

Annual Report 2015





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BRIEF HISTORY AND STATUTORY BACKGROUND OF THE COMPANY

Tourism Ireland Limited 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. It takes policy direction from the NSMC and maintains a close working relationship with its founders, Fáilte Ireland and Tourism NI. 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 its funding from both jurisdictions. 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. The appointees of the northern jurisdiction had their four-year term extended by one year and that term expires in December 2016.





2015 HIGHLIGHTS

Overseas visitors to the island of Ireland **9.5 m**



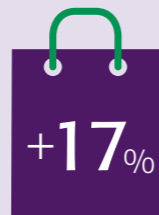
Increase in overseas visitors over 2014 **+12%**

Holiday visitors to the island of Ireland **4.3 m**



Spend by overseas visitors **€4.9bn/£3.6bn**

Increase in spend over 2014 **+17%**



Tourism Ireland markets overseas



TOP FOUR

Markets for inbound tourism



Overseas publicity worth **€358m/£290m eav**

Unique visitors to Ireland.com **16.6 m** in 2015

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

Facebook No. **4**

Twitter No. **2**

YouTube No. **2**

Ireland No. **5** for tourism marketing and branding (World Economic Forum)



Dublin No. **3** Lonely Planet's 'Best in Travel 2016'



Pine Island, Derryclare Lough, Co Galway

Ring of Kerry @storytravelers

CHAIRMAN AND CEO STATEMENT



Brian Ambrose
Chairman



Niall Gibbons
Chief Executive

2015 was the best year ever for overseas tourism to the island of Ireland. We welcomed approximately 9.5 million visitors, +12% growth over 2014, who contributed about €4.9bn/£3.6bn in revenue to the economies north and south. Growth was recorded from all of our markets, with the United States, Canada, Germany, France, Spain and Australia all turning in record performances once again in 2015. Holiday visitors from overseas grew by +19% during the year, an extra 680,000 holidaymakers. And, more importantly, revenue from overseas visitors grew by +17% during this period, an additional €713m/£613m compared with 2014.

This was the fifth consecutive year of growth in overseas tourism to the island of Ireland and we in Tourism Ireland are confident that the sector is on the path to another record-breaking year in 2016.

Strategic Priorities

In planning for 2015, Tourism Ireland set out a number of strategic priorities to maximise our promotional impact, to build on recent successes and to sustain growth into the future. Great Britain, North America and Mainland Europe, the markets offering the best return on investment – in terms of holiday visitors and revenue – were our top priority. In these markets, 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 also undertook an extensive programme

of promotions in Australia and in high potential, emerging markets – particularly China and India, where we highlighted the British-Irish Visa Scheme.

We continued to focus on three key audiences, which represent the highest potential for the island of Ireland. These are: 'culturally curious' (an older audience, wishing to explore new places), '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). Niche segments were also targeted – including golfers, business and incentive visitors.

Throughout 2015, Tourism Ireland undertook a packed programme of promotions, to bring the island of Ireland to the attention of travellers everywhere. Our promotions centred on the Wild Atlantic Way and the Causeway Coastal Route; other important themes included the 150th anniversary of the birth of WB Yeats, Game of Thrones, our world-class golf, Tourism Ireland's annual Global Greening initiative on St Patrick's Day and ID2015 (Year of Irish Design).

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

A significant and ambitious, three-year strategy to drive growth from the Australian market was launched in the spring, as part of our ongoing programme of market reviews. It set out challenging and ambitious targets which will see the number

of Australian visitors to the island of Ireland grow by +20%, to almost 220,000 per year, by the end of 2017. The Australian outbound travel market in general has seen remarkable growth in recent years and 2015 was another record year for visitor numbers to the island of Ireland from Australia.

Wild Atlantic Way, Causeway Coastal Route and Ireland's Ancient East

The Wild Atlantic Way and the Causeway Coastal Route were a major focus for Tourism Ireland throughout 2015. Up to 40 million potential visitors saw both routes across a range of platforms including TV, print and online advertising; on Ireland.com and through our social media channels; at major international consumer and trade fairs such as ITB in Berlin and World Travel Market in London; through familiarisation visits for influential travel agents and tour operators, as well as travel and lifestyle journalists and bloggers from around the world; and through Tourism Ireland's promotional material. In the second half of the year, Ireland's Ancient East was also introduced to the overseas travel trade, preparatory to being launched to consumers in 2016.

Overseas Publicity

Working with overseas travel, lifestyle and special interest media is an important element of our overseas promotional programme. In 2015, 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 €358m/£290m, in equivalent advertising value.

St Patrick's Day Global Greening

2015 was the sixth year of Tourism Ireland's annual Global Greening initiative for St Patrick's Day and it was bigger and better than ever before – with more than 180 landmark buildings and iconic sites taking part, generating significant positive publicity, worth more than €10m/£8m, for the island of Ireland across the world. In 2015, the Colosseum in Rome, the Sacré Cœur basilica in Paris and Edinburgh Castle joined our Global Greening for the first time.

Game of Thrones

In the spring, all eyes were on Northern Ireland when Tourism Ireland joined forces once again with HBO to leverage the incredible success of the hit TV series *Game of Thrones* and to promote Northern Ireland around the world. Timed to coincide with the return of the long-awaited fifth season of the series, our campaign ran for 12 weeks in Great Britain, the United States, Canada, Australia, France, Germany, Spain, Italy, the Netherlands and Scandinavia – generating about five million clicks, comments and shares and reaching about 100 million fans worldwide. In December, we won a top marketing award for the campaign, at the International Content Marketing Awards in London. Tourism Ireland was one of ten organisations shortlisted in the "Best Travel" category, beating off stiff competition from the likes of British Airways, Scandinavian Airlines and Qantas Airways, to take the top prize.

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. 2015 was another significant year in terms of access; most of the growth was delivered by Ryanair's continued expansion, with new routes and increased frequency on existing routes. Other notable positive developments included new routes introduced by a range of carriers (e.g. Aer Lingus from Washington DC to Dublin, KLM from Amsterdam to Belfast, Transavia from Paris to Dublin and Vueling from Barcelona to Belfast), as well as United's decision to reinstate its year-round flight from Newark to Belfast. An estimated 492,000 direct, one-way airline seats to the island of Ireland were available each week during summer 2015, a +9% increase in capacity over summer 2014. 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. Tourism Ireland's programme of co-operative marketing with air and sea carriers and travel industry partners invested €9.6m/£7.8m in joint marketing campaigns in 2015, leveraging significant commitment from the commercial sector.

Announcements of new services for 2016 augur well for the continued success of overseas tourism. These include three new Aer Lingus transatlantic flights to Dublin from Los Angeles, Hartford (Connecticut) and Newark (New Jersey). Aer Lingus will also launch services from Pisa and Montpellier to Dublin

and from Düsseldorf to Cork. Other new routes in the pipeline include a Brussels Airlines flight to Belfast City Airport; Ryanair service from London Gatwick to Belfast International Airport; Flybe flights from Edinburgh and Birmingham to Ireland West Airport Knock; CityJet's flights from Nantes and La Rochelle to Cork; an Iberia Express flight between Madrid and Cork; Air Canada rouge from Vancouver to Dublin; and an Aer Lingus Regional service from Edinburgh to Shannon.

In September, Tourism Ireland fought off tough competition to secure two major wins at the international World Route Awards, taking both overall winner – the 'World Routes Marketing' award – and the 'Best Destination Marketing' award. The awards, which took place in Durban, South Africa, have been running since 1997 and recognise excellence in airport and route development marketing. The winners are decided by the votes of international airlines.

