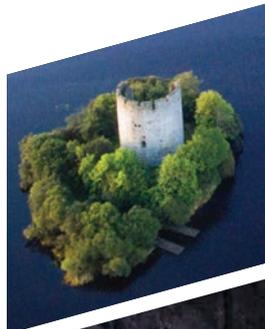


Annual Report 2019





Trinity College, Dublin

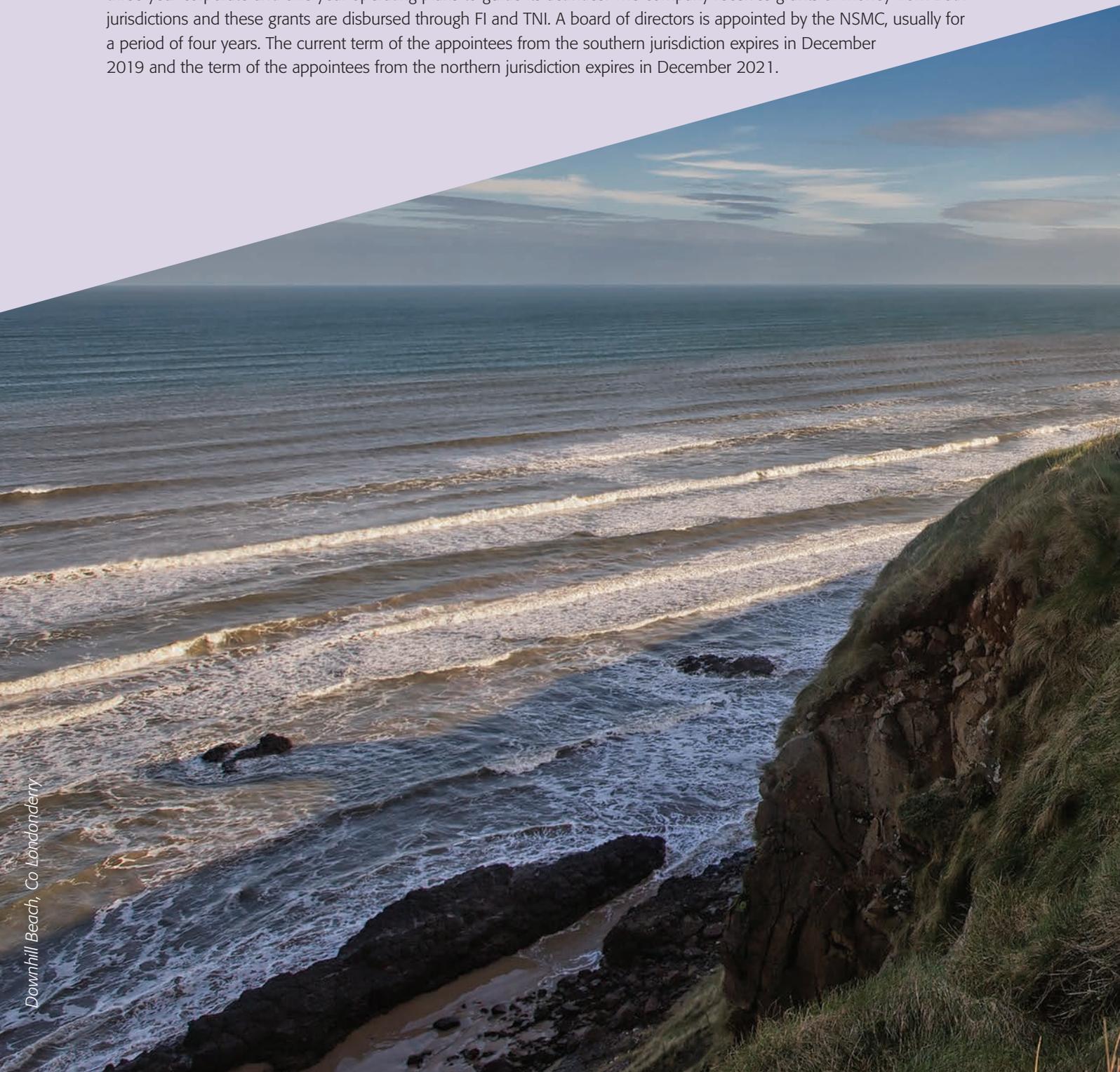


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BRIEF HISTORY AND STATUTORY BACKGROUND OF THE COMPANY

Tourism Ireland CLG (Company Limited by Guarantee), was formed by the Government of Ireland and the Northern Ireland Executive, under the auspices of the North South Ministerial Council (NSMC), to be the overseas marketing arm of tourism for the island of Ireland and was incorporated on 11 December, 2000 as a Company Limited by Guarantee not having a share capital. The company takes policy direction from the NSMC and maintains a close working relationship with its founders and current members, Fáilte Ireland (FI) and Tourism Northern Ireland (TNI). The principal objectives of the company are to increase tourism to the island of Ireland and to support Northern Ireland in achieving its tourism potential. It is governed by its Memorandum and Articles of Association and by the Financial Memorandum approved by the NSMC and prepares detailed three-year corporate and one-year operating plans to guide its activities. The company receives grants of money from both jurisdictions and these grants are disbursed through FI and TNI. A board of directors is appointed by the NSMC, usually for a period of four years. The current term of the appointees from the southern jurisdiction expires in December 2019 and the term of the appointees from the northern jurisdiction expires in December 2021.



Downhill Beach, Co Londonderry



2019 HIGHLIGHTS

Overseas visitors to the island of Ireland **11.29m**



Increase in overseas visitors over **2018**



Holiday visitors to the island of Ireland

5.67m



Spend by overseas visitors **€5.85bn/£5.26bn**



Increase in spend over **2018**



Tourism Ireland markets overseas



TOP FOUR

Markets for inbound tourism

Great Britain



United States



Germany



France



Overseas publicity worth **€350m/£315m eav**

Unique visitors to Ireland.com **22+** m in 2019

Ranking of Tourism Ireland's social presence
against other National Tourism Boards

 Facebook No. **4**

 Twitter No. **4**

 YouTube No. **4**

Ireland No. **3**
for tourism marketing
and branding
(World Economic Forum)



Galway No. **4**
Lonely Planet's
'Best in Travel 2020'



(All euro amounts have been converted to sterling at the NSMC rate of €1.00 = £0.90)



CHAIRMAN AND CEO STATEMENT



Joan O'Shaughnessy
Chairman



Niall Gibbons
Chief Executive

In early 2020, the outbreak and spread of COVID-19 became the biggest crisis the travel and tourism industry has ever faced – here on the island of Ireland and right across the globe. While COVID-19 remains first and foremost a public health issue, this virus has had, and continues to have, unprecedented and extremely serious economic consequences for tourism operators across the island of Ireland – with the closure of hotels, visitor attractions, bars and restaurants, as well as the cancellation of events, conferences and sporting activities. During 2020, we have seen major restrictions on travel and the closure of borders, with Europe's skies closed to all but a small number of repatriation flights and airlines grounding most, if not all, of their fleets. Previous crises such as Foot & Mouth, SARS, 9/11 and the volcanic ash cloud in 2010 dramatically dampened demand. COVID-19 has dwarfed all these other crises.

COVID-19 has dramatically altered the prospects for international travel and tourism for the foreseeable future. Its impact has been devastating for our tourism industry and our thoughts are with everyone affected.

The report below is written in the context of the position envisaged at 31 December, 2019.

2019 was a mixed year for overseas tourism to the island of Ireland. Despite this, it was another record year for overseas tourism to the island of Ireland, with 11.29 million overseas visitors (+1% over 2018), generating revenue of €5.85/£5.26

billion and helping to sustain some 325,000 valuable jobs in communities across the island. Holiday visitors from overseas also grew by +1% during the year.

Tourism Ireland worked closely with industry partners during the year, to combat growing consumer concern in Great Britain and some important Mainland European markets arising from the continued uncertainty around Brexit, the economic slowdown in some markets and the first decline in air access to Ireland in eight years. We leveraged the once-in-a-lifetime opportunities for Northern Ireland presented by the final series of *Game of Thrones*, as well as the 148th Open at Royal Portrush. Tourism Ireland's focus throughout the year was to keep the island of Ireland 'top of mind' for potential visitors across the world; and to spread the economic benefits of tourism more equitably across the island and throughout the year.

Strategic Priorities

In planning for 2019, Tourism Ireland set out a number of strategic priorities to maximise our promotional impact, to sustain growth into the future. Sustainable destination marketing was at the heart of our strategy, to spread the success of tourism across the year and more equitably around the entire island. Not only will this benefit more local communities, it will also ensure we continue to deliver our renowned welcome and outstanding visitor experience.



We continued to implement our market diversification strategy, maximising holiday revenue through investment in Mainland Europe and North America. We implemented our US, German, emerging markets and British market growth strategies. This saw Tourism Ireland expand its operations in China – with new representation in Hong Kong – and increase its marketing activity in the US and Canada, as well as in emerging markets like Japan (in particular around the Rugby World Cup).

We targeted our 'best prospect' visitors more closely with distinctive holiday experiences, events and special offers, tailored to their interests and designed to trigger their 'go now' impulses. We continued to focus on our key 'culturally curious' audience (an older audience, wishing to explore new places), who have the strongest propensity to visit the island of Ireland. We also targeted 'social energisers' (a younger, fun-loving audience looking for an exciting time in a vibrant destination) and 'great escapers' (an audience interested in rural holidays, wishing to take time out) in markets where significant potential exists. Niche segments were also targeted – including golfers, luxury travellers, business and incentive visitors, as well as the diaspora in Great Britain, North America and Australia.

In Great Britain, value for money was a key message, to help mitigate the impact of Brexit; we also placed a greater emphasis on our 'culturally curious' audience, who are less affected by currency fluctuations.

A new strategy was unveiled to grow tourism from Great Britain; this was developed in consultation with industry partners on the island of Ireland and with key travel trade partners in London. The strategy set out an ambitious target to grow revenue from British holidaymakers, while ensuring continued regional growth and season extension. The strategy was developed cognisant of the ongoing Brexit negotiations and uncertainty; and the recommendations of the strategy remain valid and can be flexed under all potential outcomes of the negotiations.

Tourism Ireland also undertook research of the Canadian market, which examined the profile of our current Canadian holidaymakers. It also identified the opportunities and

challenges which will drive growth from Canada to the island of Ireland over the coming years.

Digital and social media were especially important in further developing new ways of reaching, and connecting more frequently, with our target audiences.

