considerable work that has already been done to ensure pension schemes meet their compliance obligations, and this work continues. However, there are still trustees who have failed to engage with the compliance process and are leaving themselves open to the risk of prosecution by the Authority.

Forward-looking risk-based supervision

Throughout the year, the Authority engaged with occupational pension schemes and PRSA providers using a range of supervisory methods, including the supervisory review process, audits and desk-based reviews, data requests and engagement meetings.

Earlier in 2026, the Authority published its Supervisory activities report for 2025, which can be viewed on our website at www.pensionsauthority.ie/supervision/engagement-and-audit-report-findings/. Although there is rarely any question about the commitment and good faith of scheme trustees, there were nonetheless significant governance shortcomings in some pension schemes. These shortcomings reflect a lack of awareness and consideration of risks by trustees, and member outcomes may be affected by this. It is essential that all trustees take a comprehensive view of their responsibilities and pay close attention to their legal obligations and to guidance issued by the Authority.

Authorisation legislation for pension schemes

The Authority welcomes the intention of the Minister for Social Protection, Dara Calleary TD, to introduce legislation providing for a system of authorisation for pension schemes. This will provide a flexible framework for forward-looking risk-based pension supervision which reflects the more complex landscape faced by the Authority and by scheme trustees.

Europe

Many financial EU regulations and directives are applied to all financial institutions including pensions. This reflects the view that those saving for retirement are entitled to no less protection and supervision than other savers. 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.

The Authority continues to actively engage with the European Insurance and Occupational Pensions Authority (EIOPA) and other EU institutions to ensure we meet our obligations as a national competent authority and that we work to create a safer, stable and consistent pensions supervision system that supports and benefits the beneficiaries of pensions savings.

The recent appointment of a Head of Strategy and International Affairs by the Authority reflects this evolving dynamic and enhances our capacity to engage with EU institutions and other national supervisors and competent authorities.

Auto-enrolment

The Authority notes the commencement of the Government's auto-enrolment system, MyFutureFund, as an addition to the future pensions landscape in Ireland. Commencing in 2026 and in accordance with the Automatic Enrolment Retirement Savings System Act, 2024, the Authority will prepare and submit a supervisory report each year to the Minister for Social Protection on the performance and operation of the National Automatic Enrolment Retirement Savings Authority (NAERSA), the operating and regulatory body for MyFutureFund.

Governance

I and my fellow members of the Authority are aware of our responsibility to ensure that the organisation is well managed and is as effective and efficient as possible. The Authority is subject to and complies with the Code of Governance for State Bodies and has an oversight agreement in place with the Department of Social Protection. In line with the requirements of the Code, an external evaluation of the functioning of the board of the Authority was carried out in Q4 2025. Overall, the external evaluation found that governance standards are maintained at a high level within the Authority and that there is a commitment at both Authority and Executive level to maintain these high standards.

This annual report sets out in detail how the Authority has been managed and run during 2025 and how our obligations have been met.

Conclusion

On behalf of myself, my colleagues on the Authority, and the Authority staff, I want to thank my predecessor, Dr. David Begg, for his excellent stewardship of the Authority over the last decade. Having served two five-year terms as Chair of the Authority, David stepped down from his role in early 2026. The reform and transformation of the pensions landscape and supervision of pensions in Ireland over this period have been very significant and will continue to improve the outcomes for people saving for their retirement for many decades to come.

I would like to thank the Minister and the officials in the Department of Social Protection. The relationship with them is very important to the success of the work of the Authority.

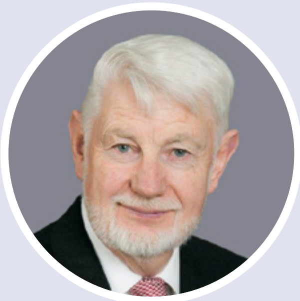
I also want to thank the Pensions Regulator, the staff of the Authority and the members of the Audit and Risk Committee for their work and commitment throughout 2025.

Fiona Tierney, Chair

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 2025:



Dr David Begg
Chairman
(Appointment as Chairman ended on 12 April 2026.)

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)

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 of Supervision, Policy & Legal

John Gethin
Director of Strategy, IT, Data & Operations

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.

With the planned introduction of legislation providing for pension scheme authorisation the Authority has begun work on the framework for an authorisation process. The objective of this work is that scheme trustees will clearly understand the standards they will be expected to meet in order to obtain authorisation, and whether their existing scheme management meets these standards.

In 2025, the Authority undertook supervisory reviews of a number of pension schemes, and the detailed findings are set out in the Authority's Supervisory activities report for 2025 which is published on our website at www.pensionsauthority.ie/supervision/engagement-and-audit-report-findings/.

The Authority expects trustees to use the findings set out in this report to assess the governance in their own scheme and also to begin the preparation for authorisation. There will be a close relationship between the findings of these reviews and the actions and behaviours needed from trustees to allow schemes to continue to meet the required standards necessary to maintain authorisation.

Several of the schemes reviewed in 2025 had high or medium/high findings requiring remediation. Although the trustees of all such schemes have already addressed these findings or have committed to doing so in the short term, it is nonetheless a serious concern that these issues existed and had not been identified or addressed by the trustees themselves. The report sets out in detail the most significant issues, but there are a number of common themes:

- Poor governance practices – failure to document decisions taken, and follow-up actions.
- Risk management shortcomings, and in particular, inadequate own-risk assessments.
- Inadequate oversight of administration, including non-existent service level agreements or failure to monitor delivery.
- Shortfalls in investment objective setting, monitoring and documentation.

