

NESDO Annual Report

For year ending 2023

NESDO Annual Report

For year ending 2023

Contents

1.	Chairperson’s Statement	iii
2.	National Economic and Social Council NESC Work Programme 2023	1
3.	Organisational Effectiveness	9
4.	NESDO Accounting Policies	10
5.	Financial Statements as signed by the NESDO	11

1. Chairperson's Statement

The National Economic and Social Development Office (NESDO) was established under the National Economic and Social Development Office Act, 2006.

NESDO is a body corporate for the National Economic and Social Council (NESC) which advises the Taoiseach on strategic policy issues relating to sustainable economic, social and environmental development in Ireland.

NESDO provides full administrative and support services for NESC and submits reports, recommendations and conclusions arising from projects carried out by the NESC to Government and arranges for the subsequent publication of such items.

NESDO's Policies and Procedures Guidelines outline the corporate governance arrangements of the Office, including the functions and responsibilities of the NESDO Board and staff. The Guidelines comply with the Code of Practice for the Governance of State Bodies and are reviewed on a regular basis. I am satisfied that NESDO is in compliance with the Guidelines.

The NESDO Audit Committee held four meetings during 2023: on 21st March, 10th July, 19th September and 19th December. The Committee comprised:

- Nigel Clarke (Chairperson), Department of the Taoiseach

- Edna Jordan, NESC

- Cillian Doyle, Department of the Taoiseach

The Internal Audit Unit (IAU) of the Department of the Taoiseach operates as a resource for the Board and management of NESDO providing assurance on the adequacy and effectiveness of the organisation's system of internal controls including financial, operational and compliance controls and risk management.

The NESDO Internal Financial Control Procedures document sets out the accounting procedures and standards in operation, including those for cash, payroll, receipts, payments, travel and expenses, procurement, fixed assets, information technology security, budgetary controls and record management and retention.

During 2023 the NESDO Audit Committee reviewed the Risk Management Register & IT Risk Register, the Audit Committee Effectiveness Checklist, the Financial Statements (2022), the Internal Audit Charter, the Annual Review of Internal Controls, and the Audit Report on the Review of Financial Controls. No issues of significance were found. The Audit Committee confirmed its satisfaction with the adequacy and appropriateness of the system of internal controls within NESDO.

The positions of Chief Officer of NESDO and Director of NESC are occupied by the same person, who is paid in respect of his position as Director of NESC and receives no additional remuneration, emoluments or expenses in relation to his role as Chief Officer of NESDO. All staff of NESDO and NESC, including the Chief Officer/Director, are paid in accordance with relevant pay circulars issued by the Department of Public Expenditure and Reform. I am satisfied that NESDO is compliant with these circulars.

NESDO is committed to meeting its obligations under the Prompt Payment of Accounts Act, 1997. Its policy of settling all invoices within prescribed timeframes was adhered to during the year, with 94.93% of its payments made within 15 days of receipt of invoice. There were no invoices subject to Prompt Payment Interest in 2023.

During 2023, we were pleased in NESDO to be able to adopt a blended working policy, in alignment with the wider civil service framework.

I confirm that there were no significant post balance sheet events during 2023.

John Callinan, Chairperson
National Economic and Social Development Office

2. National Economic and Social Council NESC Work Programme 2023

The following NESC reports were published in 2023:

Private Rental in Ireland (NESC Report No. 159): This report presents a profile of the private rental sector, including tenants, landlords and properties. It examines the pressures that are affecting the sector at present and considers a possible policy response. The report also provides a foundation for a longer-term discussion about the evolution of the rental sector.

Understanding the Irish Economy in a Time of Turbulence (NESC Report No. 160): Since 2020, Ireland's economy has experienced a sequence of three significant shocks, in the form of the pandemic, the cost-of-living crisis, and the invasion of Ukraine. Over that time the policy-system has demonstrated flexibility, responsiveness, and effectiveness.

Government and the policy-making system have attended to immediate pressures which arise on foot of these shocks and found ways to prioritise and address the needs of the most vulnerable. In this report, the Council seeks to complement that ongoing work by focusing on both the immediate and beyond, to provide an understanding of the economy in what are, truly, turbulent and unpredictable times.

Social Enterprise on the Island of Ireland (NESC Report No. 161): This report provides an overview of the state of social enterprise internationally, in Ireland, in Northern Ireland, and on a shared island basis.

A social enterprise is an enterprise whose objective is to achieve a social or environmental impact, rather than maximising profit for its owners or stakeholders. It has a market trading relationship but reinvests its profits for a social or environmental purpose.

Social enterprise has the potential to provide training and jobs for the long-term unemployed and people with disabilities, provide much-needed services in disadvantaged communities, along with addressing issues such as food poverty and climate change.