'Fill Your Heart With Ireland' Global Ad Campaign

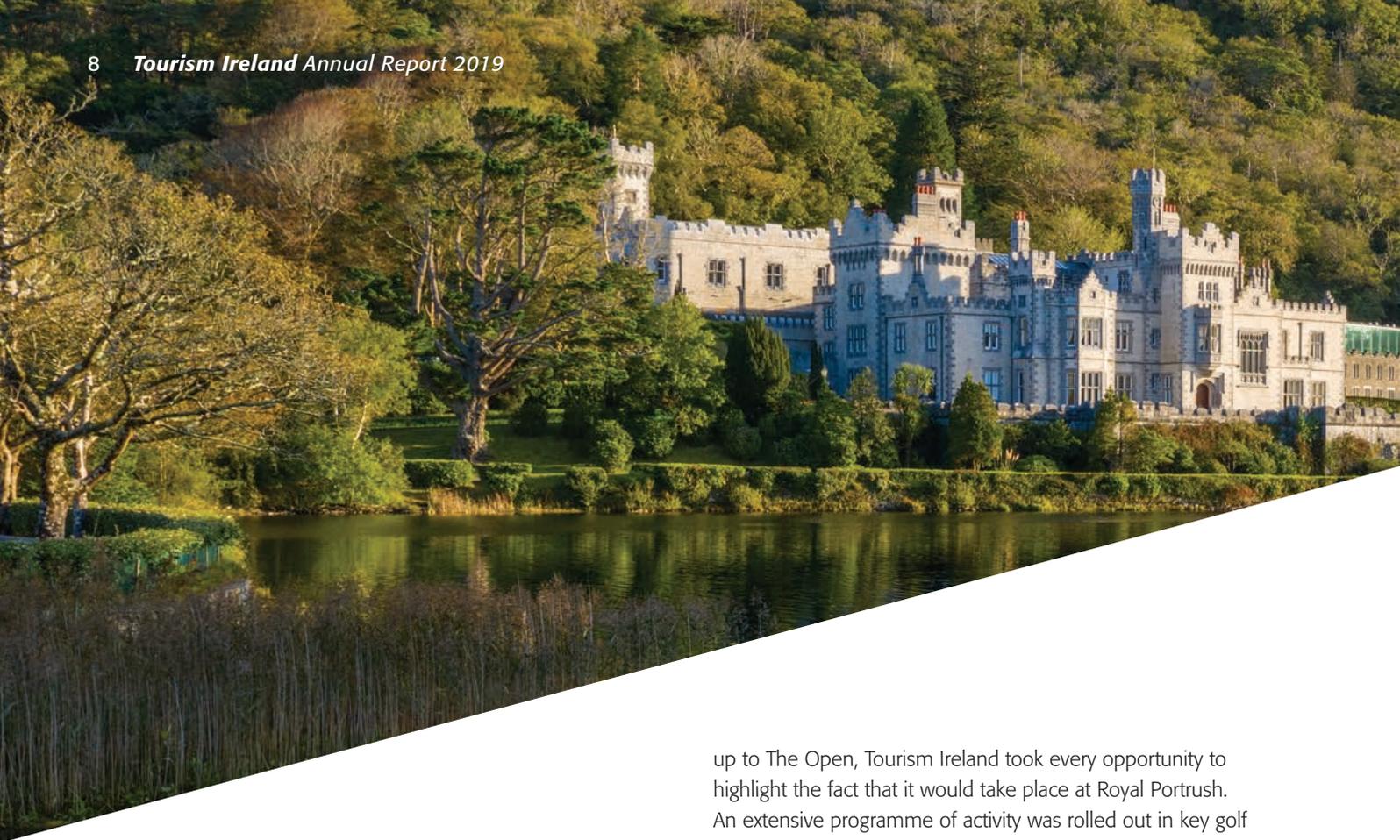
In 2019, Tourism Ireland's first major global advertising campaign in seven years – 'Fill Your Heart With Ireland' – was rolled out around the world, reaching around 78 million viewers on TV alone, during the year. Filming for phase two began in May and additional content was filmed in the autumn, to ensure coverage of lots of additional locations and activities. The campaign aims to continue to refresh and reinvigorate the presentation of the island of Ireland overseas and features a range of less visited attractions and locations. It also highlights the passions that research shows motivate our target audience, such as landscapes and heritage, and dials up activities like walking, cycling and kayaking.

Overseas Publicity

Working with overseas travel, lifestyle and special interest media is an important element of our overseas promotional programme. In 2019, thousands of opportunities were created for potential visitors around the world to read, hear or watch positive messages about the island of Ireland. Tourism Ireland estimates that this exposure was worth an estimated €350m/£315m, in equivalent advertising value.

St Patrick's Day Global Greening

2019 was the tenth year of Tourism Ireland's annual Global Greening initiative for St Patrick's Day and it was bigger and better than ever before – with some 470 landmark buildings and iconic sites in 55 countries around the world taking part, generating significant positive publicity, worth more than €10m/£9m, for the island of Ireland. In 2019, the Burj Khalifa in Dubai (the world's tallest building), Victoria Falls, York's medieval City Walls, Lord's Cricket Pavilion in London, Nation Towers in Abu Dhabi, the Atakule Tower in Ankara and the Shizuoka Stadium ECOPA in Japan (where Ireland played Japan in the Rugby World Cup in September) joined our Global Greening for the first time.



Game of Thrones

During 2019, Tourism Ireland continued to capitalise on the global popularity of *Game of Thrones* and its connections with Northern Ireland. In April, Tourism Ireland joined forces once again with HBO and its hit TV series, rolling out a new campaign called 'Glass of Thrones', to promote Northern Ireland around the world. Timed to coincide with the eighth and final season, the campaign was designed to encourage fans to make a pilgrimage to Belfast, where much of the world's most popular TV show was filmed. As each episode of the final season aired, six beautifully crafted, freestanding stained-glass windows were installed across Belfast – creating a new trail for fans from around the world. Each window highlighted a key House from the show, with a series of panels depicting the most exciting and talked-about moments from the entire saga. The campaign was rolled out in ten markets – Great Britain, the United States, Canada, Australia, France, Germany, Spain, Italy, the Netherlands and Scandinavia – and reached more than 29 million fans around the world.

Tourism Ireland's hand-crafted Game of Thrones Tapestry went on display in Bayeux, Normandy, in September. It was exhibited in the historic Hôtel du Doyen in Bayeux until 31 December, within walking distance of the legendary 11th-century Bayeux Tapestry – which was a key source of inspiration for its new neighbour.

Leveraging Major Sporting Events

The 148th Open at Royal Portrush in July presented a unique opportunity for tourism to Northern Ireland and, in the run-

up to The Open, Tourism Ireland took every opportunity to highlight the fact that it would take place at Royal Portrush. An extensive programme of activity was rolled out in key golf markets. This included a partnership with Darren Clarke on Sky Sports Golf in GB, which reached 4.2 million golfers; a partnership with *The Daily Telegraph* (with a reach of 22 million) and with *The Scotsman* and *The Herald* newspapers (with a reach of 4.4 million); a 'Home of Champions' advertising campaign on the NBC Golf Channel in the US; a unique piece of 'sand art', commissioned by Tourism Ireland, depicting five Northern Ireland icons on Downhill Strand, which was then shared on social channels in GB; a partnership with football legend Sepp Maier in Germany; and an extensive programme of familiarisation visits for top golf journalists from around the world, in conjunction with Tourism NI. In 2020 and beyond, Tourism Ireland will continue to leverage the legacy of the hugely successful Open at Royal Portrush, reminding golfers everywhere about our world-class golf.

In the autumn, Tourism Ireland worked with the Department of Foreign Affairs and Trade and with Team Ireland in Japan, to capitalise on the opportunities presented by the Rugby World Cup.

Access

Access is a critical factor, not just for delivering visitor numbers and tourism revenue, but also for the continued development of overseas tourism to the regions and to Northern Ireland. 2019 was another important year in terms of access. Notable developments included new Aer Lingus flights from Minneapolis-St Paul and Montreal to Dublin and from Nice to Cork; an American Airlines service from Dallas to Dublin; Ryanair services from Cologne to Ireland West Airport Knock, from East Midlands to Shannon and from Gothenburg to Dublin; and a Norwegian flight from Hamilton (Ontario) to Dublin. There were over 617,500 direct, one-way, scheduled airline seats to the island of Ireland available each week during

summer 2019; this was a record and a +4% increase in capacity over summer 2018. The two largest airlines operating to the island of Ireland – Ryanair and Aer Lingus – account for approximately two-thirds of all one-way airline seats to the island of Ireland. Also, the new Irish Ferries cruise ferry, the WB Yeats, commenced sailing between Cherbourg and Dublin in March.

Tourism Ireland's programme of co-operative marketing with air and sea carriers and travel industry partners invested €7.6m/£6.8m in joint marketing campaigns in 2019; this figure was over 100% matched by those commercial partners – delivering more than €15.2m/£13.7m in joint promotional activity overseas.

Digital Marketing and Social Media

Tourism Ireland continued to grow its online presence, reaching almost 4.6 million fans on Facebook by year end. At the time of writing, the organisation is the fourth most popular tourism board in the world on Facebook, number four on Twitter and number four on YouTube. Our website, Ireland.com, attracted more than 23 million visits in 2019.

International Launch of New Northern Ireland Brand, Embrace A Giant Spirit

Tourism Ireland and Tourism NI launched a new destination brand for Northern Ireland – Embrace A Giant Spirit – to the international travel trade at World Travel Market in London, the largest B2B event in the global travel and tourism calendar. It will be used to promote Northern Ireland around the world in 2020 and beyond, to continue to grow visitor numbers and ensure economic impact across all regions.

Other Highlights

Other highlights during 2019 included Tourism Ireland's biggest ever sales mission to China, with 26 tourism enterprises from around the island of Ireland, as well as five tourism industry leaders, taking part in the targeted mission to Guangzhou, Chengdu, Shanghai and Beijing. Tourism Ireland led a sales mission to the UAE and India, which took in Mumbai, New Delhi, Abu Dhabi and Dubai; two sales blitzes to Canada, targeting group tour organisers and travel agents in the cities of Vancouver, Calgary, Hamilton, Toronto,

London (south-west Ontario), Ottawa and Montreal; as well as successful sales blitzes across the United States – in Boca Raton (Florida), Washington DC, Atlanta, Chicago, Dallas, Boston, Seattle, San Diego and Los Angeles.

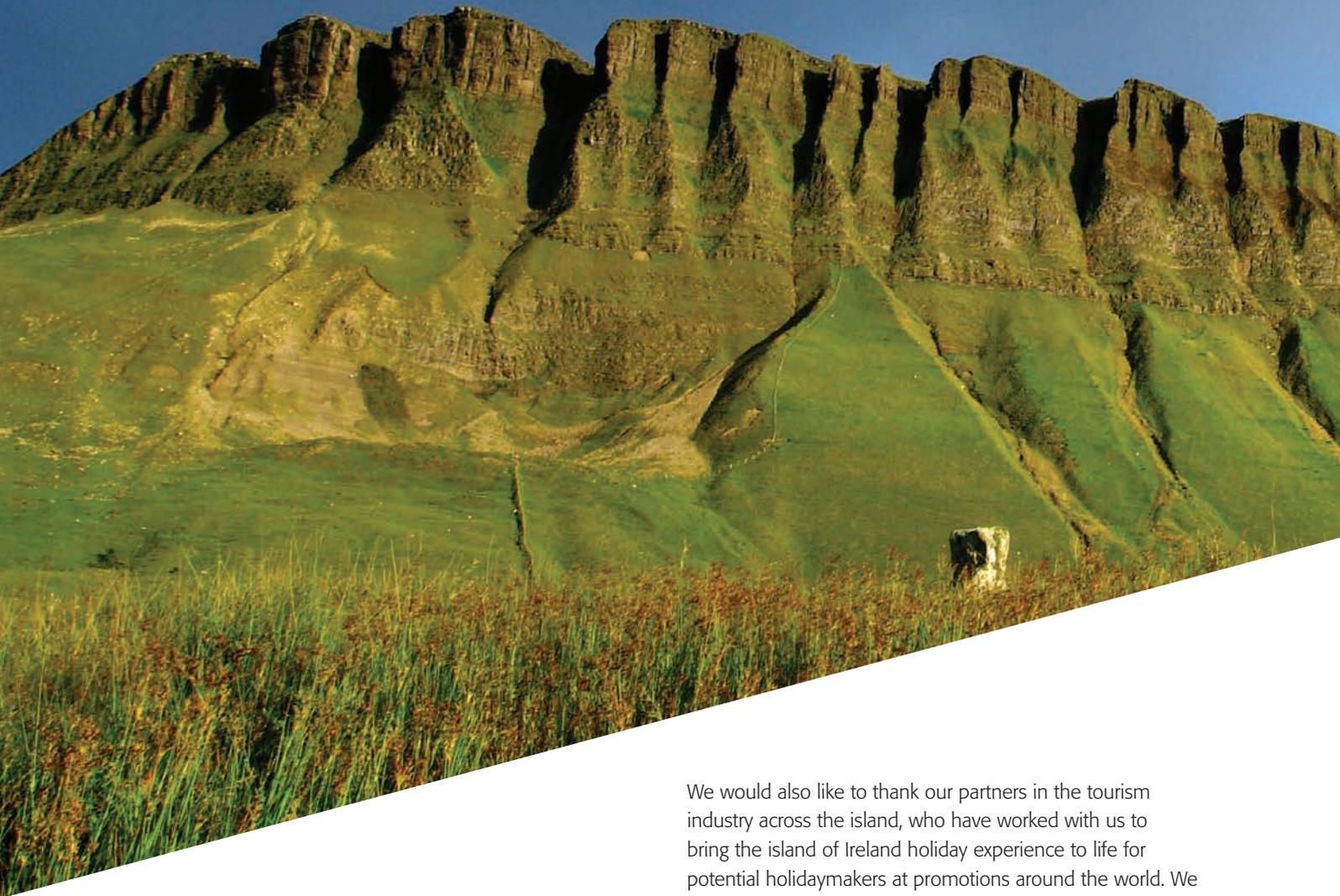
In the autumn, Tourism Ireland teamed up with celebrity chef Clodagh McKenna, to launch a new showcase of food and drink, called Taste the Island, in Great Britain – with Clodagh creating a 'harvest lunch' in the grounds of her home in Highclere Park for leading British food journalists and influencers. Subsequent promotions to highlight the Taste the Island initiative included a launch in France to around 100 travel agents in Lyon – often referred to as the gastronomic capital of France. And, in October, 12 top tour operators from Britain, Germany, France, Italy, Scandinavia, Belgium and the Netherlands participated in a Taste the Island fact-finding 'foodie' visit to Ireland.

