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MISSION STATEMENT

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

Mission achieved through People Values based on:
Responsiveness, Enterprise, Innovation, Efficiency, Results.

- Responsiveness – the ability to anticipate, adapt and meet effectively the changing needs of our customers

- Enterprise – continuously developing the skills and expertise to interpret, shape and meet the needs of the market

- Innovation – the contribution of our people in continuously seeking improvements in how we develop our products and services

- Efficiency – productivity and effectiveness to ensure our viability in a competitive environment

- Results – the organisational performance to deliver on our commitments and achieve quality outcomes for our stakeholders
OSi VISION

“Ordnance Survey Ireland, the National Mapping Agency since 1824, will continue to provide essential expertise to underpin the Social and Economic Development of Ireland.”
CURRENT BOARD MEMBERS OF ORDNANCE SURVEY IRELAND

Mr. Ronan O’Reilly (Chairman)

Ms. Marian Coy
Dr. Enda Howley
Mr. Justin Gleeson

Mr. Oliver Hickey
Mr. Padraic Jordan
Dr. Denis Kelliher

Ms. Sandra Ryan
Mr. Robin Simpson
Mr. Noel Ward
OSi MANAGEMENT TEAM

Chief Executive
Colin Bray

Surveying & Data Management

Human Resources
Geraldine Murphy

Organisational Services
Charles Collier

Business & Marketing
Hugh Mangan

Surveying, Data Collection & Cartography
Sean Curtin

Spatial Data & Infrastructure
Lorraine McNerney

Surveying Infrastructure & Technology
Andy McGill

Human Resources
Geraldine Murphy

Organisational Services
Charles Collier

Business & Marketing
Hugh Mangan

Chief Executive
Colin Bray

Surveying & Data Management

Human Resources
Geraldine Murphy

Organisational Services
Charles Collier

Business & Marketing
Hugh Mangan
Results at a glance:

- A good performance in a very difficult year
- Trading revenue was €18.3 million
- Surplus for the year relating to the Operations amounted to €2.2m
- Costs of Sales and Production down by 8% on 2011
- Administration and Distribution Expenses (excluding pension payments) down by 6% on 2011

Efficiency Improvements:

- Continued progress on organisational review and restructure
- Staff numbers recorded 245 at the end of December 2012, 11% below prior year.
- Implemented a Centralised Administration Services to support HQ and all regional offices. This initiative will significantly reduce administration resources and improve overall efficiency.

Growing our business:

- Positive progress on new commercial business opportunities within the SME sector.
- Significant new/renewal contracts were agreed including CSO, Cable & Wireless, NRA, Bord na Mona, Failte Ireland and the Irish Aviation Authority.
- Through conferences and workshops continued the promotion of the value of authoritative consistent OSi data to the bottom line – enabling better commercial decisions in the context of scarce resources and increasingly complex decisions.
- Outlined to citizens the value and importance of OSi data and its contribution to society using variety of channels (e.g. website) and engaged young people on the importance of geography/OSi through the education system.
- Under the programme of public sector reform it was announced in October 2012 that the Merger of the Valuation Office, the Property Registration Authority and Ordnance Survey Ireland to be in place by the end of 2013.
I am very pleased to have this opportunity to introduce the 2012 OSi annual report which will outline the areas of performance and delivery we have achieved in the past year and will give a detailed financial report of our performance.

Having taken on the role of Chairman in the newly appointed OSi Board in May 2012 I have spent much of my time and a great deal of effort to gain insight and understanding of the organisation, its challenges and opportunities and along with my fellow Board members ensuring our fiduciary duty is carried out to the highest possible standard.

As will become apparent in this report 2012 has been a year of deep change for OSi with the completion of the critical review into a possible merger with the Property Registration Authority and the Valuations Office recommending a merger of the three organizations and the creation of a new entity. The process will take some time to complete therefore it has been a critical requirement of the Board that we focus on the short to medium term deliverables required of OSi and ensure that a robust and high performing organization, focused on its key deliverables is in place.

At the end of 2012 OSi’s then Chief Executive Ms Geraldine Ruane completed her seven year term (see Appendix A, page 24) and left OSi after almost 10 years service as Chief Financial Officer and CEO. I wish to thank Geraldine for her commitment, vision and drive which she so admirably displayed in her role and in the development and growth of OSi. Her strong commercial focus and drive has been a critical component in ensuring OSi achieved the ambitions set for it by its shareholders and Board.

The challenges of operating in the current environment and developing our product and services will be enhanced in the future by much of the work done in 2012, and a range of exciting new developments were either delivered and commenced in 2012 which will deliver real and sustained value for OSi and our stakeholders.

Finally on my own behalf and that of the Board I want to thank the Management and Staff of OSi for their continued efforts, hard work, ingenuity and commitment so admirably displayed in 2012 and encourage them to strive for further overall improvement and growth in 2013.

Ronan O’Reilly, Chairman
OSi’s focus during 2012 was on achieving its challenging revenue targets, imputing to the critical review which assessed the rationale for a merger of Valuations Office, PRA and OSi to create a single Spatial Data Infrastructure organisation, further reducing our operational cost base and looking to the future in continuing the development of our new geospatial platform ‘Prime2’.

As everyone is aware the devastating slowdown of the construction sector continued during 2012 with sales of planning related products down 5% on previous year. For OSi, our trading revenue of €18.3 million at the end of 2012 represented a decrease of 7% over the 2011 outturn. This meant that continuing to focus on reducing our operational cost base (excluding pension payments) during 2012 by €1.7 million or 7% over 2011, we recorded a surplus of €2.2 million in our Income and Expenditure Account for 2012, representing a marginal increase over 2011. This was an exemplary performance for OSi and we must recognise this achievement while continuing to focus on future improvement in our cost base.

As an organisation we in OSi have a deeply embedded culture of continuous process improvement aligned to our new product and service developments. However 2012 was a significant year for OSi as we near the end of a seven year strategic programme to develop a new industry standard national spatial database for Ireland known as ‘Prime2’. In 2012 we saw the completion of the data re-engineering preparation work which will lead to the planned completion of the data re-engineering and systems development work in 2013. We firmly believe that ‘Prime2’ will play a significant role in the Public Sector reform agenda, enabling further efficiencies in the management and use of national spatial information and facilitating a smarter economy and we are pleased to be at the centre of its development and implementation.

In support of the National eGovernment Strategy I was very pleased that at the end of 2012 we in OSi made a commitment to the Department of the Environment, Community and Local Government to develop GeoPortal.ie, a national web portal to provide a single point of access to a network of spatial data from a wide variety of public bodies and organisations. Geoportal.ie is scheduled to go-live before the end of June 2013 and will form a significant part of national data infrastructure and is a significant contribution by OSi.

2012 also saw the publication of ‘Éire Map’ the first OSI all Irish language map of Ireland. OSi is committed to the Official Languages Act 2003 and continues to develop its bilingual capability in the development of its mapping products and services.

As Chief Executive of OSi I attribute our success to the dedication, commitment, competence and continuous development of our highly skilled staff. During 2012 we continued to invest in our people and we undertook a number of leadership development initiatives including a Leadership Development programme for middle managers, a broader development programme for staff and a Coaching and Mentoring programme for the senior management team. We in OSi are committed to developing our people and our talent and such initiatives will ensure the successful development of the next generation of leaders at all levels in national mapping.

I was delighted in 2012 that Minister Pat Rabbitte and Minister of State Fergus O’Dowd on two separate occasions visited the OSI Head Office in the Phoenix Park. This affirmation of our importance to the national agenda and a recognition of our contribution was greatly appreciated by myself, the staff and management of the organisation and our newly appointed Board and Chairman. I wish to express our thanks to our
Chairman, Mr Ronan O’Reilly, and his fellow Board Members for their dedication and support of OSi in how they have carried out their fiduciary duties during such challenging times for OSi.

During late 2012/early 2013 we also said goodbye to someone who had made a significant contribution to OSi in her time here as CEO and Head of Finance. I would personally like to thank my predecessor, Ms Geraldine Ruane, for her ten years of service to OSi and for leaving the organisation in such a healthy state with a strong focus on investment both in our people and our systems.

Finally in October 2012, following the completion of a critical review process and its recommendations, Government announced its approval for the merger of OSi with the Property Registration Authority and the Valuation Office. The implementation of that decision of Government will obviously take sometime but already strong and supportive relationships are being put in place which bodes well for our future engagement. Clearly 2013 will prove to be another challenging and exciting year for OSi.

Colin Bray
Chief Executive Officer
Next Generation Mapping (Prime2)
Prime2 is the OSI data re-engineering project to create an industry standard seamless, scale independent core database for the integrated management of existing large-scale, small-scale, boundary and address information.

Following the involvement of all key stakeholders, including a series of customer workshops, the Prime2 data re-engineering project continued during 2012.

A competitive tender process was undertaken for the Geospatial Management System (GMS) contract which was awarded to 1Spatial.

Storage Architecture and Hardware Efficiencies
OSI commissioned 145TB of new storage following a competitive tender process. Further progress was made to future-proof OSI’s VMWare virtual environment including replication to of key datasets from HQ to the Kilkenny Regional Office.

We also completed an upgrade of Active Directory domain from Windows 2003 (32 bit) to Windows 2008 R2 (64 bit).

Communication Network Efficiencies
OSI completed a number of significant network upgrades throughout 2012. These included a project to install and commission the IT network elements related to the GPS Densification project at 8 new sites around the country. Work continued in HQ and the Regional Offices commissioning additional SSIDs thereby expanding the scope of the guest wireless access in HQ and configuring wired guest access in Regional Offices.

Mobile and remote working was further facilitated throughout 2012 by configuring site to site VPN access for OSI contractors and suppliers and commissioning Cisco Any Connect to facilitate remote access by staff to OSI resources.

Boundary Expertise & Advice
The OSI Boundary Team continued to provide expert boundary advice and support to internal and external stakeholders including the Department of Environment, Heritage and Local Government (DoEHLG). The Boundary Team also continued its role of independent expert witness in a number of boundary related court cases.

Cloud Computing
Throughout 2011 OSI continued its research into the feasibility of using Cloud-based technologies for the provision of technical services and completed a first phase Cloud prototype for the Demographic Web Services offering.

Throughout 2012 OSI conducted on-going investigation of Cloud Computing technologies in the context of OSI’s storage and server environment to determine its appropriateness as an alternative operating strategy with some key WebServices moved to Amazon’s Cloud Infrastructure.

OSI Ecommerce Services
Completed the close-out phase of the new eBusiness Suite project, this included the shutting down of the old eCommerce solution migrating all OSI customers to the new and formalised a medium-term strategy for OSI’s eCommerce supply channels.