Digital Marketing and Social Media

Tourism Ireland continued to grow its online presence, reaching almost 3.4 million fans on Facebook by year end. At the time of writing, the organisation is the third most popular tourism board in the world on Facebook, number two on Twitter and number two on YouTube. Our website, Ireland.com, attracted about 16.5 million unique visitors in 2015.

Other Highlights

2015 got off to a great start, when Tourism Ireland sponsored the Ireland team for the ICC Cricket World Cup, which took place in Australia and New Zealand. The Cricket World Cup was one of the world's biggest sporting events of the year, in terms of its global viewing audience; it was televised in 220 countries, to around 2.5 billion viewers. Tourism Ireland leveraged the huge, positive media exposure to support tourism growth from key cricket-loving countries.

In May, the visit by The Prince of Wales and The Duchess of Cornwall provided a unique opportunity to convince potential holidaymakers in Great Britain, our largest tourism market, to visit the island of Ireland during 2015. A large media contingent

travelled with the royal couple to cover the visit, bringing the story to millions of people in Britain and elsewhere around the world. The visit by Chinese Premier HE Mr Li Keqiang was also a wonderful opportunity to showcase Ireland to a huge audience of potential holidaymakers in China. The warm welcome extended to Mr Li helped reinforce the image of Ireland as an exceptionally friendly and welcoming destination, alerting Chinese travellers to the sort of warm welcome they can expect.

Also in May, following the 'yes' vote in the Marriage Referendum, Tourism Ireland unveiled its "Ireland says I do" campaign – targeting the LGBT community for weddings and honeymoons in Ireland. The campaign was rolled out in nine markets – including Britain, the United States, Canada, the Nordic region, Australia, France, Spain, Italy and Germany.

In November, Ireland participated for the first time ever in The Lord Mayor's Show in London, which celebrated its 800th anniversary. Tourism Ireland invited Lord Mayors and Mayors from across the island of Ireland to participate – to help showcase the island of Ireland in our largest tourism market and to further cement the relationship between Ireland and the UK.

2015 marked 150 years since the birth of world-renowned poet and Nobel laureate, WB Yeats, so Yeats2015 was a key theme for Tourism Ireland in its promotions around the world. Tourism Ireland also highlighted the wonderful, year-long ID2015 (Year of Irish Design) programme, our creativity and design – celebrating design in just about every form, including events across the island, as well as activities and showcases at design fairs and fashion weeks. We also promoted our world-class golf and the Irish Open at Royal County Down. And we highlighted Mount Stewart, which re-opened in April following extensive refurbishment.

Governance

The Board met eight times in 2015 and the meetings, which took place at various locations around the island, including Mount Stewart (Co Down), Sligo, Belfast, Dublin and Kilkenny, offered the opportunity for Board members to engage with local industry representatives and experience the tourism offering, including Mount Stewart House and Gardens, Lissadell House and Smithwick's Experience Kilkenny.

Matters considered by the Board during the year included the case for increased investment in tourism messaging, to improve our 'share of voice'; approval of the Australian market

review; approval of the draft statutory accounts 2014; approval of the Spanish and Italian reviews; as well as ongoing reviews of business performance and market updates. Presentations were made on the Companies Act 2014 and its implications. The Board oversaw the development of the Tourism Ireland Business Plan 2016, which was subsequently approved by the North South Ministerial Council, in December. Throughout 2015, reports were received from the Risk Management and Remuneration Committees on various matters including a review of senior management performance and satisfactory results arising from the internal audit programme.

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, Arlene Foster MLA (until May 2015) and Jonathan Bell MLA, Minister for Enterprise, Trade and Investment in Northern Ireland; from Paschal Donohoe TD, Minister for Transport, Tourism and Sport; and from Michael Ring TD, Minister of State for Tourism and Sport. Ministers were generous with their time in participating in a significant number of productive visits to markets overseas for key promotions and events 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 in unprecedented numbers. We pay tribute, too, to the members of the Central Marketing Partnership Group and to the members of the overseas Marketing Partnership Groups, who have given so freely of their time in working with us throughout 2015.

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 Tourist Industry Confederation. 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

Building on the success of 2015 and sustaining growth well into the future is at the heart of Tourism Ireland's 2016 strategy. Following five consecutive years of growth in overseas tourism, our aim is to surpass the record performance of 2015 and to welcome 9.8 million visitors to the island of Ireland in 2016. This figure will represent growth of +4% over 2015 and deliver €5.1bn/£4.4bn to economies here.

In 2016, we will unveil Ireland's Ancient East to consumers around the world, while continuing to place a major focus on the Wild Atlantic Way. We will promote Northern Ireland's Year of Food and Drink, inviting people who love great food to come and discover the best of local produce. We will also showcase Belfast and Dublin, in particular capitalising on the inclusion of Dublin at number three in the world in the prestigious 'Lonely Planet Best in Travel 2016'. We will highlight The Gobbins Cliff Path, which opened in August, as part of the Causeway Coastal Route; and will also take every opportunity to maximise the *Star Wars* connection with Ireland and the *Game of Thrones* connection with Northern Ireland.

We will continue to prioritise those markets that offer the best return on investment, in terms of holiday visitors and revenue i.e. Britain, North America and Mainland Europe. Emerging markets of high potential will also be targeted, particularly China and India, where Tourism Ireland will continue to highlight the British-Irish Visa Scheme.

Important factors working in our favour for 2016 include further new access developments, stronger economies in our key source markets, the continuing strength of the Ireland 'brand' (or image abroad), as well as favourable exchange rates for sterling and the dollar. Other positives include Tourism Ireland's strength in digital and social media. Continued product investment enhances our offering overseas – particularly investment in experiences like the Wild Atlantic Way, Ireland's Ancient East, Titanic Belfast and The Gobbins Cliff Path. Everyone at Tourism Ireland looks forward to working with our industry partners, at home and overseas, to build on the many opportunities that this exciting year has in store.

TOURISM IRELAND BOARD



Chairman
Brian Ambrose OBE, whose career spans 40 years in the aviation industry, has held senior management positions within

Bombardier in engineering and business development. In 1997, Mr Ambrose was appointed Director of Operations at Belfast City Airport, with responsibility for the day-to-day running of the airport. In January 2004, he was appointed Chief Executive of the airport and is responsible for a growing business with an annual passenger throughput in excess of 2.7 million and currently averaging 110 flights each day. With over 1,600 people currently working at the airport, Belfast City Airport has become a significant employer and contributor to the Northern Ireland economy. Mr Ambrose was Chairman of CBI Northern Ireland 2008-2009. He is also Chairman of Mencap Northern Ireland; a board member of Business in the Community; a trustee of the Titanic Foundation and a board member of Phoenix Natural Gas. He was awarded an OBE in the New Year Honours List in 2011.



Vice-Chairman
Joan O'Shaughnessy is the Special Advisor to Aramark and to its CEO. Joan has been a leader and representative

in the service industry for the past 38 years. She is Honorary President of the Hospitality Trust charitable foundation, a member of the American Chamber of Commerce, the Institute of Directors and Skål Ireland. Joan is also a Non-Executive Director of Bewley's Tea & Coffee Ltd and the Irish Food Service Suppliers Alliance (IFSA). Until her retirement in June 2011, Joan was CEO of ARAMARK Ireland, a position she held for over 12 years. As CEO, Joan strengthened the organisation to become one of Ireland's largest American multi-national companies, employing more than 4,000 staff across 400 locations nationwide.