Throughout the year, Tourism Ireland highlighted Galway 2020 to its 'culturally curious' audience around the world. Our message was that Galway 2020 would offer international holidaymakers a unique cultural and artistic experience. In October, Galway was named the fourth best city in the world to visit in 2020 in the prestigious *Lonely Planet's Best in Travel 2020* – its collection of the world's hottest trends, destinations and experiences for the coming year. Tourism Ireland has been taking – and will take – every opportunity to maximise this accolade, using it as another hook to continue to promote Galway as a 'must visit' destination.

Governance

The Board met nine times in 2019 and the meetings, which took place at various locations around the island, including Dublin, Armagh, Ballymena, Doneraile and Belfast, offered the opportunity for Board members to engage with local industry representatives and experience the tourism offering, including Doneraile Court.

Matters considered by the Board during the year included the approval of the draft statutory accounts for 2018; as well as the approval of the Business Plan 2020 and the Corporate Plan 2020-2022. Reviews of business performance were ongoing, including regular updates on the impact of Brexit. Presentations were made on the organisational review; the new destination brand for Northern Ireland, Embrace A Giant Spirit; digital marketing and the redevelopment of Ireland.com; and a progress update on the review of the GB market was provided. Throughout 2019, reports were received from the Audit and Risk Assurance and Remuneration Committees on various matters.



On 17 December, 2019, the Board approved the granting of a power of attorney to Shane Clarke, Company Secretary; Niall Gibbons, Chief Executive; Christopher Brooke, Director; and Harry Connolly, Director, to ensure the continued smooth operation of Tourism Ireland. It was necessitated by the fact that, effective from 18 December, 2019, the Board of Tourism Ireland could not meet until a minimum of two directors had been appointed to represent Ireland. The appointments were subsequently made at a North South Ministerial Council meeting on 9 March, 2020. The power of attorney was then rescinded at a Tourism Ireland board meeting on 25 March, 2020. Extensive legal and governmental advice was sought by the Board when making this decision.

Acknowledgements

We are very grateful for the continuing support which Tourism Ireland has received from the administrations in both jurisdictions on the island and from our ministers, Shane Ross TD, Minister for Transport, Tourism and Sport, and Brendan Griffin TD, Minister of State for Tourism and Sport. Ministers were generous with their time in participating in various events, including a number of productive visits to markets overseas for key promotions during the year. We are grateful, too, to the officials of both departments, as well as to those of the North South Ministerial Council, whose ongoing support and counsel we appreciate.

We would also like to thank our partners in the tourism industry across the island, who have worked with us to bring the island of Ireland holiday experience to life for potential holidaymakers at promotions around the world. We pay tribute, too, to the members of the Central Marketing Partnership Group and to the members of the overseas Marketing Partnership Groups, as well as the members of the steering group for the Great Britain review, who gave so freely of their time in working with us on the new strategy.

The co-operation of our colleagues in Fáilte Ireland and Tourism NI continues to be an invaluable support in all aspects of our work, as does the co-operation of the Irish Tourism Industry Confederation and the Northern Ireland Tourism Alliance. The staff of Tourism Ireland have worked tirelessly, both at home and overseas, to project a positive image of the island of Ireland. We remain very proud of their loyalty, commitment, energy and innovation in working on behalf of our industry.

Looking Forward

At the end of 2019, we outlined our ambition for 2020 and beyond – stating that our aim was to spread the benefits of tourism more broadly across the island of Ireland on a year-round basis and to ensure that the contribution of overseas tourism to the economy continued to expand.

We were certainly conscious that 2020 would continue to present some challenges for overseas tourism – including the ongoing uncertainty around Brexit, economic and geo-political



uncertainty, as well as constraints on the availability of aircraft (particularly relating to the delayed delivery of the Boeing 737 MAX aircraft). However, nothing could have prepared us for the biggest crisis the travel and tourism industry has ever faced across the globe – the outbreak and spread of COVID-19, which has brought an existential crisis for our industry.

However, once the current crisis of COVID-19 is past, Tourism Ireland will be ready on the ground to roll out an extensive recovery kick-start programme – when the time is right. Our focus will be on having campaigns which will be ready to go, once there are signs that consumers overseas are getting back on the move and that the island of Ireland is open for business. We will be working flat out to recover as much business as possible. There is no question that the shape of our industry that emerges from this crisis will be very different than it was at the beginning of 2020.

The period 2020-2022 will see Tourism Ireland transform its digital platforms and re-develop its entire suite of Ireland.com to ensure its digital marketing continues to be ‘best in class’ in the 2020s. It will use big data and artificial intelligence to reach potential visitors; this new technology will also allow Tourism Ireland to re-target visitors and potential visitors with personalised messages and offers, designed to appeal to their specific interests.

Everyone at Tourism Ireland looks forward to getting back in full swing, as soon as we can, to promote the island of Ireland as a safe, welcoming and ‘must-see’ destination across the world. We will be working flat out with all of our partners to restore as much business as possible.

Joan O’Shaughnessy
Chairman

Niall Gibbons
Chief Executive

TOURISM IRELAND BOARD



**Chairman
Joan
O'Shaughnessy**
has been a leader and representative in the service industry for the past 39 years.

She was formerly CEO of Aramark Ireland, a position she held for 12 years, until her retirement in June 2012. During that time, she strengthened the Aramark organisation through mergers and acquisitions to become one of Ireland's largest American multinational companies, employing more than 4,000 staff across Ireland. Presently, Joan is a business mentor to emerging companies and young entrepreneurs. She is a member of the Institute of Directors, Irish Hospitality Institute and Skål Ireland.



**Vice-Chairman
Christopher
Brooke** has been involved in the security industry for many years, ten of which were as a security advisor with

the Royal Office in Muscat, Sultanate of Oman. In 1990, he returned to Northern Ireland to develop Galgorm Castle Estate, which has been home to the Northern Ireland Open golf tournament since 2012. The estate currently attracts more than 240,000 visitors a year and also incorporates a garden centre, business parks and a conference and events facility. Christopher's other interests include the development of tourist accommodation and associated facilities on the Ashbrooke and Colebrooke estates. He is a partner in SB Vantage (a company providing commercial and security advice for companies and individuals operating in Oman and Somalia), a Deputy Lieutenant for County Antrim and a Vice President of the RNLI.



Trevor Clarke is a hospitality management graduate from the University of Ulster. He has worked in the hospitality industry for 25

years, 20 of which have been spent in a number of roles at the Magherabuoy Hotel in Portrush, most recently as a partner-operator. Trevor was a member of the Portrush Regeneration Group from 2010 until 2014, when he was elected to the Causeway Coast and Glens Borough Council. He takes a keen interest in the council's role in tourism development on the Causeway Coast and the industry's potential to drive regeneration, economic growth and prosperity. Trevor is a member of Coleraine's Harbour Commission and is a representative on The Honourable The Irish Society's local advisory committee.





Harry Connolly is the Executive Director of Fáilte Feirste Thiar, a local tourism development agency tasked with developing West

Belfast's tourism offering and building sustainable tourism infrastructure. Before working in tourism development, Harry worked for a number of years in youth, sport and community development across the greater Belfast area. He is the former Vice-Chairman of the West Belfast District Policing & Community Safety Partnership (DPCSP). Harry is currently a Director of Visit Belfast, the public/private body tasked with marketing Belfast as a tourism destination. Harry has been a board member of Féile an Phobail, Ireland's largest community arts festival, for a number of years and is currently its Treasurer. Under Harry's leadership, West Belfast tourism has become known as a model of effective practice, in terms of developing tourism models which encourage job creation and sustainability at a local level, ensuring local citizens benefit from an increase in tourism footfall.



Graham Keddie is the Managing Director of Belfast International Airport. He has been in the aviation industry for over 30 years, in airline, airport

and ground handler roles. Graham has worked in 11 different countries in Asia, Africa, Europe and the Middle East. Prior to joining the aviation industry, Graham was a solicitor, admitted in Scotland. He is also a director of the Airport Operators Association.



John McGrillen is the Chief Executive of Tourism NI, Northern Ireland's tourism development authority. He was appointed to the

post in July 2015, following a lengthy career in economic development and local government. Prior to his appointment to Tourism NI, he was Director of Development at Belfast City Council, where he was responsible for economic development, regeneration and tourism within the city. From 1999 to 2010, he was Chief Executive at Down District Council. He began his career as an aerospace engineer before heading up IDB Northern Ireland's operations in Düsseldorf, Germany, and subsequently taking over as Chief Executive at NI-CO, an international development consultancy business based in Belfast. He has been a Governor of the Belfast Metropolitan College since 2012.



TOURISM IRELAND BOARD (continued)



David O'Brien was appointed Chief Commercial Officer of Ryanair in January 2014, having previously served as Director of Flight and

Ground Operations from December 2002. A graduate of the Irish Military College, David followed a military career with positions in the airport sector and agribusiness in the Middle East, Russia and Asia. David O'Brien resigned from the Tourism Ireland Board on 18 December, 2019.



Michael O'Sullivan is a Chartered Environmentalist (CEnv) and a full member of the Institute of Environmental Management

Assessment (MIEMA). He holds qualifications in science, engineering and law and has worked as project director on major multidisciplinary conservation and infrastructural environmental management projects throughout Ireland over the past 30 years. Michael has provided environmental and planning advice for industry and government alike. He edited the first Environmental Impact Assessment handbook in Ireland in 1990. Michael O'Sullivan resigned from the Tourism Ireland Board on 18 December, 2019.



Kathryn Thomson has been Chief Executive of National Museums NI since March 2016. Immediately prior to that, Kathryn spent 11

years as the Chief Operating Officer at Tourism NI. Kathryn holds a B.Com. (Hons) degree in Business Studies from the University of Edinburgh, completed her accountancy training at PwC and has a professional qualification as a chartered accountant with the Chartered Institute of Public Finance and Accountancy (CIPFA). In addition, Kathryn holds a public appointment as a Director of the Strategic Investment Board and is a Non Executive Director for Visit Belfast. She is also a director and trustee on the board of two charities – the Simon Community (since October 2010) and Open House Festival (since December 2014).



Trim Castle, Co. Meath

BOARD MEMBER DESIGNATES



Trevor White is the Director of the Little Museum of Dublin and City of a Thousand Welcomes. Born in 1972, he founded *The*

Dubliner magazine and edited Ireland's bestselling restaurant guide, *The Dubliner 100 Best Restaurants*, for many years. Trevor White resigned from the Tourism Ireland Board on 18 December, 2019.



Nóirín Hegarty is Vice President, Digital Content and Operations Director, Ireland with Lonely Planet, the world's leading travel media company. As a

member of the senior leadership team, she has devised and launched a new digital content strategy for the business and manages teams based in Nashville, New York, London and Dublin. She joined the business in London, where she led a team that managed over 250 writers in 46 countries. She moved back to Dublin in 2015 to open Lonely Planet Global Limited, one of nine Lonely Planet offices globally, where she established a daily travel news arm for the business. Previously, she was Editor of the Sunday Tribune, an award-winning Irish national newspaper; and Editor of independent.ie, Ireland's leading news website.



Paul Kelly is the Chief Executive of Fáilte Ireland, the National Tourism Development Authority. Paul leads Fáilte Ireland as it builds on

the success of brands and initiatives including the Wild Atlantic Way, Ireland's Ancient East, Dublin and Ireland's Hidden Heartlands. He sets the strategic direction for Fáilte Ireland to significantly shape the future development of the tourism industry; and the key priorities are driving balanced and sustainable regional and seasonal growth to best generate increased employment and an even bigger contribution to the national economy. Paul was appointed to the post in February 2017 and brings extensive management and marketing leadership experience following a lengthy career in marketing. He is a native of Wexford and a commerce graduate from University College Dublin. Prior to his appointment, he started his career with Procter & Gamble UK; Paul then went on to hold senior executive positions with Diageo Ireland, Aviva and the UCD Smurfit Business School. During his career, he was also involved in the development of many of the most iconic and best-known Irish and international marketing campaigns.