Webservices
During 2012, OSI completed further developments of a new Demographic Web Portal which is deployed on Amazon’s Cloud for high availability. We completed a significant major upgrade to the underlying architecture allowing OSI take advantage of new features improving the service. New mapping services were designed and deployed to assist analytic functionality for new requirements under consideration.

Database Technology
OSI’s Oracle Real Application Cluster (RAC) database solution went live for mapping production. This bolsters availability with capacity to administer independently without affecting service. The OSI Elevation Database was fully populated in 2011 covering major Cities and towns. A major upgrade undertaken has allowed us take advantage of new point-cloud data-types for the storage of 3-D data.
SURVEYING, DATA COLLECTION AND CARTOGRAPHY

The role of the Surveying, Data Collection and Cartography Department is to collect the primary geographic data that provides the basis for the creation of the mapping products for OSi customers in both digital and paper format.

Key Achievements:

- Ensuring that mapping of the required quality was consistently delivered to meet the demands of all customers
- Large Scale Revision 2012:
  - 1,653 Urban Plans at 1:1000 scale (1 year revision cycle)
  - 1,299 Suburban Plans at 1:2500 scale (1 year revision cycle)
  - 2,041 Peri-urban plans at 1:2500 scale (3 year revision cycle)
  - 541 Rural plans at 1:5000 scale (5 year revision cycle)
- PRA and all our key customers commitments for 14 fully updated counties and all targets were met and delivered on time.
- The 1:10,000 update flow line reached its targets, with additional attribution from NRA etc. added to the database
- GeoDirectory has been maintained and updated within two weeks of receipt of change data from An Post
- Seven Counties compliant with Placenames orders Meath, Kerry, Donegal, Mayo, Waterford, Cork & Galway
- Irish only in Gaeltacht areas

The Surveying, Data Collection and Cartography area is responsible for ensuring that the mapping which the customer receives is both current and accurate. OSi has staff with an extensive range of skills, from traditional surveying and cartography to postgraduates in GIS, IT and photogrammetric. OSi field staff members are equipped with the latest GPS surveying equipment and field computers, which are used to update the mapping on the field.

The Surveying, Data Collection and our colleagues within the Spatial Data Management and Infrastructure areas collaborate to ensure that the most efficient and effective methods are used to collect new data and update the mapping. The OSi flying team captures aerial imagery, which is processed using aerial triangulation.

Skilled photogrammetrists then plot real world features to update the OSi mapping. The plotted data is passed to staff members who are skilled in the use of modern map editing software for completion. Staff members are generally trained in more than one discipline and work on a number of these products.

2012 was a very successful year in all areas of our revision cycle. The Urban (1:1000) and Suburban (1:2500) mapping of Ireland is now being maintained within a one-year revision cycle; the Peri-urban (1:2500) within a three-year cycle and the Rural (1:5000) mapping is within a five-year cycle. The updating and improving of the 1:10,000 database also continues in line with production and customer needs.

OSi is responsible for the geographic element of each address. The database now contains approximately 1.8 million buildings. It has helped thousands of companies and organisations to revolutionise the way they do business.

Tourist & Leisure Mapping

A commercially important and on-going part of OSi’s business continues to be derived from the digital and paper products based on the large scale PRIME and national 1:10,000 topographical databases. These products fit into the following: the Ireland Series, the Discovery Series, the City Series and the Town Series. Customer needs in this sector are quite varied and include the generation of a variety of paper and digital products at various scale and cartographic presentations. The most popular of these include The Official Dublin City and District Street Guide, The Official Road Atlas of Ireland and the Discovery Series, as well as a number of other products produced for specific sectors e.g. Fáilte Ireland and State Examinations Commission.

The Discovery Series which runs to 75 separate maps, covering every county in the State. The new look and style of the Discovery series has been applied to all of the 75 maps.

Less apparent to many are the diverse products that are produced to service specific needs of certain customers, examples of this include Euro Global and Euro Regional Maps for EuroGeographics. The Royal Irish Academy’s much-acclaimed annual publication “Historic Town Atlas” relies on OSi’s mapping. The Junior and Leaving Certificate’s Geography examinations rely on OSi data for the maps they require each year and The Killarney and Donegal International Rallies relies on OSi Mapping, with both drivers/navigators and visitors to these events depending on the accuracy of such maps.

GeoDirectory

GeoDirectory is the definitive database of buildings in the Republic of Ireland. Jointly established by Ordnance Survey Ireland and An Post, GeoDirectory identifies the precise address and location of every residential and commercial property in the State.
In 2012 we engaged with Fáilte Ireland and commenced a three year contract for various types of mapping which included the production of their “Looped walks maps and City & Town Maps as a map pad product specifically for their needs.

**The role played by OSi and the Geographic Information (GI) Industry**

There has been an organic evolution in the GI industry to sophisticated Geographic Information Systems (GIS). Arising from these developments, an important change has occurred in the operating business environment for spatial information businesses such as OSi. The opportunities and demands for OSi that this industry development has given rise to include:

- Diversity in OSi’s portfolio of spatial products
- Quality of product and service delivery
- Supporting infrastructure
- Confidence in our expertise
- Partnership with customers in addressing their business needs

OSi continued to meet these challenges throughout 2012 and on-going initiatives will ensure it is well placed to provide the Irish GI industry with the quality of service it requires in the future.

Much of OSi’s continuing development is driven by its recognition of the need to build a solid and sustainable basis for the Irish Spatial Data Infrastructure (ISDI), consistent with these growing customer demands. Prime 2 will fully support OSi’s commitments to ISDI. Staff will be heavily involved in training for Prime2 during the second half of 2013. Customers will also experience significant better value for money when the Prime 2 database is available at the end of 2013.
SURVEYING, INFRASTRUCTURE AND TECHNOLOGY

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

Key Achievements:

- 11000 km² of digital imagery was captured as part of New Technology’s low flown flying programme. This imagery was flown for the SDU Map update programme and also for IAA eTOD and Department of Environment Raised Bogs projects.
- LiDAR flying during 2012 amounted to capturing approximately 3300 km². This comprised mainly of contracts for Geological Survey of Ireland and Department of Environment.
- 900 km² of high resolution orthorectified imagery was produced comprising mainly the Raised Bogs Project for the Department of Environment.
- 16000 km² of low resolution orthorectified imagery was produced and supplied to Department of Agriculture for EU CAP requirements.
- 20 commercial contracts, amounting to a total area of 3100 km² were post processed, classified and supplied to B&M for output.
- Eight Active GNSS stations were added to densify the Active Network increasing the total number of stations in the Republic to 25 and 31 on the island of Ireland.

Flying Operations

- During 2012 OSi’s high altitude flying contractor, Hansa Luftbild, captured 11 flight lines in the south of the country amounting to approximately 18% of the contract. Currently 33% remains to be flown.
- A total of 3500 map sheets were captured as part of New Technology’s Low Flown programme broken down as follows:
  - 1500 plans flown for SDU Map update programme
  - 485 plans flown for IAA eTOD project
  - 1265 plans flown for Department of Environment Raised Bogs project
  - 250 plans flown for other B&M contracts
- LiDAR flying during 2012 amounted to capturing approximately 3300 sq. km. This comprised mainly of contracts for Geological Survey of Ireland and Department of Environment.
- Flying operations for the two OSi aircraft were once again hampered by unsuitable weather conditions throughout the summer period.

Digital Image Processing

- 900 low flown 1k orthophoto tiles were produced. This comprised mainly the Raised Bogs Project for the Department of Environment.
- 4059 high flown 2k orthophoto tiles were produced from 2012 high flown imagery and supplied to Department of Agriculture
- 3700 map sheets of triangulated low flown imagery were produced and made available for map update, orthophoto production and airport obstacle identification.
- 3D City modelling was further developed using Bentley Map and displayed to utility and local authority technical personnel
- Continued the Project to rollout ERDAS Apollo Image Manager and transition from GeoVault

LiDAR Processing

- 20 commercial contracts, amounting to a total area of 3100 sq. km, were post processed, classified and supplied to B&M for output.
- All completed LiDAR projects were prepared for loading to National Height Model Database.

Airport Modelling

- Terrain and obstacle data for five airports was captured to ICAO (International Civil Aviation Organisation) standard and supplied to the Irish Aviation Authority (IAA) as part of the OSi/IAA eTOD (Electronic Terrain and Obstacle Data) project.

Geodesy

- The Active GNSS Irenet 95 network was re-adjusted to correct for absolute antenna phase centre in Geoid model OSGM02 with a continued campaign to readjust the complete Active GNSS Network.
- An additional eight Active GNSS stations were added to densify the network.
- Commenced computation of new Geoid Model OSGM10.
BUSINESS AND MARKETING

The Business and Marketing Department is responsible for ensuring that the spatial information needs of industry are understood and met by the organisation.

Key Achievements:

- Our product “MapGenie Web Mapping Service” received the Taoiseach’s Public Service excellence Award.
- Significant design upgrade on the OSI website (www.osi.ie) focusing on improving visitor experience and increasing online customer business.
- Significant number of new/renewal sales contracts were finalised including CSO, Cable & Wireless, NRA, Bord na Mona, Failte Ireland and the Irish Aviation Authority.
- We launched a major Economic Study on the value of Geographic Information to Ireland’s economy with planned completion in 2013.
- We hosted a significant number of customer information seminars continuing the programme of product awareness and future mapping requirements gathering in line with the development of the next generation mapping database.

The use of geospatial information is increasing rapidly. According to the United Nations initiative on Global Geospatial Information Management, the Internet, mobile devices and the explosion of location-based services are bringing everyone into direct contact with location information on a daily basis and have ensured that people, the world over, are beginning to appreciate the need for geospatial information.

There is also a growing recognition amongst both Governments and the private sector that an understanding of location and place is a vital component of effective decision making. The eGovernment 2012 – 2015 Strategy has for the first time identified four specific actions relating to the area of Digital Mapping/Geographic Information Systems.

The industry is subject to a number of important technology-driven trends that are likely to have a major impact in the coming years. These developments offer significant opportunities but also present challenges, and the Business and Marketing Department is responsible for interpreting and reporting on these changes for the organisation; whilst striving to ensure that OSI’s data products and services are recognised as unique, authoritative geographic data, contributing to better decision making, modern government, increased efficiencies and delivering value for all citizens.

The Business and Marketing Department plays a key role in ensuring that the requirement to generate revenue for the organisation in accordance with the remit of the OSI Act 2001 and to conduct its business at all times in a cost-effective and efficient manner is met.

The day to day business of the department is to facilitate the sale, supply and marketing of OSI products and services, the building of relationships with our key customers, partners and other industry and related organisations.

Online Services

OSI divides its business into distinct vertical market segment based on product requirements and industry focus, they are supported by different delivery channels and customer services.

Each market segment can be classified into one of two key strands a relationship driven market segment or a transactional driven segment.