The report concludes that there is a need for a co-ordinating framework for social enterprise and that there is the opportunity to have a greater ambition especially in relation to developing a stronger enterprise focus. Areas for growth of social enterprise are suggested as providing employment opportunities for people distant from the labour market, in renewable energy generation, the circular economy and the restoration of biodiversity, and in caring for children, people with disabilities and older people. Social enterprises can be supported across the island of Ireland, for example, through the Peace Plus programme.

Just Transition in Agriculture and Land Use (NESC Report No. 162): The agriculture and land use sector can increasingly be a part of the solution to address urgent climate change and biodiversity loss.

Ireland has committed to a national climate objective of transitioning to a climate-resilient, biodiversity-rich and climate-neutral economy by no later than the end of 2050 (Government of Ireland, 2021a). All sectors are required to contribute. For agriculture, a 25 per cent reduction in emissions is required by 2030, with the target for land use and land-use change to be put in place following the completion of the Government's Land Use Review.

This report argues that tackling the environmental challenge must be addressed together with the intersecting economic and social challenges.

The starting point for the ambitious transition that is required is a vision that all stakeholders can agree to work collectively towards. The journey towards this vision must be underpinned by a commitment to continuous learning and will be supported by a just transition process focused on a transition within, not out of, agriculture. NESC identifies the

benefit of an inclusive engagement process to develop and deepen a sense of shared purpose for the sector's transition based upon clear, coherent and consistent communications.

Inequality and Well-Being Frameworks (NESC Report No 163): Inequality, although a contested concept, is generally understood to mean the unequal distribution of social, biological and other factors, which results in unequal opportunities and/or outcomes for those negatively affected. It has damaging consequences for individuals, as well as for the wider society and economy.

A variety of methods and approaches are used by governments and international governmental organisations to address inequality. These include macro-level policies supporting redistribution, legislation and national strategies; institutions to monitor and promote equality, policy proofing and equality budgeting; and positive action and pilot programmes. These approaches range from the 'hard' (e.g. legally binding) to the 'soft' (e.g. collection of data). Legally binding commitments are usually the strongest, but softer approaches play a role too, in terms of introducing ideas and concepts to promote equality and address inequality. Political will behind their implementation is also key.

This report examines a new approach that may hold promise for identifying and addressing inequalities: a well-being framework (WBF). Such frameworks have been increasingly developed since 2008 as a way of moving away from a focus on gross domestic product (GDP) in order to measure a country's outcomes (e.g. economic, social, environmental).

Is Ireland Thriving? Answers from International Assessments (NESC Secretariat Series No. 32): This Secretariat Report examines the extent to which Ireland can be described as a thriving country with reference to nine regularly cited assessments (covering well-being; human development; sustainable development; transition performance; social progress; biodiversity; competitiveness; inclusive wealth; and the doughnut model incorporating ecological and planetary boundaries).

The approaches examined have limitations, yet their consideration is a necessary starting point in any discussion of a country's social, economic, and environmental position. This paper reinforces the position that they can only be a starting point.

NESC held two events in 2023.

Exploring Just Transition in Agriculture and Land Use (30th June 2023): The agriculture and land use sector can increasingly be a part of the solution to addressing the climate change and biodiversity crises. This requires that the environmental challenge is addressed together with the intersecting economic and social challenges facing the sector.

Bringing together a wide range of stakeholders across the agriculture, land use, climate and environmental sectors, this event explored the key themes and recommendations of the NESC Council Report No.162, Just Transition in Agriculture and Land Use. The central question this event addressed is how to achieve a just transition in the agriculture and land use sector. Based upon the analysis and recommendations in NESC report No.162, this event explored how the transition in agriculture and land use can be opportunities led, including diversifying incomes, supporting rural regeneration and leveraging innovative sources of finance. It explored how effort and costs can be equitably shared as well as inclusive processes for governing transition.

NESC @ 50 Conference - A Thriving Ireland: Foundations & Actions (23rd November 2023): Throughout 2023 NESC engaged in a programme of activities to mark its establishment in 1973. This was an opportunity to look back at the impact of the Council, and an opportunity to look forward and to consider how the Council can continue to find solutions to complex and challenging economic, social and environmental issues.

The conference had three broad aims.

First, it sought to highlight the very valuable impact of NESC over its five decades. It highlighted work such as the Developmental Welfare State report in the 2000s, and more recent work on affordable housing and innovative ideas such as cost rental.

Second, the conference was designed to assess our performance as a country. It painted a positive picture on many high-level measures, including: life expectancy, population growth, income and wealth and standard of living, overall life satisfaction, employment, safety and security; and satisfaction with democracy. But it also showed the need to improve. It reminded us of the many households which continue to have great difficulty making ends meet. There remains too large a cohort of children who experience poverty and deprivation. There are places throughout the country with extreme concentrations of poverty, particularly small pockets in Dublin city, the outskirts of Cork, Waterford and Limerick and a small number of rural towns.