TOURISM IRELAND CLG REPORT AND FINANCIAL STATEMENTS

for the year ended 31 December, 2019

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COMPANY INFORMATION

Directors

Joan O'Shaughnessy (*Chairman*)
(Resigned 18 December, 2019)

Joan O'Shaughnessy (*Chairman*)
(Appointed 11 March, 2020)

Christopher Brooke (*Vice-Chairman*)

Trevor Clarke

Harry Connolly

Nóirín Hegarty
(Appointed 11 March, 2020)

Graham Keddie

John McGrillen

David O'Brien
(Resigned 18 December, 2019)

Michael O'Sullivan
(Resigned 18 December, 2019)

Kathryn Thomson

Trevor White
(Resigned 18 December, 2019)

Chief Executive

Niall Gibbons

Secretary

Shane Clarke

Registered Office

4th Floor
Bishop's Square
Redmond's Hill
Dublin 2

Business Addresses

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Dublin 2

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BT52 1GE

Auditors

Comptroller and Auditor General
(Republic of Ireland)
3A Mayor Street
Dublin 1

Principal Bankers

Allied Irish Banks plc
37/38 Upper O'Connell Street
Dublin 1

Solicitors

Byrne Wallace
88 Harcourt Street
Dublin 2

Tughans
Marlborough House
30 Victoria Street
Belfast
BT1 3GS

REPORT OF THE DIRECTORS

for the year ended 31 December, 2019

Brief History and Statutory Background of the Company

Tourism Ireland CLG was formed by the Government of Ireland and the Northern Ireland Executive, under the auspices of the North/South Ministerial Council (NSMC), to be the overseas marketing arm of tourism for the island of Ireland and was incorporated on 11 December, 2000 as a Company Limited by Guarantee not having a share capital. The company takes policy direction from the NSMC and maintains a close working relationship with its founder and current members, Fáilte Ireland (FI) and Tourism Northern Ireland (TNI). The principal objectives of the Company are to increase tourism to the island of Ireland and to support Northern Ireland in achieving its tourism potential. It is governed by its Memorandum and Articles of Association and by the Financial Memorandum approved by the NSMC and prepares detailed three-year Corporate and one year Operating Plans to guide its activities. The Company receives grants of money from both jurisdictions and these grants are disbursed through FI and TNI and a Board of Directors is appointed by the NSMC.

Format of Financial Statements

The accounts have been prepared in a format determined by the Companies Act 2014 (Republic of Ireland). The base currency of the financial statements is Euro (€). The Euro results have been translated into Sterling (STGE) at the closing rate of STGE1 equals €1.18106 (2018: STGE1 equals €1.11791) for the Statement of Financial Position and at the yearly average rate of €1.13983 (2018: STGE1 equals €1.13011) for the Statement of Income and Expenditure.

Books of Account

To ensure that proper books and accounting records are kept in accordance with Section 281 and 282 of the Companies Act 2014, the Directors have employed appropriately qualified accounting personnel and have maintained appropriate computerised accounting systems. The books of account are located at the Company's office at Bishop's Square, Dublin.

Principal Activities

The Company's principal activities are the design and implementation of marketing programmes in its key overseas markets for the purpose of promoting the tourism industry of the island of Ireland, in line with its objectives set out above.

External Auditors

The financial statements are audited by the Comptroller and Auditor General in the Republic of Ireland. The Comptroller and Auditor General for Northern Ireland has full access to the working papers of the Comptroller and Auditor General in the Republic of Ireland, based on which a report may be laid before the Northern Ireland Assembly.

Results

The Surplus of Income over Expenditure for the year amounted to €2,657,144 (STG £2,331,176).

Corporate Governance

The Company is governed by its Memorandum and Articles of Association and by the Financial Memorandum approved by the NSMC. It has a non-executive Board of Directors appointed by the NSMC and includes representatives of the Northern Ireland tourism industry, the tourism industry in the South, Tourism Northern Ireland and Fáilte Ireland. The current term of the appointees from the Southern jurisdiction expired in December 2019 and the current term of the appointees from the Northern jurisdiction expires in December 2021. In March 2020 two Southern jurisdiction appointees joined the Board and their term runs until December 2022.

The Board agrees a schedule of meetings to be held in each calendar year. The Board Members receive full Board papers a week before each meeting; these papers include a finance report and reports from the Chief Executive and each of the Company's Divisional Directors. The Board members can, in furtherance of their duties, take independent professional advice as required, at the expense of the Company. All Board members have access to the advice and services of the Company Secretary.

On 17 December, 2019, the Board approved the granting of a power of attorney to Shane Clarke, Company Secretary; Niall Gibbons, Chief Executive; Christopher Brooke, Director; and Harry Connolly, Director, to ensure the continued smooth operation of Tourism Ireland. It was necessitated by the fact that, effective from 18 December, 2019, the Board of Tourism Ireland could not meet until a minimum of two Directors had been appointed to represent Ireland. The appointments were subsequently made at a North South Ministerial Council meeting on 9 March, 2020. At time of writing, the power of attorney remains in place as a contingency, due to the COVID-19 pandemic. Extensive legal and governmental advice was sought by the Board when making this decision.

REPORT OF THE DIRECTORS (continued)

for the year ended 31 December, 2019

There were 9 Board meetings during 2019 and the following table sets out the attendance:

	Number of meetings potentially able to attend	Number of meetings actually attended
Joan O'Shaughnessy (Chairman)	9	9
Christopher Brooke (Vice-Chairman)	9	9
Trevor Clarke	9	5
Harry Connolly	9	8
Graham Keddie	9	5
John McGrillen	9	8
David O'Brien	9	7
Michael O'Sullivan	9	6
Kathryn Thomson	9	8
Trevor White	9	8

The Board also operates through a number of sub-committees as follows:

Audit and Risk Assurance Committee

This sub-committee is comprised of 4 Directors who meet on a quarterly basis to review and discuss risk management and the internal control environment of the Company. They are informed by the Company's Risk Register, which is used to help set a programme of work for the Internal Audit function, reporting directly to this committee. The internal and external auditors have full and unrestricted access to the committee.

The following table sets out the composition and attendance at the Audit and Risk Assurance Committee meetings during 2019:

	Number of meetings potentially able to attend	Number of meetings actually attended
David O'Brien (Chairman)	4	2
Kathryn Thomson (Vice-Chairman)	4	4
Harry Connolly	4	3
Michael O'Sullivan	4	3

Remuneration Committee

This sub-committee consists of 4 Directors and meets to review the appropriateness of the Company's remuneration levels and other terms and conditions of employment of key executives.

The following table sets out the composition and attendance at Remuneration Committee meetings during 2019:

	Number of meetings potentially able to attend	Number of meetings actually attended
Christopher Brooke (Chairman)	1	1
Joan O'Shaughnessy	1	1
Graham Keddie	1	1
Trevor White	1	1

The Board accepts its responsibility for the Company's internal control and sets out its position in more detail in the Statement of Directors' Responsibilities and the Statement of Internal Financial Control.

Post Statement of Financial Position Events

There have been no events subsequent to 31 December, 2019 which necessitated amendment of the financial statements or separate disclosure therein.

Research and Development

The Company did not engage in research and development activities during the period.

Future Developments

The Board of Directors approved a Business Plan for the Company's marketing activities in 2020 and a Corporate Plan for its activities in the period 2020 to 2022. In light of the issues and restrictions in the travel and tourism industry arising from COVID-19, in early March all paid marketing activities were suspended and currently remain so. The Company has engaged with the Minister for Transport Tourism and Sport in Ireland and the Minister for the Economy in Northern Ireland.

The company has initiated a number of research projects on likely travel and tourism activity post COVID-19 and the results of these research projects, along with the timing of the lifting of travel restrictions will be used to assess the appropriate time to recommence marketing activities

Principal Risks and Uncertainties

The most significant risk is that arising from the profound effects of COVID-19, which has resulted the closure of the tourism industry around the world, with severe consequences

REPORT OF THE DIRECTORS (continued)

for the year ended 31 December, 2019

for the Irish tourist industry. To counter the implications of this the Minister for Transport Tourism and Sport in Ireland has established a Tourism Recovery Taskforce and the Minister for the Economy in Northern Ireland has established a Tourism Recovery Steering Group. Tourism Ireland is a member of both of these.

The consequences of BREXIT have the potential to alter travel to both jurisdictions on the Island of Ireland and travel within the Island itself. Tourism Ireland is closely monitoring the situation, to both mitigate any adverse effects and to make best use of any opportunities arising.

Due to its widespread operations, the level of economic activity in the Company's key markets of Great Britain, the USA, France, Germany and the rest of the world generally, affects the propensity to travel. Any growth or contraction in these markets affects the whole tourism and travel industry and specifically, on the Company's ability to deliver the growth, both in tourist numbers and tourist spend, which the Company has been targeted to deliver to the island of Ireland. An event such as a major terrorist attack or outbreak of disease, which reduces international travel, would affect the Company's ability to deliver on its targets. In addition, any loss or disruption of air or sea access and unfavourable foreign exchange movements will have an impact on travel to the island of Ireland. The Board regularly monitors the above risks and appropriate actions are taken to mitigate those risks or address their potential adverse consequences to the extent reasonably practicable.

There are no formal long-term funding agreements in place for the continued funding of its activities by the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of Ireland.

While there is a reasonable expectation that the respective Governments will continue to fund the activities of the Company, the level of this funding is under constant review

Equality Legislation

The Board's policy is to comply fully with Equality Legislation in both jurisdictions. Recruitment is based on the ability of a candidate to perform the job. Full and fair consideration is given to applications for employment from all minority groups, including the disabled, where they have the appropriate skills and abilities to perform the job.

If disablement occurs during employment, the Board's policy is to make every effort to ensure the availability of adequate retraining, or if applicable, to help source alternative employment.

Safety, Health and Welfare at Work

The policy of the Board is to ensure the continued safety, health and welfare of the employees at work by maintaining a safe and healthy work environment based on the provisions of Safety, Health and Welfare at Work Legislation in the jurisdictions in which it operates.

Charitable Donations

Tourism Ireland CLG made no charitable donations during the period.

Payment of Suppliers

Tourism Ireland CLG's policy is to pay all suppliers as promptly as is practicable and not to take any extra time in paying suppliers, other than that required to properly check and process the invoice. In 2019, the average time from receipt of a supplier invoice to payment was 22 days. During the year Tourism Ireland CLG did not pay any interest in respect of late payments. Further information on Tourism Ireland's payments to suppliers is available on Tourism Ireland's corporate website, www.tourismireland.com.

Employee Involvement

Tourism Ireland CLG implements its business strategy through its staff. In achieving business objectives, the involvement of staff in the planning and decision making process is key. Staff involvement is maximised through the combined use of appropriate access to expert advice and training opportunities in order to enable them to exercise their responsibilities effectively.

Freedom of Information

The British-Irish Agreement Act 1999 provides that a Code of Practice on Freedom of Information be drawn up by the Irish and Northern Ireland Ministers with responsibility for freedom of information for the North/South Bodies and the approval by the NSMC. The Code, which was approved on 1 January, 2006, is non-statutory and was drafted with regard to the Freedom of Information Acts, 1997 and 2003 in Ireland and the Freedom of Information Act, 2000 in the United Kingdom.

The Code facilitates public access to information held by the six North/South Implementation Bodies and Tourism Ireland CLG in a number of ways. It provides that each body should publish certain types of information relating to its functions, structures, organisation and services, together with a general description of the type of information held by that body. It sets out the process under which a member of the public can request information held by a body, the steps that a body must take in handling such a request and the time period within which a body should normally respond to a request. The Code also contains the facility for members of the public to obtain a statement of the reasons for an act of a body affecting the person.