Relationship driven market segments are defined by the need to build and develop sustaining long term interactions with our key customers, such as business partners, utility companies, telecom companies, Government, Local Government, Health, Education and Defence organisations.

Transactional driven market segments are defined by the need to meet the requirements of individuals and professionals involved in buying planning application maps, land registry maps or the provision of tourist & leisure products via online or retail outlets.

Increasingly today, users of location based information, products and services expect immediate on-demand access to the data required to support their decision making processes.

One of the key principals in the eGovernment 2012 – 2015 Strategy, is that public bodies should work to ensure that the online channel is the most attractive option for customers.
In 2012 OSi continued to work on efforts to enhance its online data distribution channels for the benefit of its customers and the geographic information industry in Ireland.

OSi further enhanced its online shop by adding new products for architects and engineers, and further developed its MapGenie web mapping service, cumulating in a Taoiseach’s Public Service Excellence Awards for MapGenie in 2012. MapGenie is an innovative new web service that provides flexible, online, immediate access to the most complete and highest quality OSi map data available of Ireland. In 2012 it had over 150 users of its various services, and work throughout 2012 was focused on increasing the range of mapping services available and strengthening the supporting technical architecture, in OSI and in the Cloud. The key drivers for MapGenie were to increase the value of OSi data to our customers by allowing them much easier and quicker access to our data, saving them time, effort and costs and to allow our industry partners to reduce the cost of data management, enabling quicker project start-up times and the passing of those benefits in cost reductions back to our shared customers.

The OSi website www.osi.ie is a popular mechanism for customers to research OSi mapping, especially for professional users of maps. OSi objectives for its e-commerce shop are to make a wide range of our products easily available to customers online. Customers can view and purchase maps and products online, such as environmental reports, wind maps, tourist and leisure products, maps for planning applications, land registry, ortho photography images, historic maps, from their workplace or from home.

The addition of printable planning packs and Land Registry Compliant Maps in particular have provided additional benefits for our customers. This change has allowed OSi meet its customers increasing demands for immediate and continuous online access to products. This has also helped OSi alleviate supply problems for customers where local agents have ceased trading. OSi has also provided online tutorials on how to use our map viewer and online shop.

Sales Revenue
Following a very challenging year in 2012, a 7% decrease in sales was recorded. The decrease principally relates to continued downward pressure on our products and services that are sold to support planning applications, or the construction, property and engineering industries and was very much in line with the wider economic trends affecting the industries in question. OSi network of retailers and Agents had a challenging year, as did revenue generated from construction related professions such as architects and engineers.

This was somewhat cushioned by growth in other sectors and the development of new markets and products directly or via our partners, and in particular the sale of products via our online shop showed some good promise. The Business and Marketing Department also continuing to add value to its offerings via customised map products, new Web Services, and remote sensed LiDAR and Orthophotography products / services.

Marketing
The main objective of the marketing strategy in OSi is to support the strategic objectives of being a leader in national spatial information and policy, a customer focused organisation and an organisation that is adaptable in a changing environment. We regularly conduct customer focused surveys or research to improve our ability to deliver against customer needs.

The organisation implements an agreed marketing plan throughout the year with these objectives in mind, aiming to provide the support necessary to our business managers to help them achieve their business plans.

In order to maximize return on investment on our marketing budget OSi operates an Integrated Marketing Communications Plan, the objective of which is to co-ordinate all communication activities and channels so we can deliver a consistent message about OSi and all its products to the market.

All events, advertisements, sponsorships are planned and linked where possible to maximize our exposure to the market thus leading to efficient management of time and resources.

2012 saw significant development of our social media marketing activities, including on Facebook, Twitter and LinkedIn as well as further improvements of the www.osi.ie website. The main focus of which is to highlight the Explorer Map viewer which has become a significant source of information for visitors allowing them view aerial photography and historic mapping online and order OSi online products.

Prime 2
The Business & Marketing Department continues to contribute to the on-going Prime 2 project by working with customers, application providers and value added resellers to identify the acceptability of the proposed Prime2 data schemas and report customer feedback on the Prime2 model and schemas.
While 2012 proved to be another challenging year for OSi and Human Resources, including the departure of 17 staff under the Croke Park Grace period by February 2012, much was achieved during the year.

Key Achievements:
- People and organisational development initiatives including leadership development, personal development and skills and competency enhancement programmes, continued during 2012 as part of the HR Strategy implementation;
- Staff numbers reduced by 31 or 11% during the year through normal retirements, the government re-deployment and voluntary redundancy schemes;
- Compliance with the Croke Park agreement was delivered.
- Introduction of a PMDS Verification Committee
- Completion of the OSi WorkForce Plan (live) document

In line with the HR Strategy 2010 – 2015, 2012 saw the further development and implementation of a comprehensive training plan and a Senior Management Team coaching and mentoring was rolled out. We also rolled-out a Leadership Development programme for the Group Management Team and Team Leaders, a Personal Development programme for staff and further Sales & Marketing Training. The Training programmes involved pre and post discussions with Line Managers to ensure that staff got the best benefit from these programmes and to note any incremental learning’s throughout the programme.

Provision of Performance Management (PMDS) support and introduction of further changes was led by Human Resources throughout 2012. The management of performance is an integral part to the overall management of People in OSI. Under the provisions laid down in the Performance Management & Development System (PMDS) managerial and supervisory staff must ensure that their people are informed of what is expected of them as well as being provided with feedback on how that work performance is progressing. Mandatory goals for managers is being introduced in 2013 and HR provided the training and supports for managers in 2012 in preparation for this.

The Human Resources area in its role of advising staff in 2012 organised workshops regarding pension entitlements and options and these presentations took place in the Regional Offices and in Headquarters. In 2012 we also saw the first of changes with regard to the terms and conditions of staff under Croke Park and staff were advised of the standardisation of Annual Leave and the first of the changes to Sick Leave which affected the Uncertified Sick Leave arrangements.

In addition during 2012 our engagement with the workforce planning process which was rolled out across the civil and public service with our first reiteration forwarded to the Department of Communications, Energy and Natural Resources in June 2012.

In the last quarter of 2012 Human Resources rolled out its first voluntary redeployment scheme to aid in reducing our numbers, the departure date for this scheme was the 25th April, 2013.

The Human Resources function itself also lost 2 members of full-time staff during 2012 which meant a reorganising of workloads, particularly the management of PMDS and Training. The staff of Human Resources appreciate the understanding and co-operation they received from colleagues during this time. Support was also provided by the appointment of Training Co-ordinators in each Department to help streamline training requests and prioritise these requests by aligning them to business and departmental needs.
ORGANISATIONAL SERVICES

Key Achievements:
- Managing, accounting for and reporting on all financial activities of OSi
- Ensuring that the organisation’s obligations under Code of Practice for the Governance of State Bodies and related governance legislation are complied with
- Providing the Secretariat and administrative support to the Board
- Co-ordinating the Risk Management process
- Developing and managing all Health & Safety practices and procedures
- Managing accommodation services

CORPORATE GOVERNANCE

Following the publication in 2009 of the Revised Code of Practice for the Governance of State Bodies, OSi examined its governance procedures to ensure compliance with the revised Code.

In addition, the Organisational Services Department ensures that the provisions of the Ethics in Public Office Act 1995 & 2002 and the Standards in Public Office Act 2001, as they apply to Board Members, senior officials and any designated positions in the organisation, are uniformly applied and fully complied with.

OSI BOARD AND ITS SUB-COMMITTEES

OSi Board
The Board of Ordnance Survey Ireland comprises 10 members appointed by the Minister for Finance under the provisions of the Ordnance Survey Act 2001. During 2012, the Board met on five occasions including a meeting to specifically discuss and review the corporate strategy of the organisation.

Audit Committee
The Audit Committee of the new Board comprises Board Members Mr. Padraic Jordan, Ms. Marion Coy, Mr. Robin Simpson and is chaired by Mr. Padraic Jordan. The Committee (previous and new board) met on 4 occasions during 2012.

The minutes of all meetings of the Audit committee are circulated to all members of the Board and to the CEO. In addition, the Chairman of the Audit Committee provides the Board with updates on issues at all Board Meetings. The Audit Committee has access to any required external expertise to facilitate the effective discharge of its responsibilities. Following an analysis of the Audit function by Farrell Grant Sparks, a Head of Internal Audit was appointed to direct the work of internal audit at OSi in February 2011.

Capital Expenditure Committee
Established to evaluate any proposed capital projects where the expenditure either will or is likely to exceed €250,000, this committee met once in 2012.

RISK MANAGEMENT

The Risk Management process
OSi continues to develop its Risk Management processes, including the organisation’s Risk Register. This Register records and indicates the range of measures necessary, either on-going or once off, to mitigate the diverse range of risks identified. Senior Managers have responsibility for the monitoring and management of their own risks and are required to provide regular progress reports with planned mitigation measures and to report additional risks as they arise.

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

The annual fee payable to the Members of the Board for 2012 is in accordance with the rate approved by the Minister for Finance. This fee was reduced in accordance with the Financial Emergency measures in the Public Interest (No 2) Act 2009 with effect from January 1st 2010, the revised rates are as follows:

- Chairman: €11,970
- Board Members: €7,695 each

The following board members are in public service employment and therefore would not be entitled to receive Board fees:
- Dr. Denis Kelliher, Mr. Justin Gleeson, Ms. Sandra Ryan, Dr. Enda Howley.
  Dr. Enda Howley elected to waive his fees during the period from appointment date 22nd May 2012 to 31st August 2012 covering his period of non-public service employment.