- Poor and inadequate management and documentation of conflicts of interest.
- Poor oversight of outsourcing agreements.

Trustees of all schemes should objectively assess their own compliance with these themes and take immediate action to address any issues.

Supervisory review process programme 2025

Section 26J of the Pensions Act (the Act) requires the Authority to conduct a supervisory review process (SRP) in relation to the strategies, processes and reporting procedures established by the trustees of pension schemes. The SRP 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 scheme to manage those risks. The process required schemes to submit comprehensive data and documentation to the Authority, and these were assessed by dedicated supervisory teams. Trustees were also invited to at least one formal engagement meeting with the Authority.

The Authority commenced 19 SRPs in 2025. Six master trusts, six defined benefit schemes and seven defined contribution schemes were selected for the process. There was also significant monitoring work undertaken in respect of remedial actions identified during the eight SRPs completed in 2024.

The SRP findings indicate that trustees are meeting many of the requirements of the Act and the Code of Practice for trustees. However, there are a number of areas that require further attention from trustee boards as set out in the Authority's 2025 supervisory activities report.

Pension scheme consolidation

The Authority met regularly throughout the year with life insurance companies, registered administrators and professional trustee company administrators to monitor scheme consolidation and address any queries or barriers. Providers were asked to submit a breakdown of their schemes into agreed categories to facilitate further targeted action. From these listings, administrators identified unresponsive schemes, and the Authority wrote to employers to request information and to help prompt action.

The number of one-member arrangements registered with the Authority is expected to reduce considerably in 2026 as their derogation from the obligations of the IORP II Directive expires in April 2026. Just like all other relevant pension schemes, any one-member arrangement continuing after April 2026 will need to be fully compliant with the Act.

PRSA supervision and enforcement

The Authority, in consultation with Revenue, approved 10 new PRSA products in 2025 (two standard PRSA products and eight non-standard PRSA products). One new PRSA product application was rejected (a non-standard PRSA) due to the proposed custodianship structure.

The Authority commenced a review of PRSA provider product specifications in 2025 with the aim of assessing whether the fees and charges being applied to contributors' PRSAs are in line with the product specifications and to ensure that PRSAs are operating as approved by the Authority. This review is ongoing and will conclude in 2026.

Registered administrator (RA) supervision and enforcement

The Authority completed the annual RA renewal process. There were 84 renewals processed, one new RA application and three RA terminations. There was one on-site inspection of a large RA as a result of operational weaknesses identified and there was extensive engagement with a further RA on a number of specific compliance breaches.

Reactive supervision investigations

There were 15 investigations carried forward into 2025, and a further 26 cases opened during the year. The majority of investigations opened in 2025 related to alleged non-remittance of contributions. 26 cases were closed in 2025, and 15 cases remain ongoing.

Monitoring and reactive supervision of DB schemes

In 2025, there was a continued focus on annual financial submissions by defined benefit (DB) schemes. The overall funding position continues to be favourable with most DB schemes being in full compliance with the funding standard.

During the year, the Authority engaged with the RAs that are tasked by trustee boards to wind up DB schemes, in order to ensure that the schemes are being wound up without undue delay.

Public service pensions engagement

During 2025, the Authority continued its engagement with specific public sector schemes with a focus on addressing issues regarding disclosure of information and timely payment of benefits.

Prosecutions

There was one active ongoing prosecution case in 2025. During 2025, the Authority authorised prosecution in three further cases and court dates are now set for these in 2026.

IT and data systems development

The Authority's new supervisory IT platform, Integrated Pensions System (IPS), will go live in 2026. Incorporated in the rollout of IPS, the Authority is providing training and is working with external industry users of the system to ensure a smooth transition from the Pensions Data Register (PDR) to IPS.

In 2026, the Authority will implement an XBRL-based data recording and reporting system to support the Authority's obligations for standardised collection, validation, analysis and onward submission of data to meet EU obligations.

The Authority is subject to regulatory reporting obligations under frameworks established by EIOPA. The Authority's objective is to ensure that its systems are robust, and that they support forward-looking risk-based supervision and policy. The XBRL-based reporting system supports the Authority's strategy to strengthen data driven supervision and regulatory compliance.

The Authority will be collecting more data from pension schemes, and this data will have to be provided on a timelier basis and more frequently than at present. Trustees will be required to ensure that their administration systems can provide timely and accurate data in the formats required. Trustees are ultimately responsible for the data sent on their behalf to the Authority.

The Authority continued to expand its Business Intelligence capabilities in 2025 which will enhance the Authority's future data analytics and reporting capabilities.

The Authority deployed new IT hardware infrastructure in 2025 providing increased capacity, improved performance, and enhanced redundancy and improving capabilities in business continuity and disaster recovery. Cybersecurity remains a priority, and the Authority has added advanced threat protection, identity and access management tooling and compliance solutions. The Authority's future IT infrastructure strategy will involve migration to the cloud to further expand capabilities, agility and security.