In relation to the environment and climate change, progress was noted but also the stark facts that per-capita greenhouse-gas emissions remain too high, and Ireland's biodiversity is under significant threat.

Third, the conference was designed to look at how we build on progress and protect those who are vulnerable while also dealing with deeper structural forces- linked to climate change, demography, generative AI, misinformation and geopolitical change.

It found that it is crucial that as a country that we continue to deepen the capacity to listen and act on the concerns of citizens and their 'lived experiences'; and, of the need to create more space for longer term 'cathedral-type thinking', which helps visualise a more hopeful future for all citizens, current and future.

The Council published a book NESC@50: Ireland at Pivotal Moment to mark the anniversary. The book captures the voices and ideas of over 40 people who participated in a major conference at Dublin Castle in November 2023.

International Meetings of the Economic and Social Council (ESCs) of EU Member States

NESC participated in the annual meeting of Economic and Social Councils of the member states of the European Union and the European Economic and Social Committee (EESC). In 2023, the meeting was hosted by the Spanish CES in Madrid, on 16 and 17 November.

As well as sharing information on the work of the councils and the state of social and civil dialogue in each of the member states, the meeting discussed 'Organised civil society: an active guarantor of the twin transition and participatory democracy'.

International Meetings of the European network of sustainable development councils

NESC participated online in the EEAC Annual Conference, 'Sustainability, solidarity and resilience: shared values in the European Union', which was held in Bucharest on 4–6 October.

NESDO Board meetings held during 2023

The NESDO Board met twice in 2023; 21st June and 18th December. The membership of the Board is as follows:-

- John Callinan, Department of the Taoiseach, Chairperson.
- Elizabeth Canavan, Department of the Taoiseach, Deputy Chairperson.

Also in attendance was NESDO Chief Officer, Dr Larry O'Connell.

NESC Council meetings held during 2023

The Council met four times in 2023; 30th March, 28th June, 28th September and 18th December. The membership of the Council for 2022-2027 was nominated as follows:-

- John Callinan, Department of the Taoiseach, Chairperson
- Elizabeth Canavan, Department of the Taoiseach, Deputy Chairperson

Three members from Business and Employers:

- Ian Talbot, Chief Executive Officer, Chambers Ireland
- Gerard Brady, Chief Economist, ibec
- Hubert Fitzpatrick, Chief Operating Officer, Construction Industry Federation

Three members from Trade Unions:

- Owen Reidy, General Secretary, ICTU
- Joe Cunningham, General Secretary, SIPTU
- Keven Callinan, General Secretary, IMPACT

Three members from Farming and Agricultural:

- Damian McDonald, Director General, IFA
- John Enright, General Secretary, ICMSA
- TJ Flanagan, Chief Executive Officer, ICOS

Three members from Community and Voluntary:

- Seán Healy, Social Justice Ireland
- Brid O'Brien, Irish National Organisation of the Unemployed
- Nat O'Connor, Senior Public Affairs and Policy Specialist, Age Action

Three members from Environment:

- Karen Ciesielski, Coordinator, Environmental Pillar
- Caroline Whyte, Feasta
- Jerry Mac Evilly, Head of Policy Change, Friends of the Earth, Ireland

Four members from the Public Service:

- John Hogan, Secretary General, Department of Finance
- Orlaigh Quinn [Jan-Sept] & Declan Hughes [Sept-Dec], Secretary General, Department of Enterprise, Trade and Employment
- Graham Doyle, Secretary General, Department of Housing, Planning, Community and Local Government
- David Moloney, Secretary General, Department of Public Expenditure, NPD Delivery and Reform

Eight independent members nominated by the Taoiseach:

- Seamus Coffey, University College Cork
- Professor Niamh Moore Cherry, University College Dublin
- Dr. Diarmuid Torney, Dublin City University

-
- Dr. Chris Van Egeraat, National University of Ireland Maynooth
-
- Professor Colin Scott, University College Dublin
-
- Noelle O’Connell, European Movement Ireland
-
- Nichola Mallon, Ex MLA, Northern Ireland Assembly
-
- Colette Byrne, Ex Kilkenny County Council

NESC Secretariat Work during 2023

During 2023, the Secretariat made numerous presentations on NESC work, contributed to a range of conferences, seminar and workshops and served on a number of committees and working groups. A number of these activities are listed below.