The following are entitled to Board fees:
- Mr Ronan O’Reilly, Ms. Marion Coy, Mr. Oliver Hickey, Mr. Robin Simpson, Mr. Padraic Jordan, Ms. Anne Butler

In addition, Board Members received a total of €4,395 in expenses in respect of attendance at Board Meetings. A breakdown of this expenditure is as follows:

<table>
<thead>
<tr>
<th></th>
<th>Mileage</th>
<th>Subsistence</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Geraldine Stafford</td>
<td>€866</td>
<td>€436</td>
<td>€1,302</td>
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<tr>
<td>Noel Ryan</td>
<td>€1,065</td>
<td>€245</td>
<td>€1,310</td>
</tr>
<tr>
<td>Marion Coy</td>
<td>€91</td>
<td></td>
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</tr>
<tr>
<td>Rory Scanlan</td>
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<tr>
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<tr>
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<td>€783</td>
<td>€28</td>
<td>€811</td>
</tr>
<tr>
<td>Ronan O’Reilly</td>
<td>€532</td>
<td></td>
<td>€532</td>
</tr>
</tbody>
</table>

Attendance at Board Meetings

<table>
<thead>
<tr>
<th>Board Member</th>
<th>Number of Meetings attended</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kevin Bonner, Chairman (Retired 3rd March 2012)</td>
<td>2</td>
</tr>
<tr>
<td>Anthony Murray (Retired 3rd March 2012)</td>
<td>2</td>
</tr>
<tr>
<td>Liam O’Farrell (Retired 3rd March 2012)</td>
<td>1</td>
</tr>
<tr>
<td>Geraldine Stafford (Retired 3rd March)</td>
<td>2</td>
</tr>
<tr>
<td>Noel Ryan (Retired 3rd March 2012)</td>
<td>2</td>
</tr>
<tr>
<td>Rory Scanlon (Retired 3rd March 2012)</td>
<td>1</td>
</tr>
<tr>
<td>William Attley (Retired 3rd March 2012)</td>
<td>2</td>
</tr>
<tr>
<td>Mr. Ronan O’Reilly (Appointed Chairman 22nd May 2012)</td>
<td>3</td>
</tr>
<tr>
<td>Ms. Anne Butler (Appointed 22nd May 2012, resigned 25th October 2012)</td>
<td>2</td>
</tr>
<tr>
<td>Mr. Robin Simpson (Appointed 22nd May 2012)</td>
<td>3</td>
</tr>
<tr>
<td>Dr. Enda Howley (Appointed 22nd May 2012)</td>
<td>3</td>
</tr>
<tr>
<td>Dr. Denis Kelliher (Appointed 22nd May 2012)</td>
<td>2</td>
</tr>
<tr>
<td>Mr. Padraic Jordan (Appointed 22nd May 2012)</td>
<td>3</td>
</tr>
<tr>
<td>Mr. Justin Gleeson (Appointed 22nd May 2012)</td>
<td>3</td>
</tr>
<tr>
<td>Ms. Sandra Ryan (Appointed 22nd May 2012)</td>
<td>3</td>
</tr>
<tr>
<td>Ms. Marian Coy (Appointed 22nd May 2012)</td>
<td>3</td>
</tr>
<tr>
<td>Mr. Oliver Hickey (Appointed 19th June 2012)</td>
<td>3</td>
</tr>
<tr>
<td>Mr. Noel Ward (Appointed 19th December 2012)</td>
<td>0</td>
</tr>
</tbody>
</table>

Remuneration of Chief Executive

The Chief Executive, Ms Geraldine Ruane

Details of the specific remuneration in 2012 are contained in the Financial Statements.
Corporate Health & Safety
Ordnance Survey Ireland recognises its responsibility with regard to the safety, health and welfare at work of all its employees and members of the public who may be affected by its operations. The Health & Safety Committee, comprising both staff and management representatives, met on a number of occasions, reviewed documentation, procedures and practices with a view to furthering safety awareness within the organisation. In 2010, the incoming committee completed a comprehensive training programme provided by OSi’s Health and Safety Consultants.

Through the monthly Health and Safety reporting structures for Team Leaders that have been put in place, Health and Safety is discussed at team meetings on a regular basis, thus ensuring that awareness and compliance for Health and Safety rests at team level.

All OSI offices have been equipped with defibrillators and training and monitoring of this equipment continued during 2012.

FACILITIES AND ACCOMMODATION MANAGEMENT

Maintenance of accommodation
The management of the accommodation at the OSi HQ complex in the Phoenix Park and at the six Regional Offices (Cork, Ennis, Kilkenny, Longford, Sligo and Tuam) presents its own challenges. The headquarters complex comprises of a number of magnificent buildings, some dating from the 1700s and located on more than 17 acres. This presents a significant challenge when even routine maintenance work requires that the fullest consideration be given to avoid any possible adverse implications for these listed, protected structures.

During the course of 2012, scope for remedial works programmes was severely limited by the current economic situation. However with the assistance of the OPW, care and maintenance programmes were undertaken to secure building structures in the Head Office area. In addition with the assistance of the sustainable Energy Authority of Ireland (SEAI) a comprehensive survey of Head Office buildings was undertaken with a view to minimising energy usage. In light of the reducing staff numbers in all work centres, OSi engaged with the Office of Public Works to identify where space allocations could be revised to achieve cost savings.

Ordnance Survey Ireland recognises that the professional assistance and guidance of the Office of Public Works is critical to bringing success to these remedial projects. It is important that in any annual review there is an acknowledgement and appreciation expressed for the level of resources and professional expertise afforded by the Office of Public Works to OSi in the management of its unique accommodation issues.

OSI and Corporate Responsibility
Ordnance Survey Ireland continued to implement the measures/initiatives which are considered to have a positive impact on the organisation’s “Carbon Footprint” in reducing inefficient energy usage. OSi continues with programmes such as eWorking and the “Cycle to work scheme” to reduce car journeys on an individual level.

At corporate level it has conducted a number of actions as detailed below.

- Continuation of overview of Energy Usage in Ordnance Survey Ireland which commenced in 2010

In 2012, OSI consumed 2,862 MWh of energy, consisting of:
- 1,315 MWh of electricity
- 849 MWh of fossil fuels
- 698 MWh of vehicle fuels

Actions Undertaken in 2012

In 2012 Organisational Services continued the development of initiatives to improve the overall energy performance of OSi. These initiatives included:

- Continue to develop a phased accommodation plan for OSi HQ
- Operate an on line system to help risk mitigation
- Continued the organisation focus on energy/water conservation programmes.
- Implemented the Centralised Administration Service Function
FINANCIAL REVIEW

Trading revenue for year ending 31 December 2012 recorded €18.3m, representing a decrease of 7% over 2011. The key achievements were:

- In a very challenging economic environment a number of new initiatives were completed to help stimulate growth such as the development of our advisory role to government, hosting customer seminars, leading the celebration of World GIS day and the enhancement of the Tourist & Leisure product range.
- Our web service offering (MapGenie) continues to be a key service for customers and Ordnance Survey Ireland received industry recognition in receiving the Taoiseach’s award for same during the year.
- The slowdown in the construction sector continued during 2012 with sales of planning related products down 5% on the previous year’s revenue base of €1.7m distributed over our Agent network, Head Office Shop and the Public On-Line Shop.
- The customer feedback to our new Public On-Line Shop has been very positive and in 2012 accounted for 38% of total sales within the planning related product range.
- In general, prices remained stable and a number of significant new/renewal contracts were agreed including CSO, Cable & Wireless, NRA, Bord na Mona, Failte Ireland and the Irish Aviation Authority.
- A successful design upgrade to our website has helped to increase visitors/customers to our on-line shop. The new public website (on-line shop) provides customers with the option to view and purchase current products such as Environmental Reports, Ortho photography, Wind Mapping, Land Registry Compliance Maps and Digital Planning packs.
- Copyright licence revenue within the private sector, representing in excess of 1,000 customers, continues to suffer from the economic downturn and declined by 18% over the previous year on a revenue base of €0.6m and following a 14% decline in 2011. However this area continues to be maintained at a good level as professionals and members of the public recognise the value of authorised copying of maps within the business environment.
- Ordnance Survey Ireland continues to maintain all public interest mapping and services at a high quality level as outlined in the Ordnance Survey Ireland Act, 2001 and further detailed in the Service Agreement with the Minister for Communications, Energy and Natural Resources.
- Ordnance Survey Ireland agreed to formalise a long standing partnership arrangement and purchased a 49% shareholding in An Post GeoDirectory Limited effective 27th September 2011. Profits for this minority interest shareholding amounted to €129K in 2012.

Operating Costs

- Cost of Production and Sales amounted to €13.3m, representing a €1.1m or 8% decrease on the previous year. Changes of note included:
  - Salaries and Wages (decrease of €0.75m) due to retirements and non replacements,
  - Depreciation (decrease of €0.2m) in line with lower capital spend with remaining savings spread over a number of headings such as IT support costs and Travel/subsistence.
- Distribution and Administration Expenses amounted to €11.4m, representing a €1.0m or 10% increase over the previous year. Changes of note included:
  - Pension payments (increase of €1.5m, including pension lump sum entitlements for new retirees mainly linked with the government grace period)
  - Salaries & Wages (decrease of €0.4m) due to retirements and non replacements,
  - Training and Subscriptions (decrease of €0.06m)
  - Marketing & Promotion (decrease of €0.05m).
- The introduction of Accounting Standard FRS 17 in 2005 (Financial Reporting on Retirement Benefits) required an annual independent actuarial valuation and the inclusion in the Income and Expenditure Account, a cost for past pension service and interest on scheme liabilities and finally a representation of the total deferred pension liability in the Balance Sheet.
- The overall cost included in the 2012 Income and Expenditure Account amounted to €8.2m representing a decrease of €1m over 2011.
- The Pension Liability at 31st December 2012 amounted to €158m inclusive of a 2009 increase of €14.5m to take account of a change in assumptions used for life expectancy of retirees i.e. males amended from 83 to 87 years and females from 87 to 90 years.

Service Level Agreement/Oireachtas Grant

- The annual Service Level Agreement/Grant in Aid received from the Department of Communications, Energy and Natural Resources amounted to €4.766m in 2012 and 4% below the 2011 level. This result follows a trend of continuous reduction over the past number of years and is assisted by a continuous reduction in the Operating Cost Base.
- In addition, a sum of €3.7m has been provided in 2012 towards superannuation costs.

Income and Expenditure Account

- The total surplus recorded on the Income and Expenditure Account for 2012 amounted to €2.2m representing a marginal increase over 2011. Significant savings within the Operating Cost Base contributed to this result.
The general function of OSi is to provide a national mapping service for the State. In this regard, it shall operate in the public interest by creating and maintaining the definitive national mapping and related geographic records of the State. OSi’s functions shall include all tasks as are necessary to fulfil its general function:

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

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

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

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

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

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

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

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

(i) To protect Government Copyright.
Appendix A – Former Chief Executive Officer

The period of service of the former Chief Executive Officer came to a conclusion on 31 December 2012 after seven years which saw dramatic change in the construction, planning, infrastructure and development sectors, which are major customers for mapping products and a significant source of OSi revenue. The CEO worked closely with Board through this difficult time, leading the OSi team and managing the organisation through substantial decline in revenues to an initial recovery in 2012.

Notwithstanding the outstanding work of the CEO in this period, changes in the broad public sector employment arena, particularly in relation to remuneration of CEOs, became an issue of dispute. This culminated in the CEO engaging legal representation and challenging perceived changes to the terms of her contract and its conclusion. The Board sought legal advice on these matters and also, cognisant of the costs attendant on matters that go before the courts and the hazard that must always attach to the possible outcome of matters litigated, regardless of the perceived strength of argument, engaged a professional mediator to seek to resolve the issues by agreement.

The details of the agreement with the former CEO are set out in the report of the Comptroller and Auditor General and at note 13 to the accounts.