Policy Development

During the year, the Authority:

- progressed work on authorisation legislation with the Department of Social Protection (DSP). Work also progressed with the Office of the Revenue Commissioners and the Department of Finance to get agreement on future interaction between authorisation and Revenue approval;
- continued to participate in the Interdepartmental Pensions Reform and Taxation Group (IDPRTG) and progressed tasks to implement conclusions of the Group's Report and joined an IDPRTG sub-group on the regulation of Exempt Unit Trusts, which will report to the Minister for Finance in H1 2027;
- ran a public consultation on in-scheme draw-down. This work is part of implementing the IDPRTG Report and such a proposal would give DC members the option to remain in and draw down benefits from their pension scheme after retirement. The Authority plans to develop and advance proposals on the regulation of in-scheme draw-down to DSP in 2026;
- provided technical assistance to DSP on various issues, including PRSA disclosures, miscellaneous legislation and on giving domestic effect to EU regulations;
- conducted a public consultation and a targeted survey of trustees about DB master trusts in 2025 focused on identifying whether a DB master trust market could work in practice and how it could be regulated, if introduced;
- participated in the activities of the EIOPA Board of Supervisors and attended various EIOPA meetings including the Policy Steering Committee, the Risk and Financial Stability Committee and the expert network 7 (pensions). The Authority also attended other international fora and engaged with other regulators;
- managed Ireland's participation in the 2025 EIOPA IORP stress test and implemented Ireland's approach to meeting our obligations for first-year reporting of the registers of information on ICT service providers required under DORA;
- continued to attend the DORA IT Taskforce meetings throughout 2025 and reported on and responded to changes in relation to the Registers of Information and incident reporting;

- worked with the Central Statistics Office (CSO) on PRSA data. The CSO published its statistical analysis of PRSAs in May which linked data from the Authority, Revenue and DSP to understand the profile of PRSA contributors and trends over the past five years;
- conducted a public consultation on PRSA investment rules in September 2025, seeking views on whether investment rules should more closely align with occupational pension schemes;
- published the annual DB scheme statistics in November and responded to data and information requests made by EIOPA and the OECD throughout the year;
- engaged throughout the year with external stakeholders including the Society of Actuaries in Ireland, the Irish Association of Pension Funds, the Association of Pensioneer Trustees of Ireland, pension providers, DSP, Department of Finance, CSO, Central Bank of Ireland, and Revenue; and
- engaged regularly with trustees, pensions industry professionals, and other regulators on a wide range of pensions issues.

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 11,000 general pension and data processing enquiries were received and dealt with during the year. Most of the 6,478 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 88 requests for information from international bodies and other national authorities during 2025.

In September 2025, the Authority hosted its Supervision of Pensions 2025–2029 conference in the Round Room at the Mansion House, Dublin 2. The event focused on key developments in the Irish pensions landscape, including scheme consolidation, the Authority's continued implementation of forward-looking risk-based supervision, and the growing impact of EU regulatory obligations. The importance of high-quality data in supporting these supervisory efforts was also a central theme.

Required Reporting

Protected disclosures

In 2025, the Authority received three protected disclosure reports all of which were dealt with and resolved. No disclosure reports were received from internal staff members. The Authority's Protected Disclosures annual report for 2025 is published on our website.

Data and information enquiries

During 2025, the Authority:

- dealt with eight enquiries from members of the Oireachtas;
- provided information to the DSP in response to 57 parliamentary questions;
- completed seven freedom of information requests within the statutory deadline;
- received and dealt with seven 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 throughout the year and posted its quarterly prompt payment reports on our 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.

During 2025, the Authority commenced its transition to the new public service capability framework which is designed to capture the requirements of a diverse and modern public service, now and into the future.

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 taking actions to avoid discrimination, promote equality and protect human rights while fulfilling its public sector duty obligations. The Authority conducted an assessment of our equality and human rights issues relevant to our function and is satisfied that the Authority is fulfilling its public sector duty. An equality diversity and inclusion working group is in place to assess and identify appropriate actions to support equality and address any human rights issues. A copy of the Authority's 'Public sector equality and human rights duty assessment and action plan 2025 – 2027' is available on our website.

During 2025, achievements in supporting the ongoing fulfilment of the Authority's public sector duty included the completion of an external audit of the organisational culture. The findings from the audit were very positive, concluding that the Authority continues to demonstrate a positive and supportive organisational culture, with strong commitments to employee well-being, ethics, and diversity. The Authority provided training to all staff during 2025 on neurodiversity awareness at work and on mental health and human rights in the workplace.

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, equality, diversity and inclusion.

The Authority monitors compliance with its public sector duty obligations 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. Since 2021, the Authority has supported 20 staff in completing Irish language training.

Climate action and energy usage

The Authority is committed to the Public Sector Climate Action Strategy and compliance with the Public Sector Climate Action Mandate. The Authority's 'Climate action roadmap' is published on our website. The roadmap outlines how the Authority will meet the targets set out in the government's Climate Action Mandate.

Energy efficiency

Electricity is the only energy source used in the Authority. The Authority's energy consumption for 2025 was 113,454 kWh, which was an increase on 2024 (97,325 kWh). Total energy-related CO2 emissions for 2025 were 25,670 kg CO2, which was a slight increase on 2024 (25,592 kgCO2). The Authority's energy consumption rates are reported through the SEAI Public Sector Monitoring and Reporting system.