Dr Larry O’Connell, Director was an invited speaker and panellist at the following events:

- Housing Ireland Conference, March
-
- DCU Food Security Discussion, April
-
- Civil Service Management Board, October
-
- Reflections on the Well-being Framework for Ireland, November
-
- ‘Talking about Land Conference’, December
-
- Art of the Wellbeing Economy, December

Dr Helen Johnston (Senior Policy Analyst). During 2023 Dr Johnston was a member of:

- Technical Advisory Group on Poverty Indicators and Data;
-
- Department of Expenditure and Public Reform’s Equality Budget Proofing Expert Advisory Group;
-
- Implementation Network and Steering Group;
-
- Katharine Howard Foundation Trustee;
-
- Focus Ireland’s Research Advisory Group;
-
- Childhood Development Initiative’s Research Advisory Committee.

She was an invited speaker at the following events:

- The Institute of Public Administration Doctorate in Governance Programme on ‘Implementation’, Dublin, January;
-
- Department of Social Protection Policy Symposium on Poverty, Sligo, March;
-
- UCD Lecture on ‘Careers in Public Policy’, Dublin, March;
-
- NERI 11th Annual Conference on ‘The Potential of Social Enterprise on the island of Ireland’, Belfast, May;
-
- North South Bodies Annual Conference on ‘North South Cooperation over 25 Years: Reflections’, Armagh, May;
-
- EAPN Ireland Conference Panel on ‘The Contribution of Ireland to the EU’s Role in Tackling Poverty and Benefits Gained’, Dublin, May;

-
- Moderator of Question-and-Answer Panel at the Social Inclusion Forum, Dublin, June;

 - 7th Annual meeting of the OECD Gender Budgeting Network on 'Equality Budgeting in Ireland', Dublin, June;

 - All-island Climate and Biodiversity Research Network PEACEPLUS Workshop, Dundalk, August;

 - Mesmer+ project, Mapping European Social Economy, seminar on 'Social Enterprises in Ireland', Dublin, September;

 - All-Island Social Security Network presentation on 'The current state of social security in Ireland', Belfast, December; and

 - AgendaNI Annual Economic Conference presentation on 'Social Enterprise on the Island of Ireland', Templepatrick, December.

Dr Damian Thomas (Senior Policy Analyst). During 2023, Dr Thomas was a invited speaker at the following events:

- Presentation on 'Locational Value for Public Good' at the Housing Agency's Talking About Land Series; Session 5: Land Value Capture, 17/01/23, online

- Presentation on 'Partnership Principles and Practices' at Health Dialogue Forum with Voluntary Organisations' Launch of Partnership Principles, Department of Health, 3rd April 2023

- Panel Member 'Researching Fair Work in the Hospitality Sector Symposium', Irish Academy of Management, University of Galway, 23rd August 2023

- Presentation on 'Reframing Collective Bargaining and Industrial Relations', NERI Seminar Series, ICTU, 20th September 2023

Dr Cathal FitzGerald (Senior Economics). Dr FitzGerald is a member of:

- The National Planning Knowledge Group; and

- The National Planning Advisory Forum.

He presented research at the following:

- The Housing Commission;

- European Heads of Mission;

- Austrian Finance Ministry; and

- Department of Transport's Open Policy Forum.

Niamh Garvey (Senior Policy Analyst). During 2023 Ms Garvey was a member of the following:

- Land Use Review Phase 2 Technical Working Group, DAFM/DECC/DHLGH.

- Land Use Review Phase 2 Citizen Engagement Working Group, DAFM/DECC/DHLGH.

- Bio-economy Implementation and Development Group, DAFM/DECC.

- Climate Research Coordination Group, EPA.

- National Environmental Research Coordination Group, EPA.

- (Alternate member) Climate Change Advisory Council Carbon Budgets Working Group.

- Steering committee meeting for phase IV of the EPA-ESRI research programme.
- Monitoring Committee for the Rural Development Programme for Ireland 2014 – 2022.
- Consultative group of the DAFM-Climate KIC Deep Demonstration project.
- Carbon Farming Flagship Delivery Team, DAFM/Climate KIC.
- Steering Committee of the EPA funded research project: Just resilience and adaptation in Ireland: sectors and regions (Just Adapt).
- Steering Committee of the EPA funded EPA-IPA research projects: 2022-GCE-1085: Wider Environmental Governance & Implementation Science and 2022-GCE-1086: Waste & Circular Economy Governance.