These terms provided for the cessation by the CEO, as CEO of OSi, on 31 December, 2012. As Government had recently announced the outcome of the amalgamation over 48 public bodies (including Ordnance survey Ireland, the Property Registration Authority and the Valuation Office), the Board agreed the departing CEO would be asked to fulfil a temporary contract, to steer the organisation for a three month period until the implementation issues became clearer. The terms of that contract provided for a 10% reduction in the salary level and that there would be no Performance Related Award (PRA).

Other elements of that agreement provided for the payment of deferred PRAs (bonuses) awarded by the then Board for 2008 and 2009, which were in accordance with the Financial Emergency Measures in the Public Interest legislation. No PRA was paid for 2010, 2011 or 2012. In accordance with provision for the adjustment of pay in the public service, following the acceptance of the CEO of the non-payment of these PRAs, the revised salary adjustment applicable where such PRA schemes were terminated was applied, resulting in a refund to the CEO of monies that had been deducted in the absence of such acceptance.

The final element in the agreement provided for a payment of €4,200 described as ‘rounding’ in the report of the Comptroller and Auditor General, and which was agreed by the Board in bringing the matter to a conclusion.

The Board, while wishing to put on record the high regard it and its predecessor Board held for the former CEO, nonetheless found itself in a very difficult position in the final period of 2012. The agreement reached, which is in conformity with the contract and FEMPI legislation, were in the view of the Board, advised by counsel and with benefits of professional mediation, the best possible resolution attainable, enabling the matter to be brought to a conclusion without litigation and to permit the Board and organisation to focus on its key tasks.
Ordnance Survey Ireland

Financial Statements

Year ended 31 December 2012
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BOARD MEMBERS AND OTHER INFORMATION

Board Members at 31 December 2012

Mr. Ronan O’Reilly (Appointed Chairman 22nd May 2012)
Ms. Anne Butler (Appointed 22nd May 2012, Resigned 25th October 2012)
Mr. Robin Simpson (Appointed 22nd May 2012)
Dr. Enda Howley (Appointed 22nd May 2012)
Dr. Denis Kelliher (Appointed 22nd May 2012)
Mr. Padraic Jordan (Appointed 22nd May 2012)
Mr. Justin Gleeson (Appointed 22nd May 2012)
Ms. Sandra Ryan (Appointed 22nd May 2012)
Ms. Mariann Coy (Appointed 22nd May 2012)
Mr. Oliver Hickey (Appointed 19th June 2012)
Mr. Noel Ward (Appointed 21st December 2012)
Mr Kevin Bonner (Chairman) Retired 3rd March 2012
Mr. Anthony Murray Retired 3rd March 2012
Mr. Liam O’Farrell Retired 3rd March 2012
Ms. Geraldine Stafford Retired 3rd March 2012
Mr. Noel Ryan Retired 3rd March 2012
Mr. Rory Scanlan Retired 3rd March 2012
Mr. William Attley Retired 3rd March 2012

Solicitor
McCann Fitzgerald Solicitors
Riverside One
Sir John Rogerson’s Quay
Dublin 2

Auditor
Comptroller and Auditor General
Treasury Block
Dublin Castle
Dublin 2

Banker
Bank of Ireland
Main Street
Blanchardstown
Dublin 15
The Chief Executive Officer is required by the Ordnance Survey Ireland Act, 2001 to prepare the financial statements for each financial year which give a true and fair view of the state of affairs of Ordnance Survey Ireland and of its income and expenditure for that period.

In preparing those statements, the Chief Executive Officer is required to

- Select suitable accounting policies and then apply them consistently

- Make judgements and estimates that are reasonable and prudent

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

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

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

†

Colin Bray
Chief Executive Officer
Date
ORDNANCE SURVEY IRELAND

STATEMENT ON INTERNAL FINANCIAL CONTROL

YEAR ENDED 31ST DECEMBER 2012

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

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

The Board has taken steps to ensure an appropriate control environment is in place by:

- Clearly defining management responsibilities and powers
- Establishing formal procedures for monitoring the activities and safeguarding the assets of the organisation
- Developing a culture of accountability across all levels of the organisation

The Board has established procedures to identify and evaluate business risks by:

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

The system of internal financial control is based on a framework of regular management information, administration procedures including segregation of duties, and a system of delegation and accountability. In particular, it includes:

- A comprehensive budgeting system with an annual budget which is reviewed and agreed by the Board
- Regular reviews by the Board of periodic and annual financial reports which indicate financial performance against forecasts
- Setting targets to measure financial and other performance
- Formal project-management disciplines

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

I confirm that the Board carried out a review in December 2012 of the effectiveness of the system of internal controls in operation during 2012.

Signed on behalf of the Board:

Ronan O’Reilly
Chairman.

Date

[Signature]
Ordnance Survey Ireland

I have audited the financial statements of Ordnance Survey Ireland for the year ended 31 December 2012 under the Ordnance Survey Ireland Act 2001. The financial statements, which have been prepared under the accounting policies set out therein, comprise the accounting policies, the income and expenditure account, the operating account, the statement of total recognised gains and losses, the balance sheet, the cash flow statement and the related notes. The financial statements have been prepared in the form prescribed under Section 26 of the Act, and in accordance with generally accepted accounting practice in Ireland.

Responsibilities of the Chief Executive Officer

The Chief Executive Officer is responsible for the preparation of the financial statements, for ensuring that they give a true and fair view of the state of Ordnance Survey Ireland's affairs and of its income and expenditure, and for ensuring the regularity of transactions.

Responsibilities of the Comptroller and Auditor General

My responsibility is to audit the financial statements and report on them in accordance with applicable law.

My audit is conducted by reference to the special considerations which attach to State bodies in relation to their management and operation.

My audit is carried out in accordance with the International Standards on Auditing (UK and Ireland) and in compliance with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of Audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements, sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to Ordnance Survey Ireland's circumstances, and have been consistently applied and adequately disclosed
- the reasonableness of significant accounting estimates made in the preparation of the financial statements, and
- the overall presentation of the financial statements.

I also seek to obtain evidence about the regularity of financial transactions in the course of audit.

In addition, I read Ordnance Survey Ireland's annual report to identify material inconsistencies with the audited financial statements. If I become aware of any apparent material misstatements or inconsistencies, I consider the implications for my report.

Opinion on the Financial Statements

In my opinion, the financial statements, which have been properly prepared in accordance with generally accepted accounting practice in Ireland, give a true and fair view of the state of Ordnance Survey Ireland's affairs at 31 December 2012 and of its income and expenditure for 2012.

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

Matters on which I report by exception

I report by exception if:

- I have not received all the information and explanations I required for my audit, or
- my audit noted any material instance where money has not been applied for the purposes intended or where the transactions did not conform to the authorities governing them, or
- the information given in Ordnance Survey Ireland's annual report is not consistent with the related financial statements, or
- the Statement on Internal Financial Control does not reflect Ordnance Survey Ireland's compliance with the Code of Practice for the Governance of State Bodies, or
- I find there are other material matters relating to the manner in which public business has been conducted.
Chief Executive Officer’s Bonuses

I draw attention to note 13 to the financial statements which discloses details of a settlement with the former Chief Executive Officer. The payment of €115,000 included

- €79,400 in relation to performance-related bonus payments due in 2008 and 2009
- €7,200 interest on the bonus payments
- €24,000 in respect of arrears of pay for the three years 2010 to 2012, because a pay reduction applied at the beginning of 2010 did not take account of the Chief Executive Officer’s agreement to waive her contractual right to further performance-related bonus payments
- rounding up of the bonus payments and arrears, totaling €4,200.

Note 13 also discloses that Ordnance Survey Ireland paid legal costs (including those of the former Chief Executive Officer) of €81,200 associated with the additional payments.

Advance staff pay increases

I also draw attention to note 6 to the financial statements, which discloses that, in 2012, pay increases were awarded to two employees in advance of increment due dates and a higher duty allowance was awarded to another employee. These pay increases were not in accordance with the Financial Emergency Measures in the Public Interest (No. 2) Act 2008. The pay increases resulted in expenditure of €18,000 in 2012 and will result in additional expenditure estimated at €48,000 over a number of years.

Seamus McCarthy
Comptroller and Auditor General
11 October 2013
ACCOUNTING POLICIES

1. General

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

2. Basis for Accounting

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

3. Establishment Reserve

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

4. Income recognition

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

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

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

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

Bad and doubtful debts are provided for on a review basis at the end of each year.

5. Superannuation

OSi operates defined benefit pension schemes which are funded annually on a pay as you go basis from monies available to it, including monies provided by the Department of Communications, Energy and Natural Resources. Contributions deducted from staff salaries are not retained but returned to the Department with effect from 1st January 2011.

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

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

A further pension charge comprising the current service cost, past service cost and the interest cost on the scheme liabilities less pension benefits paid in respect of the year is recognised as pension cost in the Operating Account for the year. An equivalent amount is charged to the Pension Reserve.

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

6. The National Topographic Database

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

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

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

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

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

7. Fixed Assets

Tangible fixed assets are stated at cost less accumulated depreciation. Projects consisting of third party software and/or computer hardware are capitalised and depreciated over the appropriate period.

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

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

8. Stocks

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

9. Foreign currencies

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

10. Investment in GeoDirectory

Investment in An Post GeoDirectory Limited is recorded in the balance sheet as the total cost of the investment. Ordnance Survey Ireland’s share of profits are included in the Income and Expenditure Account in respect of post acquisition profits and are taken from the latest audited financial statements made up to the balance sheet date.
### INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER

<table>
<thead>
<tr>
<th>Notes</th>
<th>2012</th>
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<tr>
<td>Sales</td>
<td>€18,264,195</td>
<td>€19,536,916</td>
</tr>
<tr>
<td>Oireachtas Grant</td>
<td>€8,466,000</td>
<td>€7,451,000</td>
</tr>
<tr>
<td>Other Operating Income</td>
<td>€52,291</td>
<td>€26,229</td>
</tr>
<tr>
<td>Costs of Production and Sales</td>
<td>€26,782,486</td>
<td>€27,014,145</td>
</tr>
<tr>
<td>Distribution and Administration Costs</td>
<td>(€13,303,943)</td>
<td>(€14,451,491)</td>
</tr>
<tr>
<td>Surplus for year before tax</td>
<td>€2,120,892</td>
<td>€2,216,145</td>
</tr>
<tr>
<td>Tax on Surplus on ordinary activities</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Surplus on ordinary activities after tax</td>
<td>€2,120,892</td>
<td>€2,216,145</td>
</tr>
<tr>
<td>Surplus attributable to Financial Asset</td>
<td>€129,015</td>
<td>€19,788</td>
</tr>
<tr>
<td>Surplus for year after tax and Financial Asset</td>
<td>€2,249,907</td>
<td>€2,235,933</td>
</tr>
</tbody>
</table>

### Operating Account

- Surplus on Income and Expenditure Account: €2,249,907 (2012), €2,235,933 (2011)
- Pension Cost for year: (€8,169,000) (2012), (€9,123,000) (2011)
- Operating Deficit for year: (€5,919,093) (2012), (€6,887,067) (2011)

The Accounting Policies on pages 7 and 8, and the notes on pages 13-21 form part of these financial Statements.