REPORT OF THE DIRECTORS (continued)

for the year ended 31 December, 2019

The Annex to the Code sets out the categories of exempt information. If the information requested falls into a category listed in Part 1 of the Annex, the body is not obliged to release the information. If the information requested falls into a category listed in Part 2, the body must carry out a public interest test in deciding whether or not to release the information. The Code provides for an internal review mechanism of decisions taken by the body under the Code.

Whistleblowing Policy and Procedures

Tourism Ireland CLG has a whistleblowing policy in place for several years with procedures published and shared with all employees. During 2019, no disclosures were received by Tourism Ireland.

Corporate Social Responsibility

Leading companies are those that not only deliver superior performance and excellent customer service, but also consider ethical, social and environmental issues for all stakeholders. Tourism Ireland CLG recognises its wider obligations to its employees, society and the community it serves and believes there is a strong link between Corporate Social Responsibility and long-term success. Tourism Ireland CLG aspires to a set of values which recognises the interests of all stakeholders and the contributions they make. To this end, we adopt very high standards of integrity, corporate governance and environmental awareness. We recognise that being a good corporate citizen not only involves achieving our business aims but embraces a wider contribution to the interests of all our stakeholders.

The Company undertook a programme, with all staff, to determine Tourism Ireland's "values". The outcome of this and the values with Tourism aims to operate are Respect, Creativity, Collaboration and Ownership.

Our stakeholders, both in the tourist industry and tourists themselves, are fundamental to the growth of the tourist business on the island of Ireland. International tourism is an intensely competitive market and if we do not offer the most attractive propositions, tourists will take their business elsewhere.

Tourism Ireland CLG does not adopt a 'one size fits all' approach to the service we provide, but aims to provide a comprehensive and flexible suite of marketing options to the tourist industry.

At a corporate level, we adopt the highest standards of compliance with regulatory requirements operating within the letter and the spirit of the regulations of both jurisdictions.

We aim to treat our suppliers with the same courtesy with which we treat our stakeholders.

Without talented, dedicated and motivated staff, Tourism Ireland CLG cannot aspire to provide the excellent level of service our stakeholders deserve. For this reason, staff recruitment, training and development are given the highest priority. Our people and agents, based in 22 locations in 18 countries, are the key to Tourism Ireland's success over the past 20 years.

Tourism Ireland CLG is fully committed to equal opportunities recruitment and employment. Our strategy is to recruit the best and provide them with comprehensive training and support to allow them to maximise their long-term potential.

Directors' Register of Interests

The Directors' Register of Interests is maintained at the registered office of the Company. It is available to the public and may be accessed by contacting the Company Secretary.

On behalf of the Board



Joan O'Shaughnessy

Christopher Brooke

Chairman

Director

Date: 19 November, 2020

STATEMENT OF DIRECTORS' RESPONSIBILITIES

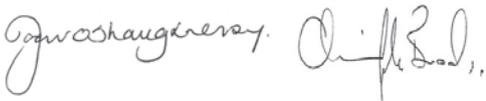
for the year ended 31 December, 2019

Company law requires the Board of Directors to prepare financial statements for each financial period which give a true and fair view of the state of the affairs of the Company and of the surplus or deficit of the Company for that financial period. In preparing those financial statements, the Board of Directors is required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates which 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 the Company will continue in business.

The Board of Directors is responsible for keeping adequate accounting records, which disclose with reasonable accuracy at any time the financial position of the Company, and to enable them to ensure that the financial statements comply with the Companies Act 2014, as applicable to companies limited by guarantee and not having a share capital. It is responsible for ensuring that the business of the entity is conducted in a proper and regular manner and for safeguarding the assets of the Company and hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Board



Joan O'Shaughnessy
Chairman

Christopher Brooke
Director

Date: 19 November, 2020

REMUNERATION REPORT

for the year ended 31 December, 2019

The North/South Implementation Bodies Annual Reports and Accounts Guidance, issued jointly by the Department of Finance (DoF) in the North and the Department of Public Expenditure & Reform (DPER) in the South, requires the disclosure of the remuneration and pension entitlements of certain senior staff members. Based on legal advice that making these disclosures would be a breach of data protection legislation, Tourism Ireland has not made these disclosures.

Tourism Ireland is required to disclose the median remuneration of its staff. This is based on annualised, full time, equivalent remuneration of all staff as at 31 December, 2019. It is also required to disclose the range of staff remuneration and the ratio between the median staff remuneration the highest paid Director/Staff member.

The remuneration of the highest paid Director/Staff member in 2019 was €187,496 (£164,494) (2018: €174,547, £154,451). This was 3.79 times the median salary of the workforce which in 2019 was €49,449 (£43,382), (2018: €47,608, £42,127).

Total remuneration includes salary. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

Key Management Team Remuneration

The Key Management Team consists of the Chief Executive Officer, the Director of Corporate Services Policy & Northern Ireland/Company Secretary, the Director of Markets and the Director of Central Marketing. The total remuneration paid to the Key Management Team in 2019 amounted to €629,792 (£552,529) (2018: €607,235 (£537,324)).

Remuneration Policy

Tourism Ireland's remuneration policy is to follow/closely align to Public Sector salaries/terms and conditions for staff based on the Island of Ireland and to follow market conditions for staff based in overseas jurisdictions.

Service Contracts

Senior management appointments are made in accordance with Tourism Ireland's recruitment and selection policy, which requires the appointment to be on the basis of suitability and competence. All staff will receive a contract of employment on appointment, which details their terms and conditions. During 2019 there were no termination, compensation or severance payments made.

Pay Multiples	2019 €	2018 €	2019 STG £	2018 STG £
Highest paid Director/Staff member	187,496	174,547	164,494	154,451
Median remuneration of staff	49,449	47,608	43,382	42,127
Ratio	3.79	3.67	3.79	3.67
Range of staff remuneration	€17,894 to €187,496	€17,526 to €174,547	£15,699 to £164,494	£15,508 to £154,451

STATEMENT ON INTERNAL CONTROL/GOVERNANCE STATEMENT

for the year ended 31 December, 2019

The Board acknowledges its responsibility for ensuring that an effective system of internal financial control is maintained and operated by the Company.

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 within a timely period.

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

- Comprehensive budgeting systems 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;
- Clearly defined capital investment control guidelines;
- Clearly defined rules to ensure that public procurement procedures have been followed;
- As appropriate, formal project management disciplines.

The above framework incorporates the terms of the Financial Memorandum by which Tourism Ireland is governed to ensure compliance therewith.

Risk and Control Framework

Tourism Ireland CLG has implemented a risk management system which identifies and reports key risks and the management actions being taken to address and, to the extent possible, to mitigate those risks.

A risk register is in place which identifies the key risks facing Tourism Ireland CLG and these have been identified, evaluated and graded according to their significance. The register is reviewed and updated by the Audit and Risk Assurance Committee on a regular basis. The outcome of these assessments is used to plan and allocate resources to ensure risks are managed to an acceptable level. The risk register details the controls and actions needed to mitigate risks and responsibility for operation of controls assigned to specific staff.

Ongoing Monitoring and Review

Formal procedures have been established for monitoring control processes and control deficiencies are communicated to those responsible for taking corrective action and to management and the Board, where relevant, in a timely way.

Tourism Ireland CLG has an internal audit function in place, whose programme of work is influenced by analysis of the risk to which the Company is exposed. An internal audit plan has been prepared based on this analysis. This analysis of risk is reviewed during the year and is endorsed by the Company's Audit and Risk Assurance Committee. The internal audit programme of works includes performance of detailed audit work, provision of a report on the internal audit activity in the Company on a regular basis to the Audit and Risk Assurance Committee and an independent opinion on the adequacy and effectiveness of the Company's system of internal financial control. Areas covered by internal audit in their 2019 work programme included reviews of the Internal Financial Controls, IT Vulnerability, Stakeholder Engagement, Succession Planning & Recruitment Processes and the Paris Market Office.

The effectiveness of the system of internal financial control is assessed by the Board on the basis of work carried out by the executive managers within the Company who have responsibility for the development and maintenance of the financial control framework. In conducting their review, the Board takes account of the management letter and other reports of the external auditor.

In April, 2020, the effectiveness of the system of internal financial controls was reviewed by the Board and the Board concluded that these controls were operating effectively and satisfactorily.

On behalf of the Board



Joan O'Shaughnessy
Chairman

Christopher Brooke
Director

Date: 19 November, 2020

REPORT OF THE COMPTROLLER AND AUDITOR GENERAL

Report for Presentation to the Houses of the Oireachtas
for the year ended 31 December, 2019

Opinion on Financial Statements

I have audited the financial statements of Tourism Ireland CLG for the year ended 31 December, 2019 as required under the provisions of section 5 of the Comptroller and Auditor General (Amendment) Act 1993. The financial statements comprise the statement of income and expenditure, the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and the related notes, including a summary of significant accounting policies.

In my opinion, the financial statements

- give a true and fair view of the assets, liabilities and financial position of Tourism Ireland CLG at 31 December, 2019 and of its income and expenditure for 2019
- have been properly prepared in accordance with Financial Reporting Standard (FRS) 102 – *The Financial Reporting Standard applicable in the UK and the Republic of Ireland*, and
- have been properly prepared in accordance with the Companies Act 2014.

Basis of Opinion

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

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

Conclusions Related to Going Concern

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

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

I have nothing to report in that regard.

Opinion on matters prescribed by the Companies Act 2014

Based on the work undertaken in the course of the audit, in my opinion

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

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

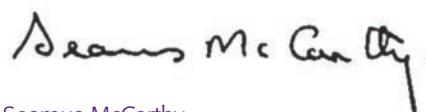
In my opinion, the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited, and the financial statements are in agreement with the accounting records.

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

Report on Information other than the Financial Statements, and on Other Matters

The directors have presented certain other information with the financial statements. This comprises the annual report including the report of the directors, the statement of directors' responsibilities, the remuneration report and the statement on internal control/governance statement. My responsibilities to report in relation to such information, and on certain other matters upon which I report by exception, are described in the appendix to this report.

I have nothing to report in that regard.



Seamus McCarthy

Comptroller and Auditor General

Date: 26 November, 2020

REPORT OF THE COMPTROLLER AND AUDITOR GENERAL

APPENDIX TO THE REPORT

Responsibilities of the Directors

The governance statement and directors' report sets out the directors' responsibilities. The directors are responsible for

- the preparation of financial statements in the form prescribed under the Companies Act 2014
- ensuring that the financial statements give a true and fair view in accordance with FRS102
- ensuring the regularity of transactions
- assessing whether the use of the going concern basis of accounting is appropriate, and
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibilities of the Comptroller and Auditor General

I am required under section 5 of the Comptroller and Auditor General (Amendment) Act 1993 to audit the financial statements of Tourism Ireland and to report thereon to the Houses of the Oireachtas.

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

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

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

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

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

Information other than the Financial Statements

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

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

Reporting on Other Matters

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

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

STATEMENT OF INCOME AND EXPENDITURE

for the year ended 31 December, 2019

	Notes	2019 € (000's)	2018 € (000's)	2019 STG £ (000's)	2018 STG £ (000's)
Total Income	2	81,397	69,816	71,411	61,778
Less Expenditure	3	(78,960)	(70,135)	(69,273)	(62,060)
Transfer from/(to) Government Grant Reserve		220	(989)	193	(875)
Surplus/(Deficit) of income over expenditure		2,657	(1,308)	2,331	(1,157)

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December, 2019

	Notes	2019 € (000's)	2018 € (000's)	2019 STG £ (000's)	2018 STG £ (000's)
Surplus/(Deficit) of income over expenditure		2,657	(1,308)	2,331	(1,157)
Actuarial (Loss)/Gain on pension liabilities	14d	(10,569)	1,627	(8,949)	1,455
Adjustment to deferred pension funding		10,569	(1,627)	8,949	(1,455)
Total recognised Gain/(Loss) for the year		2,657	(1,308)	2,331	(1,157)

All income and expenditure for the year relates to continuing activities at the balance sheet date.

The Statement of Cash Flows and notes 1 to 21 form an integral part of these Financial Statements.