Ciara Burke is employed within the health improvement field and works closely with community, statutory and industry to

address health and well-being needs. Her professional background includes experience in business development, marketing and public relations within a range of sectors. Previous roles have incorporated development of community-based tourism initiatives, product development, delivery of the Welcome to Excellence suite of programmes to the sector, in addition to marketing and event management for a leading visitor attraction.



Dr Howard Hastings OBE is the Managing Director of Hastings Hotels. He has recently completed a six-year term as Chairman of

Tourism NI. He is also a Director of the Merrion Hotel (which is 50% owned by Hastings Hotels) and a former Chairman of the Board of Governors at Rockport School Ltd. During the 1990s, he was Chairman of the Institute of Directors in Northern Ireland and founding Chairman of the Northern Ireland Hotels Federation. Howard's previous public appointments include an earlier stint at Tourism Ireland (2000-2007), the Training & Employment Agency and Investors in People (UK). Howard is a member of the Institute of Chartered Accountants of England and Wales. He holds a law degree from the University of Nottingham and a master's degree and honorary doctorate from Ulster University.



Stephen Kavanagh was appointed Chief Executive Officer and a member of the Aer Lingus Board on 1 March 2015. Mr Kavanagh

is a graduate of University College Dublin and joined Aer Lingus in 1988. He undertook a variety of roles in operational and commercial departments, culminating in his appointment as an executive in 2006 and was part of the Initial Public Offering team that brought Aer Lingus to market in that year. He served as Chief Commercial Officer from 2009, where he led improvements in retail and revenue management, partner and network development. Prior to his appointment as Chief Executive Officer, he held the role of Chief Strategy and Planning Officer.



David Lyle OBE is the Chief Executive of advertising agency LyleBaillie International Limited and has over 20 years' experience in

destination marketing. His unique experience in North-South co-operation includes producing 20 cross-border TV campaigns on road safety and public service awareness. He is a principal author of 44 award-winning effectiveness case studies and recipient of 260 creative awards – including five Grand Prix. In 2009 he was presented with the David Ogilvy Gold Award by the Advertising Research Foundation in New York. He specialises in evaluating the economic paybacks arising from advertising and was awarded the OBE in 2011 for services to road safety.



TOURISM IRELAND BOARD (continued)



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



Michael O'Sullivan is an environmental consultant. He has worked as project director on major multidisciplinary conservation and infrastructural

environmental management projects throughout Ireland over the past 25 years. Recent major projects include the Doonbeg Golf Course Masterplan and EIS/NIS for coastal protection, the Adare Manor Master Plan and EIS/NIS for development, the Broadmeadow Greenway EIS/NIS, Fingal and the Skellig Michael Environmental Assessment of Access. Michael has provided environmental and planning advice for industry and government alike. He edited the first Environmental Impact Assessment handbook in Ireland in 1990.



Shaun Quinn is Chief Executive of Fáilte Ireland, the state agency responsible for guiding and supporting the sustainable

development of tourism in Ireland. He was appointed to this position in 2003 and, under his stewardship, the agency has continually evolved in response to the needs of tourism development. More recently, he has successfully championed an 'experience brand' strategy to drive sustainable growth in inbound tourism. Over the period 2012-2013, he was Chairman of The Gathering, Ireland's largest community-driven tourism initiative. Prior to joining Fáilte Ireland, he was Chief Executive of CERT, the state tourism training agency, from 1998 to 2002. He joined tourism from the food sector, where he had been Head of Marketing within Bord Bia, the Irish Food Board, from 1994 to 1998. From 1986 to 1993, he worked with Coras Beostoic agus Feola (The Irish Meat and Livestock Board) as Economist and, latterly, as Director of Planning. He has served on several Government fora relating to tourism strategy and policy. He is a graduate of UCD and holds a master's degree in business administration.



Derek Reaney is from Plumbridge, Co Tyrone and is employed as a Development Officer with the Ulster-Scots Agency. He has previously

worked as a Manager of a cross-border peace and reconciliation project, working with rural communities in the North West. He has worked for almost 20 years in the community sector and has been particularly involved in a development capacity for marginalised communities and in supporting cultural projects. He has previously been a member of the Strabane Local Strategy Partnership and has served on the board of the North West Investing for Health Partnership and ARC North West Local Action Group. He is a Director of the Mourne Valley Credit Union in Newtownstewart, Co Tyrone.



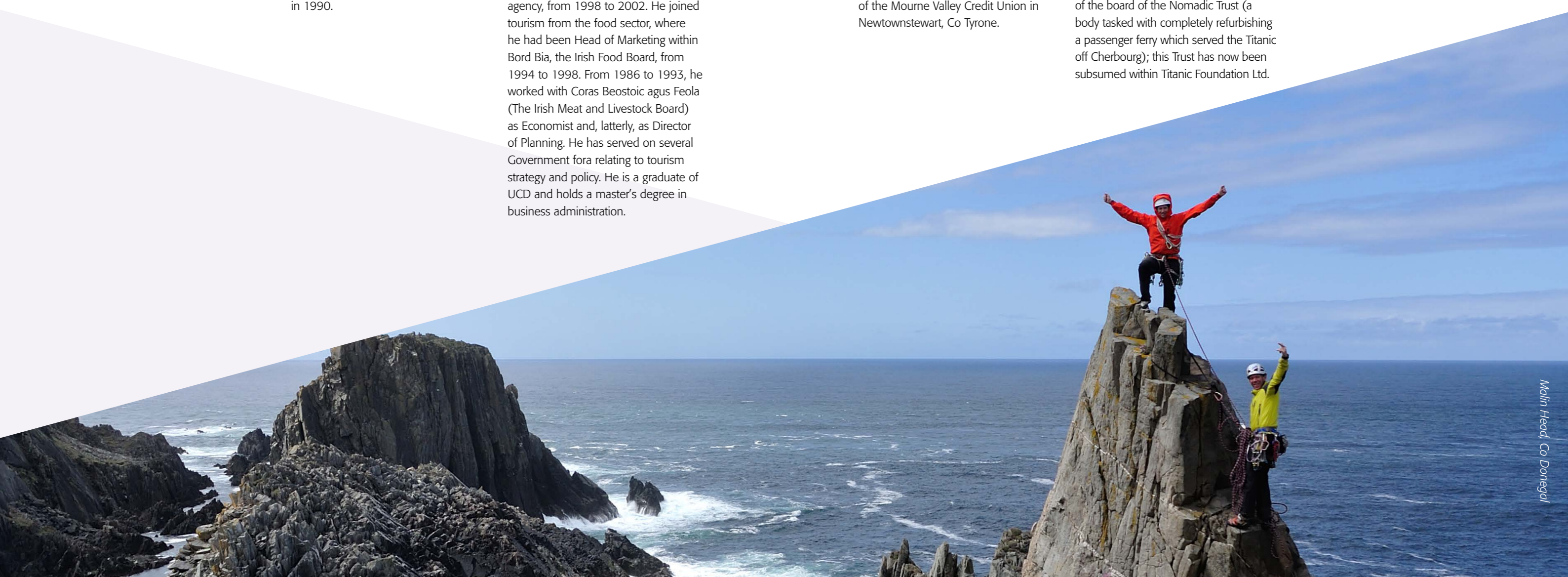
David Rodway is a retired marine consultant. During his career, mostly in sales and marketing (including eight years in Saudi Arabia), he was

also Managing Director of an aquaculture company based in Carlingford Lough from 1990 until 1999 and following his retirement, he continued as a part-time technical consultant. From 2005 to 2011, David served on Belfast City Council and a number of public bodies, including the board of the Belfast Metropolitan College (four years), the board of the Belfast Harbour Commissioners (five years) and the Belfast Education and Library Board (five years). He has also served on the board of Belfast Visitor & Convention Bureau and was, until recently, a member of the board of the Nomadic Trust (a body tasked with completely refurbishing a passenger ferry which served the Titanic off Cherbourg); this Trust has now been subsumed within Titanic Foundation Ltd.