**On behalf of the Board**

[Signatures: Roman O'Reilly (Chairman), Colin Bray (Chief Executive Officer)]

Date: 10 October 2013
## Statement of Total Recognised Gains and Losses for the Year Ended 31 December

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surplus/(Deficit)</td>
<td>2,249,907</td>
<td>2,235,933</td>
</tr>
<tr>
<td>Pension Cost Charged to Operating Account</td>
<td>(8,169,000)</td>
<td>(9,123,000)</td>
</tr>
<tr>
<td>Actuarial gain/(loss)</td>
<td>(2,831,000)</td>
<td>123,000</td>
</tr>
<tr>
<td>Total Recognised gain/(Loss)</td>
<td>(8,750,093)</td>
<td>(6,764,067)</td>
</tr>
</tbody>
</table>

### Movement in Reserves

#### Revenue Reserve
- Balance at 1st January: (4,231,074) (6,467,007)
- Surplus/(Deficit) for year: 2,249,907 2,235,933
- Balance at 31st December: (1,981,167) (4,231,074)

#### Pension Reserve
- Balance at 1st January: (147,000,000) (138,000,000)
- Pension Cost charged to Operating Account: (8,169,000) (9,123,000)
- Actuarial Gain/(Loss): (2,831,000) 123,000
- Balance at 31st December: (158,000,000) (147,000,000)

The Accounting Policies on pages 7 and 8, and the notes on pages 13-21 form part of these financial Statements.

On behalf of the Board

Ronan O'Reilly
Chairman
Date: 10th October 2013

Colin Bray
Chief Executive Officer
Date: 10th October 2013
## BALANCE SHEET AS AT 31st DECEMBER

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>€</td>
<td>€</td>
</tr>
<tr>
<td><strong>Fixed Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tangible and Intangible Assets</td>
<td>8</td>
<td>4,244,845</td>
</tr>
<tr>
<td>Financial Assets</td>
<td>14</td>
<td>61</td>
</tr>
<tr>
<td></td>
<td></td>
<td>4,244,906</td>
</tr>
<tr>
<td><strong>Current Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stock</td>
<td>9</td>
<td>254,989</td>
</tr>
<tr>
<td>Debtors</td>
<td>10</td>
<td>3,243,666</td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td></td>
<td>6,256,938</td>
</tr>
<tr>
<td></td>
<td></td>
<td>9,755,593</td>
</tr>
<tr>
<td><strong>Creditors – amounts falling due within one year</strong></td>
<td>11</td>
<td>(7,515,302)</td>
</tr>
<tr>
<td>Net Current assets/(Liabilities) excluding pension liabilities</td>
<td></td>
<td>2,240,291</td>
</tr>
<tr>
<td><strong>Pension Liability</strong></td>
<td>12(b)</td>
<td>(158,000,000)</td>
</tr>
<tr>
<td><strong>Net Liabilities</strong></td>
<td></td>
<td>(151,514,803)</td>
</tr>
<tr>
<td>Represented by</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Establishment Reserve</td>
<td></td>
<td>8,466,364</td>
</tr>
<tr>
<td>Revenue Reserve</td>
<td></td>
<td>(1,981,167)</td>
</tr>
<tr>
<td>Pension Reserve</td>
<td></td>
<td>(158,000,000)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(151,514,803)</td>
</tr>
</tbody>
</table>

The Accounting Policies on pages 7 and 8, and the notes on pages 13-21 form part of these financial statements.

**On behalf of the Board**

Ronan O'Reilly  
Chairman  
Date: **10th October 2013**

Colin Bray  
Chief Executive Officer  
Date: **10th October 2013**
## CASHFLOW STATEMENT

### RECONCILIATION OF NET MOVEMENT FOR THE YEAR

<table>
<thead>
<tr>
<th>Description</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surplus/(Deficit) for period after taxation</td>
<td>(5,919,093)</td>
<td>(6,887,067)</td>
</tr>
<tr>
<td>Depreciation</td>
<td>1,207,415</td>
<td>1,448,411</td>
</tr>
<tr>
<td>Income on sale of motor vehicles</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Pension Cost</td>
<td>8,169,000</td>
<td>9,123,000</td>
</tr>
<tr>
<td>Deposit Interest</td>
<td>(12,792)</td>
<td>(14,036)</td>
</tr>
<tr>
<td>Decrease/(Increase) in debtors and prepayments</td>
<td>680,439</td>
<td>(388,121)</td>
</tr>
<tr>
<td>Increase/(Decrease) in creditors</td>
<td>(785,988)</td>
<td>(628,203)</td>
</tr>
<tr>
<td>(Increase)/Decrease in stocks</td>
<td>48,562</td>
<td>(61,099)</td>
</tr>
<tr>
<td><strong>Net cash inflow/(outflow) from operating activities</strong></td>
<td><strong>3,387,543</strong></td>
<td><strong>2,592,885</strong></td>
</tr>
</tbody>
</table>

### CASH FLOW STATEMENT

<table>
<thead>
<tr>
<th>Description</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net cash inflow/(outflow) from operating activities</td>
<td><strong>3,387,543</strong></td>
<td><strong>2,592,885</strong></td>
</tr>
<tr>
<td>Return on investments and servicing of finance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest received</td>
<td>12,792</td>
<td>14,036</td>
</tr>
<tr>
<td>Net cash inflow/(outflow) from return on investments and servicing of finance</td>
<td>12,792</td>
<td>14,036</td>
</tr>
<tr>
<td>Investment in joint venture</td>
<td></td>
<td>(61)</td>
</tr>
<tr>
<td><strong>Capital Expenditure</strong></td>
<td>14</td>
<td></td>
</tr>
<tr>
<td>Purchase of tangible fixed assets</td>
<td>8</td>
<td>(2,223,469)</td>
</tr>
<tr>
<td>Sale of motor vehicles</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net cash outflow from capital expenditure</strong></td>
<td>(2,223,469)</td>
<td>(2,234,374)</td>
</tr>
<tr>
<td>Increase/(decrease) in cash</td>
<td>1,176,866</td>
<td>372,486</td>
</tr>
</tbody>
</table>

### Reconciliation of Net Cash Flow to Movement in Net Funds

<table>
<thead>
<tr>
<th>Description</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net increase/(decrease) in cash</td>
<td><strong>1,176,866</strong></td>
<td><strong>372,486</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net funds at 1 January</td>
<td>5,080,072</td>
<td>4,707,586</td>
</tr>
<tr>
<td>Net funds at 31 December</td>
<td>6,256,938</td>
<td>5,080,072</td>
</tr>
<tr>
<td>Movement in net funds</td>
<td><strong>1,176,866</strong></td>
<td><strong>372,486</strong></td>
</tr>
</tbody>
</table>

The Accounting Policies on pages 7 and 8, and the notes on pages 13–21 form part of these financial statements.

**On behalf of the Board**

[Signatures]

Ronan O’Reilly  
Chairman  
Date: 10th October 2013

[Signature]

Colin Bray  
Chief Executive Officer  
Date: 10th October 2013
### NOTES TO THE FINANCIAL STATEMENTS

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>€</td>
<td>€</td>
</tr>
<tr>
<td>1  Sales</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long term contracts – County Councils</td>
<td>3,619,328</td>
<td>3,627,484</td>
</tr>
<tr>
<td>Long term contracts – Utilities and government bodies</td>
<td>9,644,830</td>
<td>10,518,862</td>
</tr>
<tr>
<td>Map Sales including annual licensing</td>
<td>5,000,037</td>
<td>5,390,570</td>
</tr>
<tr>
<td></td>
<td><strong>18,264,195</strong></td>
<td><strong>19,536,916</strong></td>
</tr>
<tr>
<td>2.  Cost of Production and Sales</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2012</td>
<td>2011</td>
</tr>
<tr>
<td></td>
<td>€</td>
<td>€</td>
</tr>
<tr>
<td>Cost of production (New Mapping and Continuous Revision)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries &amp; Wages</td>
<td>8,957,276</td>
<td>9,704,549</td>
</tr>
<tr>
<td>IT costs</td>
<td>1,836,277</td>
<td>2,005,323</td>
</tr>
<tr>
<td>Depreciation</td>
<td>1,018,074</td>
<td>1,235,063</td>
</tr>
<tr>
<td>Airborne data capture</td>
<td>621,967</td>
<td>471,316</td>
</tr>
<tr>
<td>Travel &amp; Subsistence</td>
<td>289,420</td>
<td>334,861</td>
</tr>
<tr>
<td>Vehicle Running costs</td>
<td>222,833</td>
<td>222,190</td>
</tr>
<tr>
<td>Contractor costs</td>
<td>1,045</td>
<td>31,380</td>
</tr>
<tr>
<td>Incidental expenses</td>
<td>3,850</td>
<td>26,957</td>
</tr>
<tr>
<td>Stationery</td>
<td>28,162</td>
<td>23,268</td>
</tr>
<tr>
<td>Field equipment</td>
<td>16,611</td>
<td>21,262</td>
</tr>
<tr>
<td>Plotter costs</td>
<td>7,629</td>
<td>24,153</td>
</tr>
<tr>
<td></td>
<td><strong>13,003,144</strong></td>
<td><strong>14,100,322</strong></td>
</tr>
<tr>
<td>Cost of Sales:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opening Stock</td>
<td>303,551</td>
<td>242,452</td>
</tr>
<tr>
<td>Outsourced printing costs</td>
<td>252,239</td>
<td>412,268</td>
</tr>
<tr>
<td>Closing stock as at 31 December</td>
<td>(254,991)</td>
<td>(303,551)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Cost of Production and Sales</td>
<td><strong>13,303,943</strong></td>
<td><strong>14,451,491</strong></td>
</tr>
</tbody>
</table>
3 New Mapping and Continuous Revision Costs

As described in paragraph 6 to the accounting policies, expenditure incurred on enhancing and maintaining the topographic database is charged to the Income and Expenditure Account in the period in which incurred. The amounts charged to the Income and Expenditure Account and disclosed in Note 2 are analysed as follows:

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Mapping</td>
<td>6,566,218</td>
<td>7,120,660</td>
</tr>
<tr>
<td>Continuous Revision</td>
<td>6,436,926</td>
<td>6,979,662</td>
</tr>
<tr>
<td></td>
<td>13,003,144</td>
<td>14,100,322</td>
</tr>
</tbody>
</table>