On behalf of the Board



Joan O'Shaughnessy
Chairman

Christopher Brooke
Director

Date: 19 November, 2020

STATEMENT OF FINANCIAL POSITION

as at 31 December, 2019

	Notes	2019 € (000's)	2018 € (000's)	2019 STG £ (000's)	2018 STG £ (000's)
Fixed Assets					
Intangible	7	-	-	-	-
Property, plant and equipment	8	1,499	1,719	1,269	1,537
		1,499	1,719	1,269	1,537
Current Assets					
Receivables	9	4,573	2,802	3,872	2,506
Cash and cash equivalents		13,273	10,988	11,238	9,829
		17,846	13,790	15,110	12,335
Current Liabilities (Amounts falling due within one year)					
Payables	10	(14,315)	(12,916)	(12,120)	(11,554)
Net Current Assets		3,531	874	2,990	781
Retirement Benefits					
Deferred pension funding	14f	75,349	61,868	63,798	55,343
Pension Liabilities	14c	(75,349)	(61,868)	(63,798)	(55,343)
		-	-	-	-
Total Net Assets		5,030	2,593	4,259	2,318
Represented by					
Income and Expenditure Account		3,531	874	2,990	781
Government Grant Reserve		1,499	1,719	1,269	1,537
		5,030	2,593	4,259	2,318

The Statement of Cash Flows and notes 1 to 21 form an integral part of these Financial Statements.

On behalf of the Board



Joan O'Shaughnessy
Chairman

Christopher Brooke
Director

Date: 19 November, 2020

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December, 2019

Income and Expenditure Account Reserve

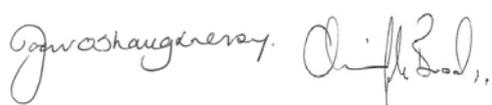
	2019	2018	2019	2018
	€	€	STG £	STG £
	(000's)	(000's)	(000's)	(000's)
Balance at 1 January	874	2,182	740	1,936
Surplus/(Deficit) for year	2,657	(1,308)	2,331	(1,157)
Actuarial (Loss)/Gain	(10,569)	1,627	(8,949)	1,455
Deferred Pension Funding	10,569	(1,627)	8,949	(1,455)
Exchange (Loss)/Gain	-	-	(81)	2
Balance at 31 December	3,531	874	2,990	781

Government Grant Reserve

	2019	2018	2019	2018
	€	€	STG £	STG £
	(000's)	(000's)	(000's)	(000's)
Balance at 1 January	1,719	730	1,537	648
Grants used to purchase property, plant and equipment	137	1,189	120	1,052
Amortisation in line with asset depreciation	(356)	(188)	(312)	(167)
Amount realised on disposal of property, plant and equipment	(1)	(12)	(1)	(11)
Exchange (Loss)/Gain	-	-	(75)	15
Balance at 31 December	1,499	1,719	1,269	1,537
Total Equity at Year End	5,030	2,593	4,259	2,318

The Statement of Cash Flows and notes 1 to 21 form an integral part of these Financial Statements.

On behalf of the Board



Joan O'Shaughnessy
Chairman

Christopher Brooke
Director

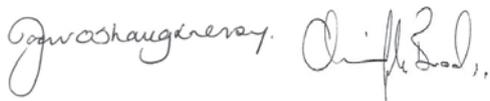
Date: 19 November, 2020

STATEMENT OF CASH FLOWS

for the year ended 31 December, 2019

	Notes	2019 € (000's)	2018 € (000's)	2019 STG £ (000's)	2018 STG £ (000's)
Net cash generated from operating activities	12	2,422	4,217	1,529	3,819
Cash flows from investing activities:					
Payments to acquire property, plant and equipment		(137)	(1,189)	(120)	(1,052)
Net increase/(decrease) in cash and cash equivalents	13	2,285	3,028	1,409	2,767
Cash and cash equivalents at the beginning of the year		10,988	7,960	9,829	7,062
Cash and cash equivalents at the end of the year		13,273	10,988	11,238	9,829

On behalf of the Board



Joan O'Shaughnessy
Chairman

Christopher Brooke
Director

Date: 19 November, 2020

STATEMENT OF ACCOUNTING POLICIES

as at 31 December, 2019

The significant accounting policies adopted by the Company are as follows:

Accounting Policies

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

Statement of Compliance

The financial statements of Tourism Ireland CLG for the year ended 31 December, 2019 have been prepared in accordance with FRS102, the financial reporting standard applicable in the UK and Ireland issued by the Financial Reporting Council (FRC), as promulgated by Chartered Accountants Ireland and, except where indicated, are in compliance with the requirements of the North/South Implementation Bodies Annual Reports and Accounts Guidance issued by the Department of Finance and the Department of Public Expenditure and Reform.

Basis of Preparation

The financial statements have been prepared under the historical cost convention, except for certain assets and liabilities that are measured at fair values as explained in the accounting policies below. The following accounting policies have been applied consistently in dealing with items considered material in relation to Tourism Ireland CLG financial statements.

Critical Accounting Judgements and Estimates

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

a) Depreciation and Residual Values

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

b) Retirement Benefit Obligation

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

The assumptions can be affected by:

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

Income

Income is accounted for on a receivable basis. All grant income is credited to the Statement of Income and Expenditure in the accounting period in which it is claimed from the funding bodies.

Expenditure

VAT and local sales taxes are absorbed by the Company with a limited recovery system agreed with the Revenue Authorities. All advertising and promotional expenditure, including costs incurred on the production of publications items for which no revenue is obtained, is charged to the Statement of Income and Expenditure in the financial period in which it is incurred.

Receivables

Trade Debtors are stated after providing for specific bad and doubtful debts.

Intangible Fixed Assets

Finite life intangible assets are amortised over the period of their expected useful lives by charging equal annual instalments to the Statement of Income and Expenditure. The useful life used to amortise finite intangible assets relates to the future performance of the assets acquired and management's judgement of the period over which the economic benefit will be derived from the asset.

Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, on the straight line basis. Computer software that is either purchased or developed in-house is normally written off in the year of purchase unless it can be proven to have a re-sale value.

STATEMENT OF ACCOUNTING POLICIES (continued)

as at 31 December, 2019

Foreign Currencies

Monetary assets and liabilities denominated in foreign currencies are translated into Euro at the rates of exchange prevailing at the balance sheet date. Transactions in foreign currencies are recorded at standard rates fixed for the year for each currency with gains and losses realised at the time of payment. Realised gains and losses are taken to the Statement of Income and Expenditure.

Translated amounts have been disclosed in the Statement of Income and Expenditure, Statement of Cash Flows, Statement of Financial Position and related notes in Euro (€) with summary amounts given in Sterling (STG£).

Retirement Benefits

The North/South Pension Scheme was established by the North/South Implementation Bodies and Tourism Ireland CLG with effect from 29 April, 2005. It is a defined benefit pension scheme which is funded annually on a pay as you go basis. The scheme is administered by an external administrator. Funding from the Irish Government is provided by the Department of Transport, Tourism and Sport and funding from the Northern Ireland Executive is provided by the Department for the Economy to Tourism Ireland, which then funds the administrator.

Pension costs reflect pension benefits earned by employees during the period. An amount corresponding to the pension charge is recognised as income to the extent, that in the future either by way of grant income or other funding to the administrator, it is recoverable, and offset by pension payments made in the year.

Actuarial gains or losses arising from changes to actuarial assumptions and from experience surpluses and deficits are reflected in the Statement of Comprehensive Income and a corresponding adjustment is recognised in the amount recoverable from the Northern Ireland Executive and the Irish Government.

Pension liabilities represent the present value of future pension payments earned by staff to date. Deferred pension funding represents a corresponding asset, being resources to be made available in future periods from the Northern Ireland Executive and the Irish Government, in the manner described above.

The Statement of Financial Position recognises the cumulative liability for pensions earned by employees as at the year end, together with a corresponding asset.

In accordance with accounting practice for non-commercial State bodies in the Republic of Ireland, Tourism Ireland recognises an asset representing resources to be made available by the UK and Irish Exchequers for the unfunded deferred liability for pensions on the basis of a number of past events. These events include the statutory backing for the superannuation schemes, and the policy and practice in relation to funding public service pensions in both jurisdictions including the annual estimates process. While there is no formal agreement and therefore no guarantee regarding these specific amounts with the funding bodies, Tourism Ireland has no evidence that this funding policy will not continue in the future.

Contributions are made to a number of personal pension schemes operated by staff who are not members of a defined benefit scheme. Payments made under each scheme are included in the Statement of Income and Expenditure in the year to which they relate.

Leased Assets

Assets acquired under finance leases are capitalised as fixed assets and depreciated in accordance with normal Company policy. The corresponding liability is recorded as a payable and the interest element of the finance lease payment is charged to the Statement of Income and on an annuity basis. Operating lease rentals are charged to the Statement of Income and Expenditure on a straight-line basis over the lease term.

Government Grant Reserve

The Government Grant Reserve represents the unamortised value of grant income used for capital purposes.

NOTES TO THE FINANCIAL STATEMENTS

for year ended 31 December, 2019

1. Format of Financial Statements

Euro results have been translated into Sterling at the year-end closing rate of €1.18106 (2018: €1.11791) for the Statement of Financial Position and the average yearly rate of €1.13983 (2018: €1.13011) for the Statement of Income and Expenditure.

2. Total Income

		2019	2018	2019	2018
		€	€	STG £	STG £
	Notes	(000's)	(000's)	(000's)	(000's)
Fáilte Ireland		61,593	50,827	54,038	44,975
Tourism Northern Ireland		14,788	14,319	12,973	12,670
Trade Income		2,077	1,729	1,822	1,530
Sundry Income		27	65	23	58
Net deferred funding for pensions	14e	2,912	2,876	2,555	2,545
		81,397	69,816	71,411	61,778

Income is receivable from Fáilte Ireland and Tourism Northern Ireland in accordance with funding provisions set out in the Financial Memorandum. The amount actually received in Sterling from Tourism Northern Ireland was £13.309m (2018: £12.887m).

Income from Fáilte Ireland includes €4.219m: £3.701m (2018 €3.584m: £3.171m) for Product Marketing, Dublin Campaigns (global campaign to promote Dublin off season) and Regional Access (to promote access to regions outside of Dublin and Northern Ireland).

Income from Tourism Northern Ireland includes €1.799m: £1.579m (2018 €1.191m: £1.054m) for specific promotional campaigns and product marketing undertaken on its behalf.

Funding of €6m was received from the Department of Transport, Tourism and Sport in respect of Regional Air Access supports. At 31 December, 2019 an amount of €1.3m remains unspent and is held in Tourism Ireland's bank account.

3. Expenditure

		2019	2018	2019	2018
		€	€	STG £	STG £
	Notes	(000's)	(000's)	(000's)	(000's)
Marketing Programmes		51,858	43,801	45,496	38,758
Overseas General Sales Agents		697	552	611	488
Employees and Remuneration	5	16,449	16,662	14,431	14,744
IT Costs		1,238	1,251	1,086	1,107
Rent and Rates		2,617	2,537	2,296	2,245
Office and Administration costs		4,085	3,491	3,584	3,089
Travel & Subsistence		1,471	1,292	1,291	1,143
Legal and Professional		468	472	410	418
Directors' remuneration	6	76	76	67	67
Bad Debts		1	1	1	1
		78,960	70,135	69,273	62,060

NOTES TO THE FINANCIAL STATEMENTS (continued)

for year ended 31 December, 2019

3. Expenditure (continued)

Marketing programmes includes Fáilte Ireland €4.121m: £3.615m (2018 €3.592m: £3.179m) spent on Product Marketing, Dublin Campaigns (global campaign to promote Dublin off season) and Regional Access (to promote access to regions outside of Dublin and Northern Ireland).

Marketing programmes includes Tourism Northern Ireland €1.850m: £1.623m (2018 €1.145m: £1.013m) for specific promotional campaigns and product marketing undertaken on its behalf.