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 has written two books, *Kitchen Con: Writing on the Restaurant Racket* and *The Dubliner Diaries*.





REPORT AND FINANCIAL STATEMENTS

for the year ended 31 December 2015

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COMPANY INFORMATION

Directors

Brian Ambrose OBE (*Chairperson*)

Jim Flannery (*Vice-Chairperson*)
(*Resigned 18 Dec 2015*)

Joan O'Shaughnessy (*Vice-Chairperson*)
(*Appointed 18 Dec 2015*)

Ciara Burke

Denis Cregan
(*Resigned 18 Dec 2015*)

Howard Hastings

John Healy
(*Resigned 18 Dec 2015*)

Stephen Kavanagh
(*Appointed 18 Dec 2015*)

David Lyle

Christoph Mueller
(*Resigned 29 April 2015*)

Elaine Murphy
(*Resigned 18 Dec 2015*)

David O'Brien
(*Appointed 18 Dec 2015*)

Michael O'Sullivan
(*Appointed 18 Dec 2015*)

Shaun Quinn

Derek Reaney

David Rodway

Trevor White
(*Appointed 18 Dec 2015*)

Chief Executive

Niall Gibbons

Secretary

Shane Clarke

Registered Office

5th Floor
Bishop's Square
Redmond's Hill
Dublin 2

Business Addresses

5th Floor
Bishop's Square
Redmond's Hill
Dublin 2

Beresford House
2 Beresford Road
Coleraine
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 2015

Brief History and Statutory Background of the Company

Tourism Ireland Limited 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. It 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. A Board of Directors is appointed by the NSMC for a period of usually four years.

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 (STG£) at the closing rate of STG£1 equals €1.35593 (2014: STG£1 equals €1.28783) for the Statement of Financial Position and at the yearly average rate of €1.37684 (2014: STG£1 equals €1.24033) 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 deficit of income over expenditure for the year was €1,170,294 (STG £849,985).

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, TNI and FI. Directors are usually appointed for a four-year term. The current term of the appointees from the Southern jurisdiction expires in December 2019. The appointees of the Northern jurisdiction had their four year term extended by one year and their term expires in December 2016.

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.

REPORT OF THE DIRECTORS (continued)

for the year ended 31 December 2015

There were 8 Board meetings during 2015 and the following table sets out the attendance:

	Number of meetings potentially able to attend	Number of meetings actually attended
Brian Ambrose (Chairperson)	8	8
Jim Flannery (Vice-Chairperson)	8	8
Ciara Burke	8	6
Denis Cregan	8	8
Howard Hastings	8	7
John Healy	8	7
David Lyle	8	7
Christoph Mueller	2	1
Elaine Murphy	8	6
Shaun Quinn	8	7
Derek Reaney	8	5
David Rodway	8	5

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

Risk Management Committee

This sub-committee is comprised of 4 Directors who meet on a quarterly basis to review and discuss the internal control environment of the Company. They are informed by the Company's Risk Register which is used to set out 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 Risk Management Committee meetings during 2015:

	Number of meetings potentially able to attend	Number of meetings actually attended
John Healy (Chairperson)	4	4
Christoph Mueller (Vice-Chairperson)	1	0
Ciara Burke	4	4
David Lyle	4	4
Denis Cregan	2	2

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 2015:

	Number of meetings potentially able to attend	Number of meetings actually attended
Denis Cregan (Chairperson)	1	1
Brian Ambrose	1	1
Jim Flannery	1	1
David Rodway	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 2015 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 Directors expect that the development of the Company's activities will continue in accordance with plans.

Principal Risks and Uncertainties

The principal risks and uncertainties faced by the Company are 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. There are no formal long-term funding agreements in place.

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

REPORT OF THE DIRECTORS (continued)

for the year ended 31 December 2015

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.

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 Limited made no charitable donations during the period.

Payment of Suppliers

Tourism Ireland Ltd'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 2015, the average time from receipt of a supplier invoice to payment was 18 days. During the year Tourism Ireland Ltd 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 Limited 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 Ltd 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.

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.

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 Ltd 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 Ltd 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.

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

REPORT OF THE DIRECTORS (continued)

for the year ended 31 December 2015

an intensely competitive market and if we do not offer the most attractive propositions, tourists will take their business elsewhere. Tourism Ireland Ltd 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.

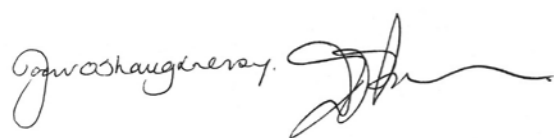
Without a talented, dedicated and motivated staff, Tourism Ireland Ltd cannot aspire to provide the excellent level of service our stakeholders deserve. For this reason, staff recruitment, training and development are given the highest priority. Our people and agents, based in 22 locations in 19 countries, are the key to Tourism Ireland's success over the past 15 years.

Tourism Ireland Ltd 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
Vice-Chairperson

David O'Brien
Director

Date: 20 July 2016

STATEMENT OF DIRECTORS' RESPONSIBILITIES

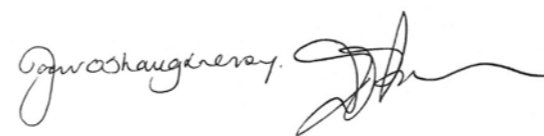
for the year ended 31 December 2015

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
Vice-Chairperson

David O'Brien
Director

Date: 20 July 2016

STATEMENT ON INTERNAL FINANCIAL CONTROL

for the year ended 31 December 2015

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.

Tourism Ireland Limited 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 Risk Management 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 Risk Management 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 2015 work programme included reviews of Budgeting and Management Reporting Processes, Business Continuity Planning and Disaster Recovery, Senior Management Travel, Subsistence and Expenses, External Communications and Internal Financial Controls.

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 February 2016, 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
Vice-Chairperson

Niall Gibbons
CEO

Date: 20 July 2016

REPORT OF THE COMPTROLLER AND AUDITOR GENERAL

Report for presentation to the Houses of the Oireachtas
for the year ended 31 December 2015

Tourism Ireland Limited

I have audited the financial statements of Tourism Ireland Limited for the year ended 31 December 2015 under the Companies Act 2014. 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. The financial reporting framework that has been applied in their preparation is the Companies Act 2014 and generally accepted accounting practice in Ireland.

Responsibilities of the Directors

The directors are responsible for the preparation of the financial statements, for ensuring that they give a true and fair view and otherwise comply with the Companies Act 2014 and for ensuring the regularity of transactions.

Responsibilities of the Comptroller and Auditor General

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

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

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

Scope of Audit of the Financial Statements

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

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

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

In addition, I read the company's annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit.

If I become aware of any apparent material misstatements or inconsistencies, I consider the implications for my report.

Opinion on the Financial Statements

In my opinion, the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2015 and of its income and expenditure for 2015; and
- have been properly prepared in accordance with generally accepted accounting practice in Ireland; and
- have been properly prepared in accordance with the requirements of the Companies Acts 2014.

Matters on which I am required to report by the Companies Acts 2014

I have obtained all the information and explanations that I consider necessary for the purpose 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. The financial statements are in agreement with the accounting records.

In my opinion, the information given in the directors' report is consistent with the financial statements.