She/he was an invited speaker at the following events:

- Rapporteur on Just Transition at the National Climate Stakeholder Forum, 10th May, 2023
- Communities Creating Change, Mary Robinson Climate Justice Conference, 6th July, 2023
- Just Transition, Climate KIC and Metabolic webinar, 11th August, 2023
- Poverty, Income Inequality and Living Standards in Ireland, ESRI event at the Royal Irish Academy, 7th September, 2023
- From farm to fork: Shaping sustainable food systems, EIT Climate KIC and Department of Agriculture, Food, and the Marine (DAFM) conference, UCD. 28th September, 2023
- A Just Transition, Social Justice Ireland Annual Policy Conference, online, 15th November, 2023
- Farmer-led Climate Adaptation and Mitigation: why and how trees on farms can help, Irish Agroforestry Forum Conference, 16th November, 2023
- Contribution of Social Science to Climate Change Research, MUSSI and Maynooth FSS Sustainability and Just Transition Research Group, 8th December, 2023

She/he was an invited speaker at the following meetings:

- Austrian Finance Ministry delegation to Ireland meeting with the Department of Public Expenditure, NDP Delivery and Reform on Green Budgeting, Dublin. 4th May,
- EEAC Ecosystem Services Working Group peer exchange on soil and water, online, 26th June,
- Meeting with a Slovenian delegation to Ireland, EIT Climate KIC and DAFM exchange, Dublin. 27th September.
- EEAC Exchange Meeting Series, presentation on stakeholder engagement, online, 17th October
- Workshop on land use, meeting of the Water Forum, Dublin, 12th October, 2023
- Meeting of the German Sustainability Council, online, 7th November, 2023:
- Meeting of the Green Growth Officials Group, Irish Permanent Representation to the EU, Brussels, 28th November, 2023:

Dr Jeanne Moore (Policy Analyst). During 2023 Dr Moore was a member of:

- The Carbon Budget Working Group, Climate Change Advisory Council;
- National Social and Behavioural Advisory Group on Climate Action;

-
- National Environment Research Coordination Group;

 - Irish Climate Change Assessment Steering Committee;

 - DCU Centre for Climate and Society Advisory Board; and

 - IIEA Climate and Energy Working Group.

She was an invited speaker at the following events:

- • ‘Linking the Irish Environment’, Northern Ireland Environment Link and Irish Environmental Network, Belfast, June;

- • The Mary Robinson Climate Conference, Ballina, July;

- • Shared Island Youth Forum Event, Dublin, October;

- • ‘A Just Transition’ Social Justice Ireland Annual Social Policy Conference, Online, November.

Gemma O’Reilly (Policy Analyst). During 2023 Gemma O’Reilly was a member of;

- The Delivery Working Group of the Housing Commission

- National Demand Management Strategy, Captive Car Users group

- Bureau of the OECD Working Party on Climate Change

- OECD Working Party on Finance and Investment for Environmental Goals

She was an invited speaker at the following events;

- Rapporteur ‘National Sustainable Mobility Forum’, Dept of Transport, Athlone, April

- Closing meeting, OECD Working Party Climate, Investment and Development, Paris, September

- Towards Climate Neutrality, Dublin Climate Action Week, Dublin City Council, Dublin, October

Noel Cahill (Economist). During 2023 Noel Cahill was a member of;

- Housing Agency Supply and Affordability Advisory Panel.

He presented at the ‘Private Rental in Ireland’ to the 10th Annual National Property Summit, IQuest, Dublin, November.

Dáithí Downey (Policy Analyst). During 2023 and whilst on Secondment from DCC Dáithí presented at the following events:

- ‘Housing Affordability Indicators: towards greater sophistication in comparative measurement’ to the session on Housing Observatories: A View of Affordability in Times of Soaring Inflation at the International Social Housing Festival (ISHF) June;

- Affordable housing production, finance and the state in the global North and South at the Annual Conference of the Royal Geographical Society, England, August.

- ‘Consulting the Community? A forum on community consultation and housing regeneration’ organised by the School of Architecture and Built Environment (SABE) at the Technical University of Dublin (TUD), November.

3. Organisational Effectiveness

Governance and Financial Reporting

NESDO is committed to attaining the highest standard of corporate governance within the organisation. The overall governance and control framework within NESDO is guided by compliance with the NESDO Act 2006 and the Provisions of the Code of Practice for the Governance of State Bodies (2016).

During 2022, given the introduction of NESDO’s Blended Working policy, particular emphasis continued on monitoring the control environment operating in NESDO, focussing on financial and data management.

Risk Management

The effective management of organisational risk requires robust control processes to support NESDO and the Board in achieving NESDO’s objectives. Risk and control functions are established in the role of Audit & Risk Committee appointed by the Board, who review performance, risk matters including policy and practice. NESDO has an established Risk Register which is reviewed and approved at regular intervals by the Audit & Risk Committee.

Public Sector Duty

The Irish Human Rights and Equality Commission Act (2014) requires that NESDO conducts an assessment of the human rights and equality issues it believes to be relevant to the functions and purpose of NESDO; set out the policies, plans and actions in place or proposed to be put in place to address those issues; and report on developments and achievements regarding the Public Sector Duty in its annual report.

Ethics in Public Office Legislation.