Carbon offsets

The Authority complies with the mandatory procedures and methodology outlined in the Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation, 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, we make a corresponding payment to the Climate Action Fund, based on the prevailing rate of carbon tax.

Climate action and sustainability activities

The 2025 Climate Action Roadmap was approved by the Pensions Regulator in compliance with the Authority's obligations under the Public Sector Climate Action Mandate as set out in the government's Climate Action Plan 2024. The roadmap focuses on our targets, our people, our way of working, and our building. Throughout 2025, 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. From 2025, the Authority replaces any laptops with re-manufactured laptops, thus reducing electronic waste. In recent years, the Authority has moved most of its physical servers to virtual machines and cloud infrastructure and the small number of physical servers that remain are newer, more energy efficient, and operate power-saving policies.

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, internal audit, risk management, governance procedures and the reliability and transparency of financial reporting.

The ARC is independent of the day-to-day financial management of the organisation which is the responsibility of the Executive. The ARC supports the Authority in discharging its governance responsibilities. In particular, the ARC independently monitors the internal control systems including audit activities and the Statement of Internal Control.

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 2025 is set out below.

ARC meetings 2025. Number of meetings held: 4

Name	Position	Attendance
Patricia Barker	Chairperson	4 meetings
Odelle Coogan	Representative of the Department of Social Protection	4 meetings
Sarah Murphy	Representative of the Department of Finance	3 meetings
Cliodhna Judge	Independent non-executive member	3 meetings
Conor Sexton	Independent non-executive member	4 meetings

ARC Charter

The ARC's terms of reference are set out in its Charter. The ARC conducted its annual review of its Charter in 2025, and the updated Charter was approved by the Authority on 9 December 2025.

Work of the ARC in 2025

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 2025. The ARC held its meetings in person and supported virtual attendance at the meetings, where necessary, throughout 2025.

Internal audit

The 2025 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 organisational culture; and
- a review of the Authority's forward-looking risk-based supervision.

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 2025.

External audit

The Comptroller and Auditor General (C&AG) is the external auditor of the Authority. Moore Ireland conducted the external audit in 2025 on behalf of the C&AG. The C&AG issued an unqualified audit opinion for the Authority's 2024 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 2025.

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 2025, 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 2025. The ARC also 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 2026 budget at their meeting in November 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 2025.

Corporate governance

During 2025, the ARC received updates from the Pensions Regulator on the supervision activities of the Authority and on matters including EIOPA updates, IT systems development and data management projects, fee income, pension scheme consolidation and auto-enrolment.

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 2025. The ARC was compliant with its obligations under the Code of Practice for the Governance of State Bodies in 2025.

In meeting the requirements of the Code, the ARC conducted a self-assessment of its own performance in 2025. An external evaluation of the effectiveness of the ARC was conducted by Board Excellence in 2025 which confirmed that the ARC fulfils its duties to the board and operates effectively.

Plan for 2026

The ARC remains alert to the many ongoing risks faced by the Authority as it progresses with the implementation of forward-looking risk-based supervision as required by the Pensions Act and will continue to monitor these risks throughout 2026.

The ongoing development of the data systems and IT infrastructure (IPS) necessary to support the supervisory work of the Authority and to meet increased internal and EU data reporting obligations will continue to generate new challenges and risks for the Authority over the coming year. These will also be overseen closely by the ARC throughout 2026.

In addition to the programme of work set out in its charter, the ARC will monitor the impact these challenges will have on the maintenance of a robust system of internal control and risk management within the Authority and on the financial resources available to the Authority.

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 2025 annual report is available on the Authority's website.

Patricia Barker

Patricia Barker
ARC Chair

Governance statement and Authority members' report

Governance

The Authority is a statutory body set up under the Pensions Act, 1990, as amended (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 Audit and Risk Committee (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 the consent of the Minister for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation (PEIPSRD), 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 9 December 2025. The review of the annual budget was carried out on 9 December 2025.
- 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 2025.

Going concern

The Authority has reviewed cash flows 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 Authority members.

Authority member	Role	Date appointed
Fiona Tierney	Chair (Note: The Minister for Social Protection, Dara Calleary TD, appointed Fiona Tierney as Chair of the Pensions Authority for a five-year term with effect from 13 April 2026. Fiona takes over from Dr David Begg who has been Chair since January 2016.)	13 April 2026
Michael McGrath	Representative of the Minister for Finance	17 February 2020
Deirdre Shanley	Representative of the Minister for Social Protection	06 March 2024

Schedule of attendance, fees and expenses

A schedule of attendance at the Authority meetings for 2025 is set out below including the fees and expenses received by each member.

Authority meetings 2025. Number of meetings held: 9

Name	Position	Attendance	Fees 2025	Expenses 2025
David Begg	Chairman	9 meetings	€20,520	€0
Michael McGrath	Representative of the Minister for Finance	9 meetings	€0	€0
Deirdre Shanley	Representative of the Minister for Social Protection	8 meetings	€0	€0

Gender balance in the Board membership

The three members of the Pensions Authority Board are:

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

At 31 December 2025, 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 Chair 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 Audit and Risk Committee (ARC) which comprises five members, including 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 membership of the ARC at the end of 2025 was as follows:

- Ms. Patricia Barker, Chairperson (independent).
- Ms. Cliodhna Judge, ordinary member (independent).
- Mr. Conor Sexton, ordinary member (independent).
- Ms. Sarah Murphy, 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 2025 is set out below including the fees and expenses received by each member.