Matters on which I report by exception

I report by exception if I find

- any material instance where money has not been applied for the purposes intended or where the transactions did not conform to the authorities governing them, or
- the information given in the company's annual report is not consistent with the related financial statements or with the knowledge acquired by me in the course of performing the audit, or
- the statement on internal financial control does not reflect the company's compliance with the Code of Practice for the Governance of State Bodies, or
- the disclosures of directors' remuneration and transactions as specified by the Companies Act 2014 are not made, or
- there are other material matters relating to the manner in which public business has been conducted.

I have nothing to report in regard to those matters upon which reporting is by exception.



Seamus McCarthy
Comptroller and Auditor General

Date: 27 July 2016

STATEMENT OF INCOME & EXPENDITURE

as at 31 December 2015

	Notes	2015	2014	2015	2014
		€ (000's)	As restated € (000's)	STG € (000's)	As restated STG € (000's)
Total Income	2	60,127	65,464	43,670	52,780
Less Expenditure	3	(61,519)	(64,842)	(44,681)	(52,278)
Transfer from/(to) Government Grant Reserve		222	220	161	177
(Deficit)/Surplus of income over expenditure		(1,170)	842	(850)	679

STATEMENT OF COMPREHENSIVE INCOME

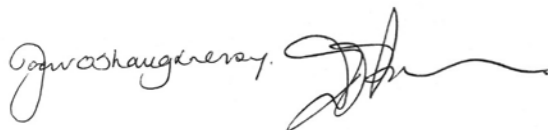
for the year ended 31 December 2015

	Notes	2015	2014	2015	2014
		€ (000's)	As restated € (000's)	STG € (000's)	As restated STG € (000's)
(Deficit)/Surplus of income over expenditure		(1,170)	842	(850)	679
Actuarial (loss)/gain on pension liabilities	16c	7,407	(7,352)	5,454	(5,709)
Adjustment to deferred pension funding		(7,407)	7,352	(5,454)	5,709
Total recognised gain/(loss) for the year		(1,170)	842	(850)	679

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 23 form an integral part of these Financial Statements.

On behalf of the Board


Joan O'Shaughnessy
Vice-ChairpersonDavid O'Brien
Director

Date: 20 July 2016

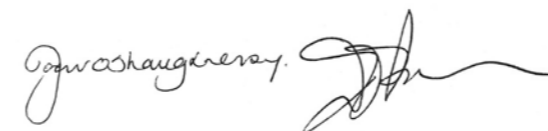
STATEMENT OF FINANCIAL POSITION

as at 31 December 2015

	Notes	2015	2014	2015	2014
		€ (000's)	As restated € (000's)	STG € (000's)	As restated STG € (000's)
Fixed Assets					
Intangible	7	243	365	180	284
Property, plant and equipment	8	113	213	83	168
		356	578	263	452
Current Assets					
Receivables	9	2,221	1,874	1,638	1,455
Cash and cash equivalents		4,872	8,468	3,593	6,575
		7,093	10,342	5,231	8,030
Current Liabilities (Amounts falling due within one year)					
Payables	10	(6,693)	(8,772)	(4,936)	(6,811)
Net Current Assets		400	1,570	295	1,219
Retirement Benefits					
Deferred pension funding	16e	52,937	58,100	39,041	45,115
Pension Liabilities	16c	(52,937)	(58,100)	(39,041)	(45,115)
		-	-	-	-
Total Net Assets		756	2,148	558	1,671
Represented by					
Income and Expenditure Account	12	400	1,570	295	1,219
Government Grant Reserve		356	578	263	452
		756	2,148	558	1,671

The Statement of Cash Flows and notes 1 to 23 form an integral part of these Financial Statements.

On behalf of the Board


Joan O'Shaughnessy
Vice-ChairpersonDavid O'Brien
Director

Date: 20 July 2016

STATEMENT OF CHANGES IN EQUITY

as at 31 December 2015

Income and Expenditure Account Reserve

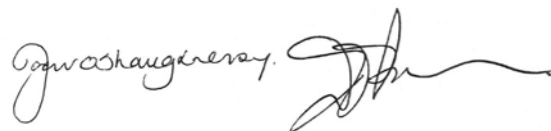
	2015	2014	2015	2014
	As restated	As restated	As restated	As restated
	€	€	STG £	STG £
	(000's)	(000's)	(000's)	(000's)
Balance at 1 January	1,570	728	1,219	614
(Deficit)/Surplus for year	(1,170)	842	(850)	679
Actuarial Gain/(Loss)	7,407	(7,352)	5,454	(5,709)
Deferred Pension Funding	(7,407)	7,352	(5,454)	5,709
Exchange Gain/(Loss)	-	-	(74)	(74)
Balance at 31 December	400	1,570	295	1,219

Government Grant Reserve

	2015	2014	2015	2014
	As restated	As restated	As restated	As restated
	€	€	STG £	STG £
	(000's)	(000's)	(000's)	(000's)
Balance at 1 January	578	798	452	666
Grants used to purchase property, plant and equipment	35	67	25	55
Amortisation in line with asset depreciation	(246)	(287)	(178)	(232)
Amount released on disposal of property, plant and equipment	(11)	-	(8)	-
Exchange Gain/(Loss)	-	-	(28)	(37)
Balance at 31 December	356	578	263	452
Total Equity at Year End	756	2,148	558	1,671

The Statement of Cash Flows and notes 1 to 23 form an integral part of these Financial Statements.

On behalf of the Board


Joan O'Shaughnessy
Vice-ChairpersonDavid O'Brien
Director

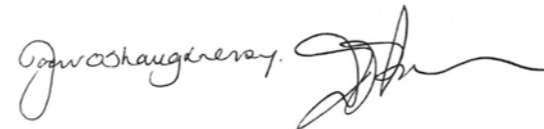
Date: 20 July 2016

STATEMENT OF CASH FLOWS

for the year ended 31 December 2015

	Notes	2015	2014	2015	2014
		As restated	As restated	As restated	As restated
		€	€	STG £	STG £
		(000's)	(000's)	(000's)	(000's)
Net cash generated from operating activities	14	(3,561)	3,474	(2,957)	2,423
Cash flows from investing activities:					
Payments to acquire property, plant and equipment		(35)	(67)	(25)	(55)
Cash flows from financing activities		-	-	-	-
Net (decrease)/increase in cash and cash equivalents	15	(3,596)	3,407	(2,982)	2,368
Cash and cash equivalents at the beginning of the year		8,468	5,061	6,575	4,207
Cash and cash equivalents at the end of the year		4,872	8,468	3,593	6,575

On behalf of the Board


Joan O'Shaughnessy
Vice-ChairpersonDavid O'Brien
Director

Date: 20 July 2016

STATEMENT OF ACCOUNTING POLICIES

as at 31 December 2015

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 Limited 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 Limited for the year ended 31 December 2015 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. These are Tourism Ireland Limited's first set of financial statements prepared in accordance with FRS 102. The date of transition to FRS102 is 1 January 2014. The prior year financial statements were re-stated for material adjustments on adoption of FRS102 in the current year. The results of this adoption can be seen in note 13.

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 Limited 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
- (iii) health care trend costs, the rate of medical cost inflation in the relevant regions

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.

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

STATEMENT OF ACCOUNTING POLICIES (continued)

as at 31 December 2015

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 Limited 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 of Enterprise, Trade and Investment 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. This treatment is inconsistent with accounting practice for UK Non-Departmental Bodies, where, due to the absence of a formal guarantee, a funding liability is not recognised until the commitment falls due.