As a public body, NESDO is required under section 22 of the Protected Disclosures Act 2014, to publish an annual report in relation to the number of protected disclosures made to it in the preceding year, and the action taken in response to any such protected disclosures.

No protected disclosures were made to NESDO in the period 1 January to 31 December 2023.

Freedom of Information

NESDO received no Freedom of Information (FOI) requests in 2023.

Offsetting Emissions Associated with Official Air Travel

In line with provisions of Circular 01/2020, NESDO recorded the following Emissions associated with official air travel usage for 2023 as follows:-

• The total kilometres travelled via flights:	11152
• The tonnes of CO2 applicable	1.2006
• Amount remitted to the Department of the Environment, Climate and Communications	€58.23

4. NESDO Accounting Policies

4.1 Historical Cost Convention

The Financial Statements are prepared on an accruals basis under the historical cost convention in accordance with generally accepted accounting principles except where otherwise stated.

4.2 Income Recognition

A Grant received from the Department of the Taoiseach is recognised in the Financial Statements on a cash receipts basis.

Income from Conferences is recognised when it is invoiced. If it becomes apparent that the monies may not be received, a provision is made for doubtful debts.

NESDO enters into co-funding projects with other organisations that may last greater than one year. This income is recognised on a cash receipts basis.

4.3 Foreign Currencies

Transactions in currencies other than euro are recorded at the rates ruling at the date of the transactions or at a contracted date. Monetary assets and liabilities are translated into euro at the balance sheet date or at a contracted date. Exchange differences are dealt with in the Statement of Income and Expenditure Account.

4.4 Tangible Assets

Tangible assets are stated at cost less accumulated depreciation. Depreciation is calculated in order to write off the cost of tangible assets to their estimated residual values over their estimated useful lives by equal annual instalments.

The estimated useful lives of tangible assets by reference to which depreciation has been calculated are as follows:

- Furniture: 5/10 years;
- Equipment: 5 years.

4.5 Superannuation

With the approval of the Departments of the Taoiseach and the Department of Public Expenditure, NDP Delivery and Reform by 2015 all staff had become members of the pension scheme for Non-Established State Employees. This is a non-contributory scheme for an officer's own retirement pension and lump sum benefits. Contributions are payable for the Spouse and Children's Scheme. NESDO remits these contributions to the Department of Public Expenditure, NDP Delivery and Reform. Accordingly, NESDO has no liability in respect of the superannuation arrangements of these staff. NESDO is in the process of establishing the NESDO Pension Scheme as per the Public Services Pension Act 2012 SI 582 which was submitted to the Department of Public Expenditure, NDP Delivery and Reform for approval in 2023.

NESDO operates the Single Public Services Pension Scheme ("Single Scheme"), which is a defined benefit scheme for pensionable public servants appointed on or after 1 January 2013. Single Scheme members' contributions are paid over to the Department of Public Expenditure, NDP Delivery and Reform (DPENDPR).

During 2023, the Department of the Taoiseach seconded one staff member to NESDO, Dublin City Council seconded one member of their staff to NESDO and two NESDO staff members were seconded to the Department of the Taoiseach. These staff were covered by the superannuation schemes in operation in their respective Department/Council. The Department/Council were reimbursed by NESDO in respect of salary, employer's PRSI and superannuation for the particular staff. Reimbursements accrued on a monthly basis and were charged to the Statement of Income and Expenditure and Retained Revenue Reserves. The relevant Department/Council takes responsibility for the payroll and superannuation in respect to its seconded staff to NESDO.

5. Financial Statements as signed by the NESDO Board

National Economic and Social Development Office (NESDO) Financial Statements For The Year Ended 31 December 2023.

National Economic and Social Development Office (NESDO)

Table of Contents

	Page
Board Members and Other Information	1
Chairman's Report	2
Governance Statement and Board Members' Report	3-5
Statement on Internal Control	6-7
Report of the Comptroller and Auditor General	8-9
Statement of Income and Expenditure and Retained Revenue Reserves	10
Statement of Financial Position	11
Statement of Cash Flows	12
Notes to the Financial Statements	13-18

National Economic and Social Development Office (NESDO)

Board Members and Other Information

Board Members: Mr. John Callinan
Ms. Elizabeth Canavan

Bankers: Allied Irish Bank
7/12 Dame Street
Dublin 2

Head Office: 16 Parnell Square
Dublin 1

Auditor: Comptroller and Auditor General
3A Mayor Street Upper
Dublin 1

National Economic and Social Development Office (NESDO)

Chairman's Report

For the year ended 31 December 2023

The National Economic and Social Development Office (NESDO) was established under the terms of the National Economic and Social Development Office Act, 2006 and is governed by a Board which was appointed by the Taoiseach.

NESDO is the body corporate for the National Economic and Social Council (NESC) which advises the Taoiseach on strategic policy issues relating to sustainable economic, social, and environmental development in Ireland.