2019 Geographic Analysis of Expenditure

	Notes	Central € (000's)	Great Britain € (000's)	Europe € (000's)	Rest of the World € (000's)	North America € (000's)	Total € (000's)
Marketing Programmes		10,491	10,889	14,574	2,441	13,463	51,858
Overseas General Sales Agents		-	-	147	550	-	697
Employees and Remuneration	5	8,621	1,011	3,504	834	2,479	16,449
IT Costs		1,049	31	80	16	62	1,238
Rent and Rates		689	452	582	190	704	2,617
Office and Administration costs		3,301	227	286	82	189	4,085
Travel & Subsistence		440	105	307	291	328	1,471
Legal and Professional		258	-	76	8	126	468
Directors' remuneration	6	76	-	-	-	-	76
Bad Debts		1	-	-	-	-	1
		24,926	12,715	19,556	4,412	17,351	78,960

	Notes	Central STG £ (000's)	Great Britain STG £ (000's)	Europe STG £ (000's)	Rest of the World STG £ (000's)	North America STG £ (000's)	Total STG £ (000's)
Marketing Programmes		9,205	9,553	12,786	2,141	11,811	45,496
Overseas General Sales Agents		-	-	129	482	-	611
Employees and Remuneration	5	7,563	887	3,074	732	2,175	14,431
IT Costs		921	27	70	14	54	1,086
Rent and Rates		604	397	511	167	617	2,296
Office and Administration costs		2,896	199	251	72	166	3,584
Travel & Subsistence		386	92	269	256	288	1,291
Legal and Professional		226	-	66	7	111	410
Directors' remuneration	6	67	-	-	-	-	67
Bad Debts		1	-	-	-	-	1
		21,869	11,155	17,156	3,871	15,222	69,273

Central Marketing programmes comprise of Tourism Ireland's customer contact centre, e-marketing unit, advertising production and the costs of the production and distribution of sundry marketing materials.

NOTES TO THE FINANCIAL STATEMENTS (continued)

for year ended 31 December, 2019

4. Surplus/(Deficit) of Income over Expenditure

This is stated after charging:

		2019	2018	2019	2018
	Notes	€ (000's)	€ (000's)	STG £ (000's)	STG £ (000's)
Amortisation of intangible asset	7	-	-	-	-
Depreciation of property, plant and equipment	8	356	188	312	167
Hospitality		54	39	47	34
Auditors' remuneration		21	18	18	16
Directors' remuneration	6	76	76	67	67
Operating lease rentals – Land & Buildings		2,256	2,166	1,979	1,917
Operating lease rentals – Other		10	9	8	8

5. Employees and Remuneration

		2019	2018	2019	2018
	Notes	€ (000's)	€ (000's)	STG £ (000's)	STG £ (000's)
Wages and salaries		9,887	10,265	8,674	9,083
Social welfare costs		1,254	1,196	1,100	1,058
Student placement programmes		754	732	662	648
Company contribution to private pensions	14h	88	91	77	81
Current pension service costs	14e	4,130	4,064	3,623	3,596
Other payroll costs		336	314	295	278
		16,449	16,662	14,431	14,744

The average number of people employed during the year was 163 (2018:152).

The Chief Executive was appointed by the North South Ministerial Council on 10 June, 2009, initially on a five-year contract. A second five-year contract was subsequently awarded and since June 2019, he has been employed on a contract of indefinite duration. The Chief Executive's salary in 2019 was €166,303 (£145,901) (2018 €160,376 (£141,912)), he is a member of the Company's pension scheme, no bonus is payable and his salary has been amended in accordance with the Financial Emergency Measures in the Public Interest Act 2009. The salary is also subject to a Core Scheme pension contribution of 7.35%.

Employee benefits breakdown*

	Number of employees 2019	Number of employees 2018
€60,001- €70,000	17	16
€70,001- €80,000	11	9
€80,001- €90,000	9	13
€90,001- €100,000	7	4
€100,001- €110,000	8	8
€110,001- €120,000	1	2
€120,001- €130,000	0	1
€130,001- €140,000	3	2
€140,001- €150,000	0	1
€150,001- €160,000	3	1
€160,001- €170,000	1	2
€170,001- €180,000	0	1
€180,001- €190,000	1	0

*A breakdown of total employee remuneration (including salaries and other benefits) over €60,000, in increments of €10,000, is required under DPER circular 13/2014.

NOTES TO THE FINANCIAL STATEMENTS (continued)

for year ended 31 December, 2019

6. Directors' Remuneration and Expenses

Emoluments:	2019	2018	2019	2018
	€	€	STG £	STG £
Ms Joan O'Shaughnessy (<i>Chairman</i>)	11,970	11,970	10,502	10,592
Mr Chris Brooke (<i>Vice – Chairman</i>)	9,830	9,830	8,624	8,699
Mr Trevor Clarke	7,695	7,695	6,751	6,809
Mr Harry Connolly	7,695	7,695	6,751	6,809
Mr Graham Keddie	7,695	7,695	6,751	6,809
Mr David O'Brien	7,695	7,695	6,751	6,809
Mr Michael O'Sullivan	7,695	7,695	6,751	6,809
Ms Kathryn Thomson	7,695	7,695	6,751	6,809
Mr Trevor White	7,695	7,695	6,751	6,809
For services as Directors	75,665	75,665	66,383	66,954

Three of the Directors, Mr David O'Brien, Mr Graham Keddie and Ms Kathryn Thomson, have instructed Tourism Ireland CLG to pay their remuneration to charities, Festina Lente Enterprises, Charity No. CHY16821, Goliath Trust Limited (Pending charitable status) and The National Museum of Northern Ireland Charity No. NIC103729 respectively. Accordingly, whilst Mr O'Brien's, Mr Keddie's and Ms Thomson's remuneration is included in the above table, none of the remuneration was actually received by them.

No other Director received any remuneration and the Directors are not entitled to any other emolument, benefit or pension and are not entitled to compensation upon loss of office. None of the Directors received an incentive to take up office.

Board Members expenses are broken down as follows:

	2019	2018	2019	2018
	€	€	STG £	STG £
Mileage	2,703	3,391	2,371	3,001
Accommodation and Subsistence	8,317	6,407	7,296	5,669
Other Travel expenses	10,875	6,537	9,541	5,784
Total	21,894	16,335	19,208	14,454

NOTES TO THE FINANCIAL STATEMENTS (continued)

for year ended 31 December, 2019

7. Intangible Fixed Asset

This asset relates to the purchase of the domain name "Ireland.com" from The Irish Times in late 2012.

	Domain Name € (000's)
Cost	
At 1 January and 31 December, 2019	609
Amortisation	
At 1 January and 31 December, 2019	609
Net Book Value	
At 31 December, 2018 and 2019	-

	Domain Name STG € (000's)
Cost	
At 1 January and 31 December, 2019	504
Amortisation	
At 1 January and 31 December, 2019	504
Net Book Value	
At 31 December, 2018 and 2019	-

The estimated useful life of intangible fixed assets, by reference to which amortisation is calculated, is as follows:

Domain Names: 5 years

NOTES TO THE FINANCIAL STATEMENTS (continued)

for year ended 31 December, 2019

8. Property, Plant and Equipment

	Computer Equipment € (000's)	Fixtures & Fittings € (000's)	Leasehold Property € (000's)	Assets under Construction € (000's)	Total € (000's)
Cost					
At 1 January, 2019	1,216	599	732	1,361	3,908
Transfers	-	-	1,361	(1,361)	-
Additions	58	67	12	-	137
Disposals	(116)	(7)	-	-	(123)
At 31 December, 2019	1,158	659	2,105	-	3,922
Depreciation					
At 1 January, 2019	932	525	732	-	2,189
Charge for Year	167	17	172	-	356
Disposals	(115)	(7)	-	-	(122)
At 31 December, 2019	984	535	904	-	2,423
Net Book Value					
At 31 December, 2019	174	124	1,201	-	1,499
At 31 December, 2018	284	74	-	1,361	1,719

	Computer Equipment STG £ (000's)	Fixtures & Fittings STG £ (000's)	Leasehold Property STG £ (000's)	Assets under Construction STG £ (000's)	Total STG £ (000's)
Cost					
At 1 January, 2019	1,087	537	656	1,218	3,498
Transfers	-	-	1,218	(1,218)	-
Exchange Adjustment	(55)	(30)	(99)	-	(184)
Additions	50	59	11	-	120
Disposals	(102)	(6)	-	-	(108)
At 31 December, 2019	980	560	1,786	-	3,326
Depreciation					
At 1 January, 2019	835	470	656	-	1,961
Exchange Adjustment	(45)	(25)	(39)	-	(109)
Charge for Year	147	15	150	-	312
Disposals	(101)	(6)	-	-	(107)
At 31 December, 2019	836	454	767	-	2,057
Net Book Value					
At 31 December, 2019	144	106	1,019	-	1,269
At 31 December, 2018	252	67	-	1,218	1,537

The estimated useful lives of property, plant and equipment by reference to which depreciation is calculated, are as follows:

Computer Equipment	3 years	Fixtures & Fittings	8 years
Leasehold Property	8 years	Assets under Construction	No Depreciation

NOTES TO THE FINANCIAL STATEMENTS (continued)

for year ended 31 December, 2019

9. Receivables

	2019	2018	2019	2018
	€	€	STG £	STG £
	(000's)	(000's)	(000's)	(000's)
Trade debtors	105	42	89	38
Fáilte Ireland	1,756	1,620	1,487	1,449
Tourism Northern Ireland	221	6	187	5
Sundry debtors and prepayments	2,491	1,134	2,109	1,014
	4,573	2,802	3,872	2,506

10. Payables

	2019	2018	2019	2018
	€	€	STG £	STG £
	(000's)	(000's)	(000's)	(000's)
Amounts falling due within one year				
Trade and sundry creditors	11,993	9,587	10,154	8,575
Trade income received in advance	45	7	38	6
Pay related tax costs and deductions	323	162	274	146
Pension costs	6	6	5	6
VAT	208	199	176	178
Accruals	1,740	2,955	1,473	2,643
	14,315	12,916	12,120	11,554

11. Operating Leases

At 31 December, 2019 the Company had commitments under operating leases as follows:

	Premises	Other Operating Leases	Total	Premises	Other Operating Leases	Total
	€	€	€	STG £	STG £	STG £
	(000's)	(000's)	(000's)	(000's)	(000's)	(000's)
Within 1 year	2,336	4	2,340	1,977	3	1,980
Between 2 and 5 years	7,189	6	7,195	6,087	5	6,092
More than 5 years	8,878	-	8,878	7,517	-	7,517
	18,403	10	18,413	15,581	8	15,589

NOTES TO THE FINANCIAL STATEMENTS (continued)

for year ended 31 December, 2019

11. Operating Leases (continued)

The rent payable in respect of leased premises is broken down as follows:

Location	Expiry Date	Break Clause	2019 Rent Payable € (000's)	2018 Rent Payable € (000's)	2019 Rent Payable STG £ (000's)	2018 Rent Payable STG £ (000's)
Head offices						
Dublin (3)	2038	-	629	611	552	541
Coleraine	2023	-	40	40	35	35
Overseas offices						
Amsterdam	2021	-	68	67	60	59
Brussels	2021	-	37	33	32	29
Copenhagen	2020	-	57	55	50	49
Dubai	2020	-	66	92	58	82
Frankfurt	2022	-	72	70	63	62
Glasgow	2028	-	24	15	21	13
London (3)	2025	2020	235	232	206	205
Madrid (1) (2)	Rolling	-	46	45	40	40
Milan (2)	Rolling	-	46	46	40	41
New York (1)	2024	-	574	560	504	496
Paris	2027	2024	188	147	165	130
Shanghai	2020	-	40	26	35	23
Sydney	2022	-	82	78	72	69
Toronto	2023	-	52	49	46	43
Total			2,256	2,166	1,979	1,917

Notes:

(1) Shared accommodation with another state agency or Government body.

(2) Premises currently occupied on a rolling basis with no fixed term.

(3) In accordance with FRS102, lease incentives are spread over the remaining lease period.