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 2015

1. Format of Financial Statements

Euro results have been translated into Sterling at the year-end closing rate of €1.35593 (2014: €1.28783) for the Statement of Financial Position and the average yearly rate of €1.37684 (2014: €1.24033) for the Statement of Income and Expenditure.

2. Total Income

	Notes	2015 € (000's)	2014 € (000's)	2015 STG £ (000's)	2014 STG £ (000's)
Fáilte Ireland		41,933	44,884	30,456	36,187
Tourism Northern Ireland		14,798	16,302	10,747	13,144
Trade Income		1,001	1,112	727	897
Sundry Income		151	164	110	132
Net deferred funding for pensions	16d	2,244	3,002	1,630	2,420
		60,127	65,464	43,670	52,780

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 £11.986m (2014: £14.020m).

Income from Fáilte Ireland includes €1.183m: £0.859m (2014 €1.261m: £1.017m) for product marketing.

3. Expenditure

	Notes	2015 € (000's)	2014 As restated € (000's)	2015 STG £ (000's)	2014 As restated STG £ (000's)
Marketing Programmes		36,861	40,647	26,772	32,772
Overseas General Sales Agents		601	591	437	476
Staff costs	5	14,950	15,205	10,858	12,259
Office and Administration costs		7,234	6,639	5,254	5,352
Travel and subsistence		1,206	1,214	876	979
Legal and professional		581	455	422	367
Directors' remuneration	6	86	91	62	73
		61,519	64,842	44,681	52,278

Marketing programmes include €1.182m: £0.858m (2014 €1.260m: £1.016m) spent on product marketing.

NOTES TO THE FINANCIAL STATEMENTS (continued)

for year ended 31 December 2015

2015 Geographic Analysis of Expenditure

	Notes	Central € (000's)	Great Britain € (000's)	Europe € (000's)	Australia & Dev. Markets € (000's)	North America € (000's)	Total € (000's)
Marketing Programmes		7,171	8,466	9,614	1,706	9,904	36,861
Overseas General Sales Agents		-	-	120	481	-	601
Staff costs	5	7,531	1,247	3,343	588	2,241	14,950
Office and Admin costs		4,522	771	827	198	916	7,234
Travel & Subsistence		350	204	231	150	271	1,206
Legal and professional		399	-	59	41	82	581
Directors' remuneration	6	86	-	-	-	-	86
		20,059	10,688	14,194	3,164	13,414	61,519

	Notes	Central STG £ (000's)	Great Britain STG £ (000's)	Europe STG £ (000's)	Australia & Dev. Markets STG £ (000's)	North America STG £ (000's)	Total STG £ (000's)
Marketing Programmes		5,208	6,149	6,983	1,239	7,193	26,772
Overseas General Sales Agents		-	-	87	350	-	437
Staff costs	5	5,470	906	2,428	427	1,627	10,858
Office and Admin costs		3,284	560	601	144	665	5,254
Travel & Subsistence		254	148	168	109	197	876
Legal and professional		290	-	42	30	60	422
Directors' remuneration	6	62	-	-	-	-	62
		14,568	7,763	10,309	2,299	9,742	44,681

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 collateral materials.

4. Surplus/(Deficit) of Income over Expenditure

	Notes	2015 € (000's)	2014 € (000's)	2015 STG £ (000's)	2014 STG £ (000's)
Amortisation of intangible assets	7	122	122	88	98
Depreciation of property, plant and equipment	8	124	165	90	134
Auditors' remuneration		24	24	17	19
Directors' remuneration	6	86	91	62	73
Operating lease rentals – Land & Buildings		2,125	2,123	1,543	1,712
Operating lease rentals – Other		12	18	9	15

NOTES TO THE FINANCIAL STATEMENTS (continued)

for year ended 31 December 2015

5. Employees and Remuneration

		2015	2014	2015	2014
	Notes	€ (000's)	As restated € (000's)	STG £ (000's)	As restated STG £ (000's)
Wages & salaries		9,239	9,201	6,710	7,418
Social welfare costs		1,158	1,162	841	937
Student placement programmes		762	710	553	573
Company contribution to private pensions	16g	37	42	27	33
Current pension service costs	16d	3,502	3,805	2,544	3,067
Other payroll costs		252	285	183	231
		14,950	15,205	10,858	12,259

The average number of people employed during the year was 144 (2014: 149).

During the year, €195,630 (€142,086) of pension related deductions, under the Financial Emergency Measures in the Public Interest Act, 2009, as amended, were deducted and paid over to the Department of Transport, Tourism and Sport.

The current Chief Executive was re-appointed by the North South Ministerial Council on 10 June 2014 and his contract is for a period of 5 years. His salary in 2015 was €150,758 (€109,496) (2014 €152,757 (€123,159)), 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 Public Service Pension Levy of 9.0% and a new Core Scheme pension contribution of 7.35%.

Employee benefits breakdown*

	Number of employees 2015	Number of employees 2014
€60,001 - €70,000	16	17
€70,001 - €80,000	14	14
€80,001 - €90,000	11	11
€90,001 - €100,000	8	9
€100,001 - €110,000	3	2
€110,001 - €120,000	0	1
€120,001 - €130,000	1	1
€130,001 - €140,000	1	2
€140,001 - €150,000	4	3
€150,001 - €160,000	1	1
€160,001 - €170,000	1	1
€200,001 - €210,000	0	1

* 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 2015

6. Directors' Remuneration and Expenses Emoluments:

	2015	2014	2015	2014
	€	€	STG £	STG £
Mr Brian Ambrose	11,970	11,970	8,693	9,651
Mr James Flannery	9,830	9,830	7,139	7,925
Ms Ciara Burke	7,695	7,695	5,589	6,204
Mr Denis Cregan	7,695	7,695	5,589	6,204
Mr Howard Hastings	7,695	7,695	5,589	6,204
Mr John Healy	7,695	7,695	5,589	6,204
Mr David Lyle	7,695	7,695	5,589	6,204
Mr Christoph Mueller	2,565	7,695	1,863	6,204
Ms Elaine Murphy	7,695	7,695	5,589	6,204
Mr Derek Reaney	7,695	7,695	5,589	6,204
Mr David Rodway	7,695	7,695	5,589	6,204
For services as Directors	85,925	91,055	62,407	73,412

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:

	2015	2014	2015	2014
	€	€	STG £	STG £
Mileage	4,336	5,325	3,150	4,293
Accommodation and Subsistence	5,063	3,962	3,677	3,195
Other Travel expenses	1,214	1,329	882	1,071
Total	10,613	10,616	7,709	8,559

NOTES TO THE FINANCIAL STATEMENTS (continued)

for year ended 31 December 2015

7. Intangible Fixed Asset

	Domain Name € (000's)
Cost	
At 1 January 2015	609
Additions	-
Disposals	-
At 31 December 2015	609
Amortisation	
At 1 January 2015	244
Charge for Year	122
Disposals	-
At 31 December 2015	366
	€
Net Book Value	(000's)
At 31 December 2015	243
At 31 December 2014	365

	Domain Name STG € (000's)
Cost	
At 1 January 2015	473
Exchange Adjustment	(24)
Additions	-
Disposals	-
At 31 December 2015	449
Amortisation	
At 1 January 2015	189
Exchange Adjustment	(8)
Charge for Year	88
Disposals	-
At 31 December 2015	269
	STG €
Net Book Value	(000's)
At 31 December 2015	180
At 31 December 2014	284