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

4. Other operating Income

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deposit interest</td>
<td>35,348</td>
<td>14,036</td>
</tr>
<tr>
<td>Other income</td>
<td>16,943</td>
<td>12,193</td>
</tr>
<tr>
<td></td>
<td>52,291</td>
<td>26,229</td>
</tr>
</tbody>
</table>
5. Distribution and Administration Costs

<table>
<thead>
<tr>
<th>Item</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries &amp; Wages</td>
<td>5,260,622</td>
<td>5,633,913</td>
</tr>
<tr>
<td>Pension payments</td>
<td>3,993,715</td>
<td>2,476,928</td>
</tr>
<tr>
<td>Travel &amp; Subsistence</td>
<td>47,485</td>
<td>71,136</td>
</tr>
<tr>
<td>Training &amp; subscriptions</td>
<td>219,335</td>
<td>280,594</td>
</tr>
<tr>
<td>Marketing &amp; Promotions</td>
<td>109,350</td>
<td>161,893</td>
</tr>
<tr>
<td>Incidental expenses</td>
<td>60,675</td>
<td>67,649</td>
</tr>
<tr>
<td>Bank Charges</td>
<td>32,269</td>
<td>28,864</td>
</tr>
<tr>
<td>Office premises expenses</td>
<td>352,985</td>
<td>353,560</td>
</tr>
<tr>
<td>General Insurance</td>
<td>83,586</td>
<td>84,400</td>
</tr>
<tr>
<td>Light &amp; heat</td>
<td>281,456</td>
<td>255,863</td>
</tr>
<tr>
<td>Cleaning</td>
<td>135,309</td>
<td>162,102</td>
</tr>
<tr>
<td>Postage &amp; Telephone</td>
<td>169,262</td>
<td>203,674</td>
</tr>
<tr>
<td>Movement in provision for bad debts</td>
<td>50,000</td>
<td>(92,742)</td>
</tr>
<tr>
<td>Depreciation</td>
<td>189,341</td>
<td>213,348</td>
</tr>
<tr>
<td>Consultancy</td>
<td>116,587</td>
<td>109,715</td>
</tr>
<tr>
<td>Contract photography</td>
<td>3,015</td>
<td>(1,515)</td>
</tr>
<tr>
<td>Legal &amp; professional costs</td>
<td>84,525</td>
<td>31,591</td>
</tr>
<tr>
<td>Directors’ fees</td>
<td>38,645</td>
<td>61,868</td>
</tr>
<tr>
<td>Outsourced payroll services</td>
<td>59,927</td>
<td>60,604</td>
</tr>
<tr>
<td>Audit fees</td>
<td>34,000</td>
<td>34,000</td>
</tr>
<tr>
<td>Stationery and office equipment</td>
<td>35,386</td>
<td>34,075</td>
</tr>
<tr>
<td>Bad debts</td>
<td>176</td>
<td>114,980</td>
</tr>
</tbody>
</table>

11,357,651 10,346,509

OSi occupies premises rent free in the Phoenix Park, Dublin which is provided by the Office of Public Works.
Included above is an amount of €9,140 in respect of entertainment expenditure which includes staff social club contributions, retirement presentation functions and employee team building exercises.
Included in travel and subsistence costs is €20,560 relating to foreign travel.
In 2012 OSi recouped €1,750 in travel expenses in relation to a secondee to Eurogeographics.

6 Staff costs and employee information

<table>
<thead>
<tr>
<th>Item</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wages and salaries (including pension contributions)</td>
<td>17,504,205</td>
<td>17,077,456</td>
</tr>
<tr>
<td>Social insurance costs</td>
<td>707,408</td>
<td>737,934</td>
</tr>
</tbody>
</table>

18,211,613 17,815,390

€869,561 of pension levy has been deducted and paid over to the Department of Communications, Energy and Natural Resources.
€399,605 of employee superannuation has been deducted and paid over to the Department of Communications, Energy and Natural Resources.
NOTES TO THE FINANCIAL STATEMENTS – Continued

The average number of persons employed during the period was 251 (2011: 281).

The original approved Employment Control Framework (ECF) numbers were 263 for 2012. In April 2012 a revised ECF was received of 219. As at 31 December 2012 OSI’s whole time equivalent numbers were 244.80, which is above the threshold established under the ECF. OSI is in discussion with the Department regarding this and is actively engaging with measures to reduce numbers through, retirements, redeployments, career breaks, voluntary redundancy and the incentivized scheme for early retirement.

Advance Pay Increases

Increments were paid to two employees which were not in accordance with section 5 of the Financial Emergency Measures in the Public Interest (No. 2) Act, 2009. These changes were implemented on the basis of significant dilution of the management base and loss of expertise following retirements and redeployments. The cost of these changes amounted to €11,534 in 2012 and were in recognition of significant increased responsibilities. The estimated additional future costs from 2013 to 2018 (inclusive) amount to approximately €32,000. A temporary higher duty allowance was awarded to one employee at a cost of €7,467 in 2012 which was not in accordance with section 5 of the Financial Emergency Measures in the Public Interest (No. 2) Act, 2009. This change was implemented on the basis of significant loss of technical skills and knowledge due to the retirement of a senior manager with responsibility for a major project within OSI. This project has serious national implications/benefits for the agreed merger and for general Government bodies. The estimated additional costs in 2013 amount to approximately €14,000.

It is not expected that these incremental changes will have any impact on future pension entitlements.

7 Tax on surplus/(deficit) on ordinary activities

There is no tax liability arising from the year’s trading activity.

<table>
<thead>
<tr>
<th>8 Tangible and Intangible Assets</th>
<th>Motor Vehicles</th>
<th>Computer Equipment and Software</th>
<th>Fixtures &amp; Fittings</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost or valuation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1st January 2012</td>
<td>584,704</td>
<td>29,419,540</td>
<td>1,663,068</td>
<td>31,667,312</td>
</tr>
<tr>
<td>Additions</td>
<td>-</td>
<td>2,223,469</td>
<td>-</td>
<td>2,223,469</td>
</tr>
<tr>
<td>Disposals</td>
<td>(74,664)</td>
<td>(16,491,157)</td>
<td></td>
<td>(16,565,821)</td>
</tr>
<tr>
<td>At 31st December 2012</td>
<td>510,040</td>
<td>15,151,852</td>
<td>1,663,068</td>
<td>17,324,960</td>
</tr>
</tbody>
</table>

Accumulated depreciation

| At 1st January 2012             | 527,985        | 26,981,936                      | 928,599            | 28,438,520 |
| Charge for the period           | 25,007         | 1,018,074                       | 164,334            | 1,207,415  |
| Disposals                       | (74,664)       | (16,491,157)                    |                    | (16,565,821) |
| At 31st December 2012           | 478,328        | 11,508,853                      | 1,092,933          | 13,080,115 |

Net book amount

| At 31st December 2012           | 31,712         | 3,642,999                       | 570,134            | 4,244,845  |
| At 31st December 2011           | 56,719         | 2,437,604                       | 734,468            | 3,228,791  |
NOTES TO THE FINANCIAL STATEMENTS – Continued

The computer equipment and software disposals figure of €16,491,157 relates to the historic capitalisation of capital projects which are no longer in use.

Computer equipment and software in the year of €2,223,469 includes €896,562 of additions relating to IT Capital Projects, which did not go live in 2012 and were not subject to depreciation in 2012.

9 Stocks

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumables</td>
<td>52,383</td>
<td>58,382</td>
</tr>
<tr>
<td>Map Stocks</td>
<td>202,606</td>
<td>245,169</td>
</tr>
<tr>
<td></td>
<td>254,989</td>
<td>303,551</td>
</tr>
</tbody>
</table>

The value of stock on hand at 31st December 2012 was written down by €10,000 to take account of obsolete stock and stock due to be replaced by new additions.

10 Debtors

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amounts falling due:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade debtors</td>
<td>2,176,023</td>
<td>2,283,561</td>
</tr>
<tr>
<td>Interest receivable</td>
<td>22,556</td>
<td>-</td>
</tr>
<tr>
<td>Other debtors</td>
<td>9,021</td>
<td>35,376</td>
</tr>
<tr>
<td>Prepayments</td>
<td>483,856</td>
<td>386,550</td>
</tr>
<tr>
<td>An Post GeoDirectory</td>
<td>148,803</td>
<td>19,788</td>
</tr>
<tr>
<td>Amount recoverable on contracts</td>
<td>403,407</td>
<td>1,198,830</td>
</tr>
<tr>
<td></td>
<td>3,243,666</td>
<td>3,924,105</td>
</tr>
</tbody>
</table>

Trade debtors are net of bad debt provision of €150,000 (2011 €100,000)

11 Creditors – amounts falling due within one year

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade creditors</td>
<td>3,876</td>
<td>132,274</td>
</tr>
<tr>
<td>VAT</td>
<td>1,017,566</td>
<td>873,377</td>
</tr>
<tr>
<td>Income Tax deducted under PAYE</td>
<td>236,239</td>
<td>253,804</td>
</tr>
<tr>
<td>Pay Related Social Insurance</td>
<td>78,321</td>
<td>81,361</td>
</tr>
<tr>
<td>Other creditors</td>
<td>103,106</td>
<td>137,332</td>
</tr>
<tr>
<td>Accruals</td>
<td>1,596,093</td>
<td>1,022,516</td>
</tr>
<tr>
<td>Payment/invoicing in advance on long-term contracts</td>
<td>4,480,101</td>
<td>5,800,626</td>
</tr>
<tr>
<td></td>
<td>7,515,302</td>
<td>8,301,290</td>
</tr>
</tbody>
</table>

17
NOTES TO THE FINANCIAL STATEMENTS – Continued

12  Pension Costs

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

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charged to Income and Expenditure Account</td>
<td>3,931,000</td>
<td>2,477,000</td>
</tr>
<tr>
<td>Charged to Operating Account</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current Service costs</td>
<td>4,000,000</td>
<td>4,000,000</td>
</tr>
<tr>
<td>Interest on Scheme Liability</td>
<td>8,100,000</td>
<td>7,600,000</td>
</tr>
<tr>
<td>Benefits Paid</td>
<td>(3,931,000)</td>
<td>(2,477,000)</td>
</tr>
<tr>
<td>Pension Cost Charged to Operating Account</td>
<td>8,169,000</td>
<td>9,123,000</td>
</tr>
<tr>
<td>Total charged in arriving at Operating Surplus/(Deficit)</td>
<td>12,100,000</td>
<td>11,600,000</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scheme liability at 1 January</td>
<td>147,000,000</td>
<td>138,000,000</td>
</tr>
<tr>
<td>Current service cost</td>
<td>4,000,000</td>
<td>4,000,000</td>
</tr>
<tr>
<td>Interest costs</td>
<td>8,100,000</td>
<td>7,600,000</td>
</tr>
<tr>
<td>Actuarial loss/(gain)</td>
<td>2,831,000</td>
<td>(123,000)</td>
</tr>
<tr>
<td>Pensions paid in year</td>
<td>(3,931,000)</td>
<td>(2,477,000)</td>
</tr>
<tr>
<td>Scheme liability at 31 December</td>
<td>158,000,000</td>
<td>147,000,000</td>
</tr>
</tbody>
</table>

(c) History of experience gains and losses

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Experience losses/(gains) on scheme liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amount (€)</td>
<td>2,831,000</td>
<td>(123,000)</td>
</tr>
</tbody>
</table>

(d) OSI operates defined benefit Staff Superannuation and Spouses' and Children's Contributory Pension Schemes. Superannuation entitlements arising under these schemes are paid out of OSI current income and are charged in arriving at the Surplus/(Deficit) on the Income and Expenditure account in the year in which they become payable. No separate fund is maintained and no assets are held to finance the payment of pensions and gratuities. An actuarial valuation at 31st December 2012 determined a valuation of pension liability in respect of serving and retired staff in the sum of €158m (€147m at 31st December 2011). At vesting date the liability was €62m. The results are based on the actuarial valuation of the pension liabilities as at 31 December 2012. This valuation was carried out by a qualified independent actuary for the purposes of the accounting standard, Financial Reporting Standard No.17 – Retirement benefits (FRS 17).