The Board of NESDO is committed to the highest standards of Corporate Governance and has implemented the Department of Public Expenditure, NDP Delivery and Reform's Code of Practice for the Governance of State Bodies (2016).

NESDO has extensive policies and procedures guidelines in place for all staff, committees, and Board members. NESDO applies the highest standards of disclosure and transparency in respect of interests held by staff, committees, and Board members.


Remuneration Policy - Board Members and Executive Directors

The positions of Chief Officer of NESDO and Director of the NESC are occupied by the same person. He is paid in respect of his position as Director of NESC and receives no additional remuneration, emoluments or expenses in relation to his role as Chief Officer. All staff of NESDO and NESC, including the Chief Officer/Director are paid in accordance with relevant pay circulars issued by the Department of Public Expenditure, NDP Delivery and Reform. The Board members of NESDO and the Council members of NESC do not receive any remuneration/fees.

Going Concern

The Board has a reasonable expectation of continued Departmental funding. For this reason, it continues to adopt the going concern basis in preparing the Financial Statements. The first instalment of the 2024 Grant Income was received in January 2024.

Signed:



John Callinan
Board Chairman

Date:

16/12/24

National Economic and Social Development Office (NESDO)

Governance Statement and Board Members' Report

For the year ended 31 December 2023

Governance

The Board of the National Economic and Social Development Office (NESDO) was established under the National Economic and Social Development Office Act, 2006. The Board is accountable to the Taoiseach and is responsible for ensuring good governance and performs this task by setting strategic objectives and targets and taking strategic decisions on all key business decisions. The regular day-to-day management, control and direction of NESDO are the responsibility of the Chief Officer (CO) and NESDO management. The CO must follow the broad strategic direction set by the Board and must ensure that the Board members have a clear understanding of the key activities and decisions related to the entity, and of any significant risks likely to arise. The CO acts as a direct liaison between the Board and the management of NESDO.

Board Responsibilities

The work and responsibilities of the Board are set out in the NESDO Policies and Procedures document which also contain matters specifically reserved for Board decision. Standing items considered by the Board include:

- declaration of interests,
- reports from committees,
- financial reports/management accounts,
- performance reports, and
- reserved matters.

Section 31(1) of the National Economic and Social Development Office Act, 2006 requires NESDO to keep, in such form as may be approved by the Taoiseach with the concurrence of the Minister for Finance, all proper and usual accounts of money received and expended by it.

In preparing these Financial Statements, the Board is required to:

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

The Board is responsible for ensuring that adequate accounting records are kept which disclose, with reasonable accuracy at any time, its financial position and enables it to ensure that the Financial Statements comply with Section 31(2) of the National Economic and Social Development Office Act, 2006. The maintenance and integrity of the corporate and financial information on the NESDO's website is the responsibility of the Board.

The Board is responsible for approving an annual plan and budget. An evaluation of the performance of NESDO by reference to the annual plan and budget was carried out on 21 June 2023.

The Board is responsible for ensuring that the assets of NESDO are adequately safeguarded and that reasonable steps are in place for the prevention and detection of fraud and other irregularities.

The Board considers that the Financial Statements of NESDO give a true and fair view of the financial performance and the financial position of NESDO at 31 December 2023.

Board Structure

The Board consists of a Chairperson and a Deputy Chairperson who are appointed by the Taoiseach. Board meetings are held annually or more frequently as required. The members of the Board were appointed for a period coterminous with the term of the National Economic and Social Council (NESC). The table below details the appointment period for current members:

National Economic and Social Development Office (NESDO)

Governance Statement and Board Members' Report

For the year ended 31 December 2023

Board Member	Role	Date Appointed
John Callinan	Chairperson (Current)	June 2022
Elizabeth Canavan	Deputy Chairperson (Current)	June 2022

The Board has established an Audit and Risk Committee (ARC), comprising three members, including two external members. The role of the Audit and Risk Committee is to support the Board in relation to its responsibilities for issues of risk, control and governance and associated assurance. The ARC is independent from the financial management of the organisation. In particular, the Committee ensures that the internal control systems including audit activities are monitored actively and independently. The Committee reports to the Board annually, or as required. The ARC reports to the Board after each meeting, and formally in writing annually.

The members of the Audit and Risk Committee are Mr Nigel Clarke (Chairperson), from March 2021; Cillian Doyle, Department of the Taoiseach from June 2021, and Ms Edna Jordan, NESD from March 2021. There were 4 meetings of the ARC in 2023.

Schedule of Attendance, Fees and Expenses

A schedule of attendance at the Board and Committee meetings for 2023 is set out below including the fees and expenses received by each member:

	Board	Fees & Expenses (€)
Number of Meetings:	2	
John Callinan	2	-
Elizabeth Canavan	2	-

The Board members receive no fees or expenses.