ARC meetings 2025. Number of meetings held: 4

Name	Position	Attendance	Fees 2025	Expenses 2025
Patricia Barker	Chairperson	4 meetings	€1,609	€0
Cliodhna Judge	Ordinary member	3 meetings	€1,414	€0
Conor Sexton	Ordinary member	4 meetings	€1,414	€271
Sarah Murphy	Representative of the Department of Finance	3 meetings	€0	€0
Odelle Coogan	Representative of the Department of Social Protection (Note: Odelle Coogan stepped down from the ARC on 21 January 2026. Pauric Higgins was appointed to the ARC as the Department of Social Protection representative for a three-year term with effect from 21 April 2026.)	4 meetings	€0	€0

One person one salary principle

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

- Michael McGrath.
- Deirdre Shanley.
- Odelle Coogan.
- Sarah Murphy.

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 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 3 in the financial statements.

Consultancy costs

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

Consultancy costs	2025	2024
Legal advice	€159,327	€304,982
ICT expenditure	€1,289,727	€1,184,460
Investigation and compliance support	€89,451	€122,293
Other	€40,145	€0
Total consultancy costs	**€1,578,650**	**€1,611,735**
Consultancy costs capitalised (Note: €1,250,591 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.)	€1,250,591	€1,184,460
Consultancy costs charged to the income and expenditure and retained revenue reserves	€328,059	€427,275
Total	**€1,578,650**	**€1,611,735**

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.

Legal costs and settlements	2025	2024
Legal fees – legal proceedings	€130	€0
Conciliation and arbitration payments	€0	€0
Settlements	€0	€0
Total	**€130**	**€0**

Travel and subsistence expenditure

Travel and subsistence expenditure is categorised as follows:

Travel and subsistence expenditure	2025	2024
Domestic		
- Authority members	€0	€0
- Employees	€3,572	€2,129
International		
- Authority members	€0	€0
- Employees	€19,568	€17,392
Total	**€23,140**	**€19,521**

Hospitality expenditure

The income and expenditure account includes the following hospitality expenditure:

Hospitality expenditure	2025	2024
Employee hospitality (Note: This includes employer contribution to the employee social committee and other activities.)	€11,288	€8,807
Client hospitality	€2,556	€1,303
Total	**€13,844**	**€10,110**

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 2025.

Fiona Tierney

Fiona Tierney
Chair
24 June 2026

Brendan Kennedy

Brendan Kennedy
Pensions Regulator
24 June 2026

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 Minister for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation (PEIPSRD), has been in place in the Authority for the year ended 31 December 2025 and up to the date of approval of the financial statements.

Audit and risk management

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 arrangement

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

The IPS software development project is a replacement for the Authority's main IT system. At the year-end December 2025, the project was on track and within the revised budget to go live in Q2 2026 with projected costs of €3.9 million. The internal staff resource costs attributed to the IPS project from 2024 to end of Q2 2026 were estimated at €1 million.

Post balance sheet, in Q2 2026, the IPS project encountered data migration issues which resulted in an updated release date of September 2026. The additional costs are estimated at €333k for ICT external resources development costs and an additional internal staff cost of €131k. The Board of the Authority approved of the revised IPS project delivery timeline and expenditure plans at their meeting in May 2026.

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 2025 on 31 March 2026.

Internal control issues

Non-competitive procurement

In May 2025 the Authority approved the award of a one-year extension to the contract with Emagine for the provision of external ICT resources to complete the development of the new IPS with a maximum additional expenditure of €1 million (inclusive of VAT at 23%). This approach is a permissible modification under Regulation 72 of the European Union (Award of Public Authority Contracts) Regulations, 2016.

Based on the committed delivery deadline of 30 June 2026 (in place at that time) for IPS 1.0, this approach ensures continuity of existing contractors, no disruption to current project timelines and ensures having the same and necessary support resources in place during the hyper care period immediately following the go live of IPS 1.0. The incumbent contractor agreed to the extension for one year based on the same terms and costs as currently apply.

In Q1 2026 the Authority commenced a procurement process and will use the Office of Government Procurement (OGP) ICT resources framework to put in place a supplier for the future draw down of ICT external resource supports once IPS 1.0 has gone live and is in a stable operating mode.

These ICT resource supports will be needed to help deliver future additions and functionality to the core IPS pensions data registry platform. Any new additions and functionality will be determined by the Authority's future data strategy, and other data requirements that emerge as we progress with the implementation of forward-looking risk-based supervision and deliver on EU pensions data reporting obligations.

Fiona Tierney
Chair
24 June 2026

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 2025 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 2025 and of its income and expenditure for 2025 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.

I have nothing to report in that regard.