NOTES TO THE FINANCIAL STATEMENTS (continued)

for year ended 31 December, 2019

12. Reconciliation of the Surplus/(Deficit) of income over expenditure to net cash generated from operating activities

	2019	2018	2019	2018
	€	€	STG £	STG £
	(000's)	(000's)	(000's)	(000's)
Surplus/(Deficit) for the Year	2,657	(1,308)	2,331	(1,157)
Depreciation of property, plant and equipment	356	188	312	167
Transfer (from)/to Government Grant Reserve	(220)	989	(193)	875
Loss on disposal of property, plant and equipment	1	12	1	10
(Increase)/Decrease in receivables	(1,771)	1,862	(1,366)	1,632
Increase/(Decrease) in payables	1,399	2,474	566	2,290
Revaluation of opening balance	-	-	(41)	15
Revaluation of closing balance	-	-	(81)	(13)
Net cash generated from operating activities	2,422	4,217	1,529	3,819

13. Reconciliation of net cash inflow/(outflow) to movement in Cash and cash equivalents

	2019	2018	2019	2018
	€	€	STG £	STG £
	(000's)	(000's)	(000's)	(000's)
Cash and cash equivalents at 1 January	10,988	7,960	9,829	7,062
Net Cash inflow/(outflow)	2,285	3,028	1,409	2,767
Cash and cash equivalents at 31 December	13,273	10,988	11,238	9,829
Net cash inflow/(outflow) from operating activities	2,422	4,217	1,529	3,819
Net cash (outflow)/inflow from non-operating activities	(137)	(1,189)	(120)	(1,052)
Net cash inflow/(outflow)	2,285	3,028	1,409	2,767

14. Pensions

a) Background

The North/South Pension Scheme was established by the North/South Implementation Bodies and Tourism Ireland CLG with effect from 29 April, 2005.

The pension scheme consists of a number of sections with different benefit structures. The main sections are:

The Core Final Salary section – this is a final salary pension arrangement with benefits modelled on the Classic section of the Principal Civil Service Pension Scheme in Northern Ireland. The scheme provides a pension (eightieths per year of service), a gratuity or lump sum (three eightieths per year of service) and spouse's and children's pensions. Normal Retirement Age is a member's 60th birthday. Pensions in payment (and deferment) increase in line with general price inflation.

The Core alpha section – this is a career averaged revalued earnings pension arrangement or CARE scheme with benefits modelled on the alpha section of the Principal Civil Service Pension Scheme in Northern Ireland. The scheme provides a pension based on a percentage (2.32%) of pensionable pay for each year of active membership (the pension is increased at the start of each scheme year in line with general price inflation) and spouse's and children's pensions. Normal Retirement Age is a member's State Pension Age in the relevant jurisdiction, which is currently 67, 68 or between 67 and 68 in the UK and 68 in Ireland. Pensions in payment (and deferment) increase in line with general price inflation.

Reserved Rights sections – these are a number of sections of the scheme that are modelled on the Irish public service pension schemes that employees of the North/South Bodies were members of at the point they were designated and transferred at the

NOTES TO THE FINANCIAL STATEMENTS (continued)

for year ended 31 December, 2019

14. Pensions (continued)

formation of the Bodies. These schemes are final salary pension arrangements with benefits the same as the relevant Irish public sector scheme e.g. Superannuation Scheme for Established Civil Servants. These schemes provide a pension (for non-integrated members eightieths per year of service but for integrated members two-hundredths per year of service on salary up to 3.333 times the Old Age Contributory State Pension and eightieths per year of service on salary above 3.333 times the Old Age Contributory State Pension), a gratuity or lump sum (three eightieths per year of service) and spouse's and children's pensions. Normal Retirement Age is a member's 60th birthday (or 65th in the Non-Contributory Pension Scheme for Non-Established State Employees). Pensions in payment (and deferment) generally increase in line with general public sector salary inflation. The applicable Reserved Rights Scheme for Tourism Ireland CLG is the Bord Fáilte Éireann Superannuation Scheme.

Most Core section members have benefits in both the Final Salary and alpha sections and new entrants who join the Scheme after 1 April, 2015 will, in most cases, become members of the Core alpha section.

In addition Tourism Ireland makes contributions to a number of personal schemes operated by its employees.

b) Accounting Treatment

FRS102 requires financial statements to reflect, at fair value, the assets and liabilities arising from an employer's obligations and any related funding and to recognise the costs of providing superannuation benefits in the accounting periods in which they are earned by employees.

The effect of FRS102 is to recognise as expenditure in the year the cost of pensions earned, rather than the payments made to pensioners, and a corresponding funding amount. In addition the Statement of Financial Position recognises the cumulative liability for pensions earned by employees as at 31 December, 2019 together with a corresponding asset.

The valuation used for FRS102 disclosures at 31 December, 2019 has been carried out by a qualified independent actuary (Deloitte). The results this year have been prepared by carrying out a full valuation of the Scheme's liabilities incorporating market conditions and scheme data at 31 December, 2019.

The principal actuarial assumptions used to calculate scheme liabilities under FRS102 are:

	2019	2018
Discount rate (South)	1.30%	2.15%
Discount rate (North)	2.10%	2.75%
Inflation rate (South)	1.15%	1.40%
Inflation rate (North)	2.00%	2.15%
Rate of increase in salaries (South)	2.00%	2.15%
Rate of increase in salaries (North)	2.00%	2.15%
Rate of increase for pensions (South)	1.15 or 2.00%	1.40 or 2.15%
Rate of increase for pensions (North)	2.00%	2.15%
Average expected future life at age 65 for		
Male currently aged 65	22.0	21.9
Female currently aged 65	23.9	23.8
Male currently aged 45	23.4	23.3
Female currently aged 45	25.4	25.4

NOTES TO THE FINANCIAL STATEMENTS (continued)

for year ended 31 December, 2019

14. Pensions (continued)

c) Movement in Net Pension Liability during the financial year

	2019	2018	2019	2018
	€	€	STG £	STG £
	(000's)	(000's)	(000's)	(000's)
Retirement Benefit Obligation at the beginning of the year	(61,868)	(60,619)	(55,343)	(53,781)
Exchange differences	-	-	3,048	(472)
Benefits paid during the year	1,218	1,188	1,069	1,051
Current service cost	(2,668)	(2,736)	(2,341)	(2,421)
Net Transfers (in)/out of the scheme	-	-	-	-
Other finance income/(charge)	(1,462)	(1,328)	(1,283)	(1,175)
Actuarial (loss)/gain	(10,569)	1,627	(8,949)	1,455
Retirement Benefit Obligation at the end of the year	(75,349)	(61,868)	(63,799)	(55,343)

d) Analysis of the Actuarial gain/(loss) in the Plan during the period is as follows:

	2019	2018	2019	2018
	€	€	STG £	STG £
	(000's)	(000's)	(000's)	(000's)
Experience (loss)/gain	(575)	(1,539)	(487)	(1,377)
(Loss)/gain on currency movements	(1,247)	153	(1,056)	137
(Loss)/gain on change of financial assumptions	(8,747)	3,013	(7,406)	2,695
Actuarial (loss)/gain	(10,569)	1,627	(8,949)	1,455

e) Statement of Income and Expenditure analysis for the financial year

Analysis of the net deferred funding for pensions is as follows:

	2019	2018	2019	2018
	€	€	STG £	STG £
	(000's)	(000's)	(000's)	(000's)
Current service cost	2,668	2,736	2,341	2,421
Other finance cost	1,462	1,328	1,283	1,175
Benefits paid during the year	(1,218)	(1,188)	(1,069)	(1,051)
	2,912	2,876	2,555	2,545

Analysis of the current pension service costs is as follows:

	2019	2018	2019	2018
	€	€	STG £	STG £
	(000's)	(000's)	(000's)	(000's)
Current service cost	2,668	2,736	2,341	2,421
Other finance cost	1,462	1,328	1,283	1,175
	4,130	4,064	3,624	3,596

NOTES TO THE FINANCIAL STATEMENTS (continued)

for year ended 31 December, 2019

14. Pensions (continued)

f) Deferred Funding Asset for Pensions

	2019	2018	2019	2018
	€	€	STG €	STG €
	(000's)	(000's)	(000's)	(000's)
Opening Balance at 1 January	61,868	60,619	55,343	53,781
Increase/(Decrease) in Deferred Funding of Pension Asset	13,481	1,249	8,456	1,562
Closing Balance at 31 December	75,349	61,868	63,799	55,343

g) History of Defined Benefit Liabilities

	2019	2018	2017	2016	2015
	€	€	€	€	€
	(000's)	(000's)	(000's)	(000's)	(000's)
(Deficit) as at 31 December	(75,349)	(61,868)	(60,619)	(64,899)	(52,937)
Experience (loss)/gain	(575)	(1,539)	2,938	(4,700)	(608)
Percentage of Scheme Liabilities	(0.8%)	(2.5%)	4.8%	(7.2%)	(1.2%)

	2019	2018	2017	2016	2015
	STG €				
	(000's)	(000's)	(000's)	(000's)	(000's)
(Deficit) as at 31 December	(63,799)	(55,343)	(53,781)	(55,443)	(39,041)
Experience (loss)/gain	(487)	(1,377)	2,607	(4,015)	(457)
Percentage of Scheme Liabilities	(0.8%)	(2.5%)	4.8%	(7.2%)	(1.2%)

h) Private Pension Schemes

In circumstances where staff are unable to avail of the scheme, they may set up a personal defined contribution scheme, to which the Company will make a contribution. There are 45 staff members in such schemes.

15. Capital Commitments

The company had committed expenditure of €0.0m (€0.0m) at 31 December, 2019 (2018: €0.1m (€0.09m)) in respect of the fit out costs of its new Head Office premises.

16. Other Commitments

The Company had committed to marketing expenditure of €7.2m (€6.1m) at 31 December, 2019 (2018: €5.2m: €4.7m).

17. Grant Payment Commitments

There were no grant payment commitments at 31 December, 2019 (2018: Nil).

18. Contingent Liabilities

Contingent liabilities at 31 December, 2019 €0.8m (€0.7m) (2018: Nil).

Two employment tribunal cases in the cases of McCloud and Sargent were brought against the UK Government in relation to possible discrimination in the implementation of transitional protection following changes made to public service pension scheme legislation in the UK in 2015. In December 2018, the Court of Appeal ruled that the transitional protections gave rise to unlawful discrimination on the basis of age. The UK Government requested leave to appeal this decision to the Supreme Court, however the request was denied on 27 June, 2019.

NOTES TO THE FINANCIAL STATEMENTS (continued)

for year ended 31 December, 2019

18. Contingent Liabilities (continued)

The Department of Finance (Northern Ireland) continues to liaise with HM Treasury for proposals to address age discrimination in the wider public service schemes as a consequence of the McCloud ruling. Further, the rectification process is expected to be long and time-consuming, and will need to address fairly the issue of pension accruals since 2015 and where individuals may have been better off in new schemes. In this regard certain staff of Tourism Ireland, who are scheme members of the North South pension scheme, may need to be compensated for any discrimination suffered as a result of the transitional protections.

Quantifying the impact of the judgement at this stage is difficult as it will depend on the compensation awarded, members' future salary increases, length of service and retirement age, and whether (and when) members withdraw from active service. The terms of any possible settlement will require further consideration which will need approval by both the Department of Finance (Northern Ireland) and the Department of Public Expenditure and Reform (Ireland).

On this basis, no provision has been made in the accounts for the McCloud/Sargeant judgment. The North South pension scheme actuary estimates that any compensation payable by Tourism Ireland will be up to €800,000.

The estimate above has been agreed with NIAO and CAG and is based on a number of simplifying assumptions.

19. Related Party Transactions

Tourism Ireland CLG is a Company limited by guarantee with two members Fáilte Ireland and Tourism Northern Ireland, and sponsored by two government departments, the Department of Transport, Tourism and Sport in Ireland and the Department for the Economy (formerly the Department of Enterprise, Trade and Investment) in Northern Ireland. These agencies and departments are regarded as related parties and during the year Tourism Ireland CLG was principally funded and had various transactions with them. These transactions are disclosed in notes 2, 3 and 9.

In common with many other entities, Tourism Ireland CLG deals in the normal course of business with other bodies which are wholly or partially owned or controlled by either the Government of Ireland or the Government of the United Kingdom of Great Britain and Northern Ireland.

20. Board Members – Disclosure of Transactions

In the normal course of business, Tourism Ireland CLG may enter into contractual arrangements with undertakings in which Board Members are employed or otherwise interested. Tourism Ireland CLG has adopted procedures in accordance with the guidelines issued in relation to the disclosure of interests by Board Members and these procedures have been adhered to during the year.

During the year, Tourism Ireland CLG paid €38k (€34k) (2018: €17k, €15k) to Galgorm Castle Estate, of which Christopher Brooke is a Director, predominately in respect of hotel accommodation and facilities.

The Board member concerned did not receive any documentation from Tourism Ireland CLG on the transactions nor did the member participate in any decision relating to the transactions.

21. Approval of Financial Statements

The financial statements were approved by the Board of Directors on 19 November, 2020.



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