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

Domain Names 5 years

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

NOTES TO THE FINANCIAL STATEMENTS (continued)

for year ended 31 December 2015

8. Property, Plant and Equipment

	Computer Equipment € (000's)	Fixtures & Fittings € (000's)	Leasehold Property € (000's)	Total € (000's)
Cost				
At 1 January 2015	1,619	976	2,410	5,005
Additions	31	4	-	35
Disposals	(84)	(65)	(29)	(178)
At 31 December 2015	1,566	915	2,381	4,862
Depreciation				
At 1 January 2015	1,462	920	2,410	4,792
Charge for Year	108	16	-	124
Disposals	(84)	(54)	(29)	(167)
At 31 December 2015	1,486	882	2,381	4,749
	€	€	€	€
Net Book Value	(000's)	(000's)	(000's)	(000's)
At 31 December 2015	80	33	-	113
At 31 December 2014	157	56	-	213

	Computer Equipment STG € (000's)	Fixtures & Fittings STG € (000's)	Leasehold Property STG € (000's)	Total STG € (000's)
Cost				
At 1 January 2015	1,256	760	1,872	3,888
Exchange Adjustment	(65)	(40)	(94)	(199)
Additions	23	3	-	26
Disposals	(61)	(47)	(21)	(129)
At 31 December 2015	1,153	676	1,757	3,586
Depreciation				
At 1 January 2015	1,134	714	1,872	3,720
Exchange Adjustment	(57)	(35)	(94)	(186)
Charge for Year	78	12	-	90
Disposals	(61)	(39)	(21)	(121)
At 31 December 2015	1,094	652	1,757	3,503
	STG €	STG €	STG €	STG €
Net Book Value	(000's)	(000's)	(000's)	(000's)
At 31 December 2015	59	24	-	83
At 31 December 2014	122	46	-	168

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

NOTES TO THE FINANCIAL STATEMENTS (continued)

for year ended 31 December 2015

9. Receivables

	2015	2014	2015	2014
	€	€	STG £	STG £
	(000's)	(000's)	(000's)	(000's)
Trade debtors	139	62	103	48
Fáilte Ireland	888	613	655	476
Sundry debtors and prepayments	1,194	1,199	880	931
	2,221	1,874	1,638	1,455

10. Payables

	2015	2014	2015	2014
	€	As restated	STG £	As restated
	(000's)	(000's)	(000's)	(000's)
Amounts falling due within one year				
Trade and sundry creditors	5,304	7,390	3,912	5,738
Trade income received in advance	15	46	11	36
Pay related tax costs and deductions	191	81	141	63
Pension costs	10	9	7	7
VAT	409	326	302	253
Accruals	764	920	563	714
	6,693	8,772	4,936	6,811

11. Operating Leases

At 31 December 2015 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	2,063	2	2,065	1,521	1	1,522
Between 2 and 5 years	6,310	4	6,314	4,654	3	4,657
More than 5 years	1,500	-	1,500	1,106	-	1,106
	9,873	6	9,879	7,281	4	7,285

NOTES TO THE FINANCIAL STATEMENTS (continued)

for year ended 31 December 2015

11. Operating Leases (continued)

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

Location	Expiry Date	Break Clause	2015 Rent Payable	2014 Rent Payable	2015 Rent Payable	2014 Rent Payable
			€	€	STG £	STG £
			(000's)	(000's)	(000's)	(000's)
Head offices						
Dublin (1)	2022	-	609	609	442	491
Coleraine	2023	-	44	43	32	35
Overseas offices						
Amsterdam	2016	-	66	63	48	51
Brussels	2018	-	35	35	25	28
Copenhagen	2020	-	51	50	37	40
Dubai	2016	-	68	61	49	49
Frankfurt	2022	2017	70	70	51	56
Glasgow (2)	Rolling	-	19	18	14	15
London (4)	2025	2020	283	318	206	256
Madrid (1) (2)	Rolling	-	43	47	31	38
Milan	2017	-	44	46	32	37
New York (1)	2019	-	546	502	397	405
Paris	2018	-	143	144	104	116
Shanghai (3)	2014	-	-	11	-	9
Sydney	2017	-	54	52	39	42
Toronto	2023	-	50	54	36	44
Total cost for year			2,125	2,123	1,543	1,712

Notes:

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

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

(3) This office was closed in April 2014.

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

12. Income and Expenditure Account

	2015	2014	2015	2014
	€	As restated	STG £	As restated
	(000's)	(000's)	(000's)	(000's)
Balance at 1 January	1,570	728	1,219	614
(Deficit)/Surplus for year	(1,170)	842	(850)	679
Actuarial Gain/(Loss)	7,407	(7,352)	5,454	(5,709)
Deferred Pension Funding	(7,407)	7,352	(5,454)	5,709
Exchange Gain/(Loss)	-	-	(74)	(74)
Balance at 31 December	400	1,570	295	1,219

NOTES TO THE FINANCIAL STATEMENTS (continued)

for year ended 31 December 2015

13. Transition to FRS102

	At 1 Jan 2014	At 31 Dec 2014	At 1 Jan 2014	At 31 Dec 2014
	€	€	STG £	STG £
	(000's)	(000's)	(000's)	(000's)
Reconciliation of Reserves				
Reserves (as previously stated)	898	1,730	746	1,343
Holiday Pay Adjustment	(170)	(160)	(132)	(124)
Reserves (as re-stated)	728	1,570	614	1,219

	At 31 Dec 2014	At 31 Dec 2014
	€	STG £
	(000's)	(000's)
Reconciliation of Surplus for the Year		
Surplus for the Year (as previously stated)	832	671
Holiday Pay Adjustment	10	8
Surplus for the Year (as re-stated)	842	679

Tourism Ireland Ltd had not previously made full provision for holiday pay earned by employees but not taken, at the reporting date. Under FRS 102, the financial statements must recognise such accruals. The impact of this change is an increase of €170,000 (£132,000) in Payables at the transition date and an increase in Payables of €160,000 (£124,000) at 31 December 2014.

The deficit is increased by €170,000 (£132,000) in the year ended 31 December 2013 and the surplus is increased by €10,000 (£8,000) in the year ended 31 December 2014.

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

	2015	2014	2015	2014
	As restated	As restated	As restated	As restated
	€	€	STG £	STG £
	(000's)	(000's)	(000's)	(000's)
(Deficit)/Surplus for the Year	(1,170)	842	(850)	679
Amortisation of intangible fixed assets	122	122	88	98
Depreciation of property, plant and equipment	124	165	90	134
Transfer (to)/from Government Grant Reserve	(222)	(220)	(161)	(177)
Loss on disposal of property, plant and equipment	11	-	8	-
Decrease/(Increase) in receivables	(347)	2,398	(183)	2,096
(Decrease)/Increase in payables	(2,079)	167	(1,869)	(333)
Revaluation of opening balance	-	-	(67)	(49)
Revaluation to closing balance	-	-	(13)	(25)
Net cash generated from operating activities	(3,561)	3,474	(2,957)	2,423

NOTES TO THE FINANCIAL STATEMENTS (continued)

for year ended 31 December 2015

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

	2015	2014	2015	2014
	€	€	STG £	STG £
	(000's)	(000's)	(000's)	(000's)
Cash and cash equivalents at 1 January	8,468	5,061	6,575	4,207
Net Cash inflow/(outflow)	(3,596)	3,407	(2,982)	2,368
Cash and cash equivalents at 31 December	4,872	8,468	3,593	6,575
Net cash (outflow)/inflow from operating activities	(3,561)	3,474	(2,957)	2,423
Net cash (outflow) from non-operating activities	(35)	(67)	(25)	(55)
Net cash (outflow)/inflow	(3,596)	3,407	(2,982)	2,368

16. Pensions*a) Background*

The North/South Pension Scheme was established by the North/South Implementation Bodies and Tourism Ireland Limited 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 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 Ltd is the Bord Fáilte Eireann 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.