The main financial assumptions used were:

<table>
<thead>
<tr>
<th></th>
<th>At 31/12/12</th>
<th>At 31/12/11</th>
<th>At 31/12/10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discount rate</td>
<td>5.5%</td>
<td>5.5%</td>
<td>5.5%</td>
</tr>
<tr>
<td>Rate of increase of salaries</td>
<td>4.0%</td>
<td>4.0%</td>
<td>4.0%</td>
</tr>
<tr>
<td>Rate of increase in pension</td>
<td>4.0%</td>
<td>4.0%</td>
<td>4.0%</td>
</tr>
<tr>
<td>Inflation</td>
<td>2.0%</td>
<td>2.0%</td>
<td>2.0%</td>
</tr>
</tbody>
</table>
NOTES TO THE FINANCIAL STATEMENTS – Continued

Average future life expectancy according to the mortality tables used to determine the pension liabilities:

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male aged 65</td>
<td>22</td>
<td>22</td>
<td>22</td>
<td>22</td>
</tr>
<tr>
<td>Female aged 65</td>
<td>25</td>
<td>25</td>
<td>25</td>
<td>25</td>
</tr>
</tbody>
</table>

(c) Departure from FRS 17 presentation

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

(f) Comparative Figures

The presentation of the pension funding on the Balance Sheet has been changed to better reflect the funding arrangement.

13 Board Members’ Emoluments and Chief Executive Officer’s Remuneration

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emoluments:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- for service as Board members</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mr. Kevin Bonner (1)</td>
<td>1,998</td>
<td>11,954</td>
</tr>
<tr>
<td>Mr. Bill Atley (1)</td>
<td>1,282</td>
<td>7,684</td>
</tr>
<tr>
<td>Mr. Liam Egan</td>
<td>-</td>
<td>1,270</td>
</tr>
<tr>
<td>Mr. Pat Fenton</td>
<td>-</td>
<td>1,270</td>
</tr>
<tr>
<td>Mr. Michael D. Hayes</td>
<td>-</td>
<td>1,270</td>
</tr>
<tr>
<td>Mr. Anthony Murray (1)</td>
<td>1,282</td>
<td>7,684</td>
</tr>
<tr>
<td>Mr. Liam O’Farrell (1)</td>
<td>1,282</td>
<td>7,684</td>
</tr>
<tr>
<td>Mr. Noel Ryan (1)</td>
<td>1,282</td>
<td>7,684</td>
</tr>
<tr>
<td>Mr. Rory M. Scanlan (1)</td>
<td>1,282</td>
<td>7,684</td>
</tr>
<tr>
<td>Ms. Geraldine Stafford (1)</td>
<td>1,282</td>
<td>7,684</td>
</tr>
<tr>
<td>Mr. Ronan O’Reilly – Chairman (2)</td>
<td>7,347</td>
<td></td>
</tr>
<tr>
<td>Ms. Marion Coy (2)</td>
<td>4,722</td>
<td></td>
</tr>
<tr>
<td>Mr. Oliver Hickey (2)</td>
<td>4,132</td>
<td></td>
</tr>
<tr>
<td>Mr. Robin Simpson (2)</td>
<td>4,722</td>
<td></td>
</tr>
<tr>
<td>Mr. Padraig Jordan (2)</td>
<td>4,722</td>
<td></td>
</tr>
<tr>
<td>Ms. Anne Butler (3)</td>
<td>3,310</td>
<td></td>
</tr>
<tr>
<td>- for other services</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>38,645</td>
<td>61,868</td>
</tr>
</tbody>
</table>

Note (1) Resigned/Term of Office expired in 2012

Note (2) Appointed in 2012

Note (3) Appointed and resigned in 2012

The following Board members did not receive fees in 2012: Mr. Noel Ward, Mr. Denis Kelliher, Mr. Justin Gleeson, Mr. Enda Howley and Ms. Sandra Ryan.
NOTES TO THE FINANCIAL STATEMENTS – Continued

The Board members incurred expenses of €4,395 during 2012, broken down into travel expenses of €3,686 and subsistence expenses of €709.

There were no loans to, or transactions with Board Members in the year ended 31st December 2012. The Board adopted procedures in accordance with guidelines issued by the Department of Finance in relation to the disclosure of interests by Board members and these procedures have been adhered to in the year. There were no transactions in relation to the OSI’s activities in which Board Members had any beneficial interest.

The remuneration of the Chief Executive Officer (CEO) in 2012 is made up of the following:

<table>
<thead>
<tr>
<th></th>
<th>£</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic Pay</td>
<td>147,659</td>
<td>Paid in 2012</td>
</tr>
<tr>
<td>BIK (Company Car)</td>
<td>14,898</td>
<td>Taxed in 2012</td>
</tr>
<tr>
<td>Interest on Deferred Bonuses</td>
<td>7,187</td>
<td>Paid in 2013</td>
</tr>
<tr>
<td>Rounding up of Bonuses</td>
<td>3,398</td>
<td>Paid in 2013</td>
</tr>
<tr>
<td>Back Pay/Arrears</td>
<td>24,171</td>
<td>Paid in 2013</td>
</tr>
<tr>
<td>Rounding up of Back Pay/Arrears</td>
<td>829</td>
<td>Paid in 2013</td>
</tr>
<tr>
<td><strong>Annual Leave Untaken</strong></td>
<td>1,334</td>
<td>Paid in 2013</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td><strong>278,891</strong></td>
<td></td>
</tr>
</tbody>
</table>

The total bonus payment, including interest (€7,187) and rounding up (€3,398), amounts to €90,000 and was paid in accordance with the settlement agreement reached on 21 December 2012.

The CEO’s basic salary was reduced on 1 January 2010. The reduction applied, in accordance with the Financial Emergency Measures in the Public Interest (No. 2) Act 2009 did not take account of the CEO’s agreement to waive her rights to further performance related awards. As a result arrears of basic pay were due to the CEO. The back pay/arrears payment, including rounding up (€829), amounted to €25,000 and was paid in accordance with the settlement agreement reached on 21 December 2012.

The CEO’s superannuation entitlements do not extend beyond the standard entitlements of the public sector defined benefit superannuation scheme. Employer superannuation contributions were €Nil for 2012.

The CEO’s contract expired on 31 December 2012 and as part of the settlement agreement the CEO was retained on a consultancy basis for a period of three months to 31 March 2013. The settlement also included the use of the company car during the three month period. The total amount paid to the CEO under the consultancy arrangement was €47,012 (inclusive of €8,791 VAT).

The legal and professional costs of the settlement amounted to €61,206 (inclusive of €2,842 VAT). The CEO claimed travel and subsistence costs of €15,132 in 2012, of which €4,800 related to foreign travel.

14 Financial Asset

On 29th September 2011 Ordnance Survey Ireland purchased 49 ordinary shares in An Post GeoDirectory Limited at €1.25 per share, giving a total investment of €61. For the year ended 31st December 2012 An Post GeoDirectory Limited recorded a profit after taxation of €263,296 of which a minority interest amounting to €129,015 is attributable to Ordnance Survey Ireland.

An Post GeoDirectory Limited was incorporated in Ireland in 1995 where OSI and An Post each license on a non-exclusive and non-transferable basis certain intellectual property rights to the Company. An Post GeoDirectory Limited then merges each party’s Background Intellectual Property to form a product which in turn is licensed to third parties.

During the year, Ordnance Survey entered into a number of transactions with a An Post GeoDirectory Limited to a value of €1,060,386 (excluding vat) relating to contracts for mapping services.

<table>
<thead>
<tr>
<th>Financial Asset</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment</td>
<td>61</td>
<td>61</td>
</tr>
</tbody>
</table>
NOTES TO THE FINANCIAL STATEMENTS – Continued

15 Post balance sheet events

There are no events of significance.

16 Ordnance Survey Ireland has the use of the following office premises:

Ordnance Survey Ireland Head Office, Phoenix Park, Dublin 8
Cork Regional Office, Central Statistics Office, Lough Mahon Technology Park, Skehard Road, Cork
Ennis Regional Office, Government Buildings, Kilrush Road Ennis, Co. Clare
Kilkenny Regional Office, Government Offices, Hebron Road, Kilkenny
Longford Regional Office, Government Buildings, Ballinalee Road Longford
Sligo Regional Office, Westward Town Centre, Bridge Street, Sligo
Tuam Regional Office, Airglooney House, Ballygaddy Road, Tuam, Co. Galway

17 Going Concern

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

18 Commitments

(a) Operating Leases
Ordnance Survey Ireland has entered into operating leases for three vehicles. The cost in 2012 was €46,009. There are no leases on any properties.

(b) Capital Commitments
OSi has contracted for future capital expenditure of €2m on a new integrated mapping database, of which €1.3m has been paid by the end of 2012.

19 Planned Merger
Under the programme of public sector reform it was announced in October 2012 that the Merger of the Valuation Office, the Property Registration Authority and Ordnance Survey Ireland to be in place by the end of 2013.
During 2013 a Project Board was established to oversee the above merger. A number of working groups have been set up to ensure an effective process in areas such as Corporate Governance, Legislation, Support Functions and Infrastructures, HR Policy and Change Management, Finance.

20 Approval of financial statements

The directors approved the financial statements on 10 October 2013.