Georgina O Mahony

Georgina O Mahony
For and on behalf of the
Comptroller and Auditor General

25 June 2026

Report of the comptroller and auditor general (continued)

Report of the C&AG (continued)

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 2025

Revenue	Notes	2025	2024
Occupational pension scheme fees		€5,875,887	€5,659,740
Personal retirement savings account fees		€9,672,445	€6,532,150
Other income	2	€99,555	€115,172
Total revenue income		**€15,647,887**	**€12,307,062**
Expenditure	**Notes**	**2025**	**2024**
Remuneration	3	€9,262,166	€8,070,957
Authority members' fees	5	€20,520	€20,520
Rent and office expenses	6	€709,584	€821,380
Training, education and employee-related expenses	7	€179,113	€149,622
Information, research and publicity	8	€152,885	€231,425
Professional fees	9	€394,377	€641,442
General administration	10	€1,090,133	€917,463
Depreciation	11	€66,667	€129,399
Total expenditure		**€11,875,445**	**€10,982,208**
Surplus/(deficit) for the year		**€3,772,442**	**€1,324,854**
Revenue reserve at 1 January		€7,425,924	€6,101,070
Surplus/(deficit) for the year		€3,772,442	€1,324,854
Revenue reserve at 31 December		**€11,198,366**	**€7,425,924**

The statement of cash flows and notes 1 to 23 form part of these financial statements.

Fiona Tierney

Fiona Tierney, Chair, 24 June 2026

Brendan Kennedy

Brendan Kennedy, Pensions Regulator, 24 June 2026

Statement of comprehensive income

For the year ended 31 December 2025

Statement of comprehensive income	Notes	2025	2024
Surplus/(deficit) for the year		€3,772,442	€1,324,854
Experience gains/(losses) on retirement benefit obligations (Note: 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.)	18	€373,000	€37,000
Change in assumptions underlying the present value of retirement benefit obligations		€5,268,000	€603,000
Adjustment to retirement benefit funding	18	(€5,641,000)	(€640,000)
Total comprehensive income for the year		**€3,772,442**	**€1,324,854**

The statement of cash flows and notes 1 to 23 form part of these financial statements.

Fiona Tierney

Fiona Tierney
Chair,
24 June 2026.

Brendan Kennedy

Brendan Kennedy
Pensions Regulator,
24 June 2026.

Statement of financial position

At 31 December 2025

Statement of financial position	Notes	2025	2024
Non-current assets			
Property, plant and equipment	11	€3,631,644	€2,447,721
Current assets			
Receivables	12	€829,616	€826,222
Cash and cash equivalents	17	€8,966,645	€6,706,506
Current assets total		**€9,796,261**	**€7,532,728**
Creditors' amounts falling due within 1 year			
Payables	13	€729,539	€1,054,524
Net current assets		**€9,066,722**	**€6,478,203**
Net assets before retirement benefits		**€12,698,366**	**€8,925,924**
Retirement benefits			
Retirement benefit liability	18	(€27,337,000)	(€30,864,000)
Deferred exchequer retirement benefit funding	18	€27,337,000	€30,864,000
Net assets after retirement benefits		**€12,698,366**	**€8,925,924**
Representing			
Compliance enforcement reserve	15	€1,500,000	€1,500,000
Revenue reserve	15	€11,198,366	€7,425,924
Representing total		**€12,698,366**	**€8,925,924**

The statement of cash flows and notes 1 to 23 form part of these financial statements.

Fiona Tierney

Fiona Tierney, Chair, 24 June 2026.

Brendan Kennedy

Brendan Kennedy, Pensions Regulator, 24 June 2026.

Statement of cash flows

For the year ended 31 December 2025

Statement of financial position	Notes	2025	2024
Net cash inflow/(outflow) from operating activities	16	€3,411,205	€1,163,950
Cash flows from financing activities interest received		€99,525	€115,173
Cash flows from investing activities			
Payments to acquire property, plant & equipment		(€1,250,591)	(€1,223,271)
Transfers from short-term deposit accounts		€0	€0
Increase/(decrease) in cash and cash equivalents in year		**€2,260,139**	**€55,852**
Reconciliation of net cash flow to movement in net funds	17		
Increase/(decrease) in net funds in the year		€2,260,139	€55,852
Net funds at 1 January		€6,706,506	€6,650,654
Net funds at 31 December		€8,966,645	€6,706,506

Notes to the financial statements

For the year ended 31 December 2025

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, Infrastructure, Public Service Reform and Digitalisation 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 fee rates payable are set out in Statutory Instrument Number 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 Number 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 6 and two-thirds %, 15 years
- Computer equipment 25%, 4 years
- Office furniture 12 and a half %, 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 defined benefit (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 Department and Minister for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation 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 Department and Minister for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation 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 and future labour market conditions.

2. Other income

Other income	2025	2024
Interest income	€99,525	€115,173
Recoupment of prosecution costs	€0	€0
Miscellaneous income	€30	€0
Total	**€99,555**	**€115,173**

3. Remuneration

The average number of full-time equivalent employees during the year was 100 (2024, 90) and the Employment Control Framework was 112 as at the end of 2025 (2024, 112). The aggregate employee and related costs were as follows:

Remuneration	2025	2024
Salaries	€7,190,846	€6,095,824
Employer superannuation contributions	€1,276,173	€1,117,881
Employer PRSI contributions	€765,445	€628,194
Agency/temporary staff	€29,702	€229,058
Total	**€9,262,166**	**€8,070,957**

Key management personnel

Key management personnel in the Authority consist of the Pensions Regulator, the Head of Operations (Finance) and two Directors in 2025. The total value of short-term employee benefits for key management personnel is set out below:

Key management personnel	2025	2024
Salaries (Note: Figures are in line with grades as set out in Circular 16/2025. 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.	€614,164	€501,452

Employee short-term benefits breakdown

(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.)