NOTES TO THE FINANCIAL STATEMENTS (continued)

for year ended 31 December 2015

16. Pensions (continued)*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 2015 together with a corresponding asset.

The valuation used for FRS102 disclosures at 31 December 2015 has been carried out by a qualified independent actuary (Xafinity Consulting). 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 2015.

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

	2015	2014
Discount rate (South)	2.65%	2.10%
Discount rate (North)	3.70%	3.60%
Inflation rate (South)	2.00%	2.00%
Inflation rate (North)	1.90%	2.00%
Rate of increase in salaries (South)	3.00%	3.00%
Rate of increase in salaries (North)	2.90%	3.00%
Rate of increase for pensions (South)	2.00% or 3.00%	2.00% or 3.00%
Rate of increase for pensions (North)	2.00%	2.00%
Average expected future life at age 65 for		
Male currently aged 65	21.9	22.1
Female currently aged 65	23.8	24.3
Male currently aged 45	23.1	23.5
Female currently aged 45	25.3	25.8

c) Movement in Net Pension Liability during the financial year

	2015	2014	2015	2014
	€	€	STG €	STG €
	(000's)	(000's)	(000's)	(000's)
(Deficit) in the plan at the beginning of the year	(58,100)	(47,746)	(45,115)	(39,691)
Exchange differences	-	-	2,250	2,705
Benefits paid during the year	1,258	803	914	647
Current service cost	(2,135)	(1,979)	(1,551)	(1,595)
Net transfers (in)/out of the scheme	-	-	-	-
Past Service credit	101	-	73	-
Other finance income/(charge)	(1,468)	(1,826)	(1,066)	(1,472)
Actuarial gain/(loss)	7,407	(7,352)	5,454	(5,709)
(Deficit) in the plan at the end of the year	(52,937)	(58,100)	(39,041)	(45,115)

NOTES TO THE FINANCIAL STATEMENTS (continued)

for year ended 31 December 2015

16. Pensions (continued)

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

	2015	2014	2015	2014
	€	€	STG €	STG €
	(000's)	(000's)	(000's)	(000's)
Experience gain/(loss)	(608)	372	(457)	289
Gain/(loss) on change of financial assumptions	8,015	(7,724)	5,911	(5,998)
Actuarial gain/(loss)	7,407	(7,352)	5,454	(5,709)

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

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

	2015	2014	2015	2014
	€	€	STG €	STG €
	(000's)	(000's)	(000's)	(000's)
Current service cost	2,135	1,979	1,551	1,595
Past Service credit	(101)	-	(73)	-
Other finance cost	1,468	1,826	1,066	1,472
Benefits paid during the year	(1,258)	(803)	(914)	(647)
	2,244	3,002	1,630	2,420

Analysis of the current pension service costs is as follows:

	2015	2014	2015	2014
	€	€	STG €	STG €
	(000's)	(000's)	(000's)	(000's)
Current service cost	2,135	1,979	1,551	1,595
Past service credit	(101)	-	(73)	-
Other finance cost	1,468	1,826	1,066	1,472
	3,502	3,805	2,544	3,067

e) Deferred Funding Asset for Pensions

	2015	2014	2015	2014
	€	€	STG €	STG €
	(000's)	(000's)	(000's)	(000's)
Opening Balance at 1 January	58,100	47,746	45,289	39,691
(Decrease)/Increase in Deferred Funding of Pension Asset	(5,163)	10,354	(6,248)	5,424
Closing Balance at 31 December	52,937	58,100	39,041	45,115

NOTES TO THE FINANCIAL STATEMENTS (continued)

for year ended 31 December 2015

f) History of Defined Benefit Liabilities

	2015	2014	2013	2012	2011
	€	€	€	€	€
	(000's)	(000's)	(000's)	(000's)	(000's)
(Deficit) as at 31 December	(52,937)	(58,100)	(47,746)	(56,021)	(39,423)
Experience gain/(loss)	(608)	372	3,119	692	(36)
Percentage of Scheme Liabilities	(1.2%)	0.6%	6.5%	1.2%	(0.1%)

	2015	2014	2013	2012	2011
	STG £	STG £	STG £	STG £	STG £
	(000's)	(000's)	(000's)	(000's)	(000's)
(Deficit) as at 31 December	(39,041)	(45,115)	(39,691)	(45,439)	(32,946)
Experience gain/(loss)	(457)	289	2,593	561	(30)
Percentage of Scheme Liabilities	(1.2%)	0.6%	6.5%	1.2%	(0.1%)

g) 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 35 staff members in such schemes.

17. Capital Commitments

There were no capital commitments at 31 December 2015 (2014 - Nil).

18. Other Commitments

The Company had committed to marketing expenditure of €0.7m (€0.5m) at 31 December 2015 (2014 - €1.8m: £1.5m).

19. Grant Payment Commitments

There were no grant payment commitments at 31 December 2015 (2014 - Nil).

20. Contingent Liabilities

There were no contingent liabilities at 31 December 2015 (2014 - Nil).

21. Related Party Transactions

Tourism Ireland Ltd 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 of Enterprise, Trade and Investment in Northern Ireland. These agencies and departments are regarded as related parties and during the year Tourism Ireland Ltd was principally funded and had various transactions with them. These transactions are disclosed in notes 2, 9 and 10. Aer Lingus is regarded as a related party, as it was 25.11% owned by the Government of Ireland until mid-2015 and, as set out in note 22, Mr. Christoph Mueller and Mr. Steven Kavanagh were directors of both Tourism Ireland Ltd and Aer Lingus for part of the year.

In common with many other entities, Tourism Ireland Ltd 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.

NOTES TO THE FINANCIAL STATEMENTS (continued)

for year ended 31 December 2015

22. Board Members – Disclosure of Transactions

In the normal course of business, Tourism Ireland Ltd may enter into contractual arrangements with undertakings in which Board Members are employed or otherwise interested. Tourism Ireland Ltd 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.

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

Tourism Ireland Ltd engages in joint overseas marketing programmes (which are actively and widely promoted and open to any suitable applicant), with a large range of air and sea carriers, tour operators and enterprises at home and abroad as part of its operating plan.

During the year, Tourism Ireland Ltd made payments to Aer Lingus, of which Christoph Mueller and Steven Kavanagh were directors for part of the year, totalling €0.85m (€0.63m) of which €nil (€nil) was outstanding at the year-end {2014: €0.53m (€0.41m) of which €0.08m (€0.06m) was outstanding at the year-end}, predominantly in respect of joint overseas marketing programmes, (see note 21 above).

€83k (€61k) {2014: €55k (€43k)}, was paid to Abbey Tours, of which John Healy is a director, predominantly in respect of matched funding activities including overseas sales calls, familiarisation trips and new initiatives.

€33k (€24k) {2014: €21k (€16k)}, was paid to Hastings Hotels, of which Howard Hastings is a director, predominantly in respect of hotel accommodation and facilities.

23. Approval of Financial Statements

The financial statements were approved by the Board of Directors on 15 June 2016.



Dunluce Steps, Co Antrim

Tourism Ireland

Coleraine

Beresford House
2 Beresford Road
Coleraine
BT52 1GE
T: +44 28 7035 9200
F: +44 28 7035 6392

Dublin

5th Floor
Bishop's Square
Redmond's Hill
Dublin 2
T: +353 1 476 3400
F: +353 1 476 3666

E: info@tourismireland.com

W: www.tourismireland.com