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

Range of total employee benefits	2025	2024
€60,000 to €69,999	19 employees	16 employees
€70,000 to €79,999	8 employees	9 employees
€80,000 to €89,999	11 employees	8 employees
€90,000 to €99,999	10 employees	8 employees
€100,000 to €109,999	3 employees	3 employees
€110,000 to €119,999	4 employees	2 employees
€120,000 to €129,999	2 employees	1 employee
€130,000 to €139,999	2 employees	3 employees
€140,000 to €149,999	0 employees	0 employees
€150,000 to €159,999	1 employee	0 employees
€160,000 to €169,999	0 employees	0 employees
€170,000 to €179,999	0 employees	0 employees
€180,000 to €189,999	0 employees	1 employee
€190,000 to €199,999	1 employee	0 employees

4. Pensions Regulator remuneration

(Included as part of employee costs in note 3. There were no overtime payments in 2025.)

Pensions Regulator remuneration	2025	2024
Salary	€190,606	€184,552

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	2025	2024
David Begg - Chairman	€20,520	€20,520

6. Rent and office expenses

Rent and office expenses	2025	2024
Rent (Reversal of €200,000 dilapidation costs in 2025.)	€468,400	€712,488
Service charge	€130,769	€187,330
Rates	€0	(€141,046)
Electricity	€30,497	€27,887
Cleaning	€20,675	€23,516
General maintenance	€35,373	€9,770
Offsite storage	€23,870	€1,435
Total	**€709,584**	**€821,380**

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.

7. Training, education, and employee-related expenses

Training, education & employee-related expenses	2025	2024
Training and education	€167,825	€140,815
Employee-related expenses (Includes contributions to employee social committee and other activities.)	€11,288	€8,807
Total	**€179,113**	**€149,622**

8. Information, research, and publicity

Information, research, and publicity	2025	2024
Advertising and engagement activities	€86,414	€182,675
Printing, publications and website	€66,471	€48,750
Total	**€152,885**	**€231,425**

9. Professional fees

Professional fees	2025	2024
Legal fees	€159,457	€304,982
Investigation and compliance support	€89,451	€102,676
Internal audit fees	€38,188	€57,036
Statutory audit fees	€28,000	€26,200
Recruitment	€5,151	€28,256
Other (Includes ICT security audit, actuarial fees and HR technical advice.)	€74,130	€122,294
Total	**€394,377**	**€641,444**

10. General administration

General administration	2025	2024
Stationery and administration expenses (Includes ARC member fees of €4,437.)	€25,487	€29,921
Corporate subscriptions	€269,495	€255,290
Telephone and postage	€13,769	€18,687
Computer maintenance and consumables	€677,951	€517,147
Travel and subsistence (Note: Included in travel and subsistence costs were: a) Foreign travel - €19,094 (includes €10,522 foreign travel for the Pensions Regulator). b) Pensions Regulator expenses - €10,795 (€10,522 foreign travel) (2024 - €10,918).)	€23,140	€19,521
Insurances	€76,950	€73,793
Bank charges	€3,341	€3,104
Total	**€1,090,133**	**€917,463**

11. Property, plant and equipment

(Capital work in progress (WIP) includes development work on in-house 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.)

	Leasehold improve-ments	Computer equipment	Office furniture	Office equipment	Capital WIP	Total
Cost or valuation						
At 1 January 2025	€1,329,264	€1,732,962	€32,239	€7,442	€2,222,964	€5,324,871
Additions in the year	€0	€0	€0	€0	€1,250,591	€1,250,591
Transfer to computer equipment						
Disposal in the year	€0	€0	€0	€0	€0	€0
At 31 December 2025	€1,329,264	€1,732,962	€32,239	€7,442	€3,473,555	€6,575,462
Accumulated depreciation						
At 1 January 2025	€1,207,940	€1,629,530	€32,239	€7,442	€0	€2,877,151
Disposal in the year	€0	€0	€0	€0	€0	€0
Charge in the year	€12,436	€54,231	€0	€0	€0	€66,667
At 31 December 2025	€1,220,376	€1,683,761	€32,239	€7,442	€0	€2,943,818
Net book value						
At 31 December 2024	€121,324	€103,432	€0	€0	€2,222,964	€2,447,720
At 31 December 2025	€108,888	€49,201	€0	€0	€3,473,555	€3,631,644

12. Receivables

Amounts falling due within one year	2025	2024
Fee income	€414,772	€481,607
Prepayments	€257,430	€267,765
Debtors other	€157,414	€76,850
Total	**€829,616**	**€826,222**

13. Payables

Amounts falling due within one year	2025	2024
Creditors' accruals	€330,630	€532,207
Holiday pay accrual	€98,867	€98,388
Tax creditor	€286,674	€246,892
Trade creditors	€13,368	€177,037
Total	**€729,539**	**€1,054,524**

14. Financial commitments

(i) Capital commitments.

At 31 December 2025, there is a draw down of ICT services contract in place for the Integrated Pensions System (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 €1m.

Operating leases

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

Operating leases	2025	2024
Within 1 year	€369,793	€677,131
2-5 years	€0	€369,793
Over 5 years	€0	€0
Total	**€369,793**	**€1,046,924**

Lease payments are recognised as an expense.

15. Revenue reserves

Revenue reserves	2025	2024
Compliance enforcement reserve		
At beginning and end of year	€1,500,000	€1,500,000
Revenue reserve		
At end of year	€11,198,366	€7,425,924
Total	**€12,698,366**	**€8,925,924**

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

Reconciliation of surplus	2025	2024
Surplus/(deficit) for year	€3,772,442	€1,324,854
Non-operating items		
Finance income	(€99,525)	(€115,173)
Non-cash items		
Depreciation	€66,667	€129,399
(Increase)/decrease in receivables	(€3,394)	€292,461
Increase/(decrease) in non-capital payables	(€324,985)	(€467,591)
Loss on disposal of fixed asset	€0	€0
Net cash inflow/(outflow) from operating activities	**€3,411,205**	**€1,163,950**

17. Analysis of changes in cash flows

Cash and cash equivalents	At 1 January 2025	Cash flow	At 31 December 2025
Cash at bank and on hand	€696,632	€1,662,792	€2,359,424
Short term deposits	€6,009,874	€597,347	€6,607,221
Total	**€6,706,506**	**€2,260,139**	**€8,966,645**

18. Accounting treatment for retirement benefits

There are two DB pension schemes in operation for employees of the Authority (see note1(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 2024):

Actuarial valuation	31 December 2025	31 December 2024
Discount rate (Note: The discount rate is prescribed under FRS102 and is based on the yield on high quality corporate bonds at the valuation date.)	4.20% p.a.	3.50% p.a.
Inflation rate	2.10% p.a.	2.30% p.a.
Increases to pensions in payment	3.10% p.a.	3.30% p.a.
Pensionable salary increases (Note: An additional allowance was made for public sector pay scales where applicable.)	3.10% p.a.	3.30% p.a.

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:

Key demographic assumptions	31 December 2025	31 December 2024
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:		
FRS date:	22.5 Male and 24.8 Female	22.4 Male and 24.7 Female
FRS date + 20 years:	24.8 Male and 26.8 Female	24.7 Male and 26.7 Female
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

Analysis of total pension costs charged to expenditure	2025	2024
Total employer contributions	€1,296,426	€1,123,331
Adjustments for seconded employees and transfers out	€0	€0
Current service cost (Includes employee contributions totalling €593,959 in 2025 and €512,094 in 2024.)	€1,567,000	€1,468,000
Interest cost	€1,071,000	€1,045,000
Adjustment to deferred Exchequer funding	(€2,638,000)	(€2,513,000)
Total charge to the statement of income and expenditure and retained revenue reserve	**€1,296,426**	**€1,123,331**

c) Movement in net pension liability

Movement in net pension liability	2025	2024
Net pension liability at 1 January	€30,864,000	€29,528,000
Current service cost	€1,567,000	€1,468,000
Interest cost	€1,071,000	€1,045,000
Experience (gains)/losses on scheme liabilities	(€373,000)	(€37,000)
Change in assumptions	(€5,268,000)	(€603,000)
Benefits paid during the year	(€524,000)	(€537,000)
Net pension liability at 31 December	**€27,337,000**	**€30,864,000**

d) Actuarial adjustments

Actuarial adjustments	2025	2024
Experience (gains)/losses on retirement benefit obligations	(€373,000)	(€37,000)
Change in assumptions underlying the present value of retirement benefit obligations	(€5,268,000)	(€603,000)
Adjustment to deferred retirement benefits funding	€5,641,000	€640,000

e) Superannuation deductions and contributions

The total superannuation deductions and contributions remitted to the Department of Social Protection and the Department and Minister for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation were as follows:

Superannuation deductions and contributions	2025	2024
Employer ordinary contributions	€1,296,426	€1,123,331
Employee ordinary contributions (Note: Employee contributions in respect of notional service purchased includes an amount of €3,877 in 2025 (2024 €4,249).)	€366,744	€306,028
Additional superannuation contributions	€227,215	€206,066
Total superannuation deductions and contributions	**€1,890,385**	**€1,635,425**

Breakdown of remittance of pension deductions

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

Breakdown of remittance of pension deductions	2025	2024
DSP		
- Employer ordinary contributions	€585,546	€593,399
- Employee ordinary contributions	€130,240	€128,721
- Additional superannuation contributions	€227,215	€206,066
PEIPSRD		
- Employer ordinary contributions	€710,880	€529,932
- Employee ordinary contributions	€236,504	€177,307
Total remittance of pension deductions	**€1,890,385**	**€1,635,425**

f) Superannuation receipts and payments

Superannuation receipts and payments	2025	2024
State grant in respect of pension payments (Department of Social Protection Vote 37 subhead 43.2.)	€520,938	€470,064
Superannuation benefits paid	(€520,938)	(€470,064)

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 2025 there were no financial transactions with Authority members other than the payment of Authority fees detailed in note 5.

20. Contingent liabilities

At the date of the balance sheet, the Authority had one ongoing legal proceeding. The outcome of the case is unknown, and any potential liability cannot be reasonably estimated. As such, no provision for this matter has been recognised in the 2025 financial statements.

21. Taxation

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

22. 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.

23. Approval of financial statements

The financial statements were approved by Authority members on 16 June 2026.

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