	Audit & Risk Committee	Fees & Expenses (€)
Number of Meetings:	4	
Nigel Clarke	4	-
Cillian Doyle	4	-
Edna Jordan	4	-

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

The Board is responsible for ensuring that NESDO has complied with the requirements of the Code of Practice for the Governance of State Bodies ("the Code"), as published by the Department of Public Expenditure, NDP Delivery and Reform in August 2016. The following disclosures are required by the Code:

Employee Short-Term Benefits Breakdown

Employee Short-Term benefits in excess of €60,000 are categorised into the following bands:

Range of total employee benefits	Number of Employees 2023	Number of Employees 2022
€60,000-€69,999	1	1
€70,000 - €79,999	2	-
€80,000 – €89,999	1	2
€90,000 - €99,999	3	2
€100,000 - €109,999	-	2
€110,000 - €119,999	4	3
€120,000 - €129,999	1	-
€130,000 - €139,999	-	-
€140,000 - €149,999	-	-
€150,000 - €159,999	-	1
€160,000 - €169,999	1	-

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

National Economic and Social Development Office (NESDO)

Governance Statement and Board Members' Report

For the year ended 31 December 2023

Travel and Subsistence Expenditure

Travel and subsistence Expenditure is categorised as follows:

Employees	2023 (€)	2022 (€)
Domestic	7,671	7,055
Foreign	5,057	903
Non-Employees		
Domestic	293	257
Foreign	725	48
Total	13,746	8,263

Consultancy Costs

NESC are engaged in sustainable development research projects supported by funding from the Department of the Environment, Climate and Communications.

Project	2023 (€)	2022 (€)
Sustainable Development Research Consultancy	25,606	76,839

Legal Costs and Settlements

2023 (€)	2022 (€)
Nil	Nil

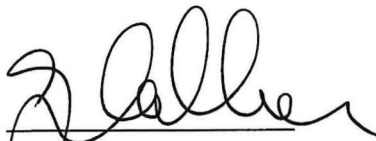
Hospitality Expenditure

Expenditure Analysis	2023 (€)	2022 (€)
Employees	244	293
Non-Employees	445	137
Total	689	430

Statement of Compliance

The Board has adopted the Code of Practice for the Governance of State Bodies (2016) and has put procedures in place to ensure compliance with the Code. NESDO was in full compliance with the Code for 2023.

Signed:



John Callinan
Board Chairman

Date:

16/12/24

National Economic and Social Development Office (NESDO)

Statement on Internal Control

For the year ended 31 December 2023

Scope of Responsibility

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

Purpose of the System of Internal Control

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

The system of internal control, which accords with guidance issued by the Department of Public Expenditure, NDP Delivery and Reform, has been in place in NESDO for the year ended 31 December, 2023 and up to the date of approval of the Financial Statements.

Capacity to Handle Risk

NESDO has an Audit & Risk Committee (ARC) comprising three members two of whom, including the Chairman, are external members with wide corporate and financial experience in public sector organisations. The ARC has access to professional accountancy services as required. The ARC met four times in 2023.

The internal audit function at NESDO is carried out by the Internal Audit Unit of the Department of the Taoiseach on behalf of the NESDO ARC. The Unit is adequately resourced and conducts a three-year programme of work agreed with the Audit Committee covering a wide range of areas of the organisation including internal controls.

The ARC has developed a risk management policy which sets out its risk appetite, the risk management processes in place and details the roles and responsibilities of staff in relation to risk. The policy has been issued to all staff who are expected to work within NESDO risk management policies, to alert management on emerging risks and control weaknesses and assume responsibility for risks and controls within their own area of work.

Risk and Control Framework

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

A risk register is in place which identifies the key risks facing NESDO and these have been identified, evaluated and graded according to their significance. The register is reviewed and updated by the ARC on a quarterly basis. The outcome of these assessments is used to plan and allocate resources to ensure risks are managed to an acceptable level.

The risk register details the controls and actions needed to mitigate risks and responsibility for operation of controls assigned to specific staff. I confirm that a control environment is in place containing the following elements:

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

National Economic and Social Development Office (NESDO)

Statement on Internal Control

For the year ended 31 December 2023

Ongoing Monitoring and Review

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

- key risks and related controls have been identified and processes have been put in place to monitor the operation of those key controls and report any identified deficiencies.
- reporting arrangements are in place at all levels where responsibility for financial management has been assigned, and
- there are regular reviews by senior management of periodic and annual performance and financial reports which indicate performance against budget/forecasts.

Procurement

I confirm that NESDO has procedures in place to ensure compliance with current procurement rules and guidelines and that there is appropriate focus on good practice in purchasing. During 2023, one contract to the value of €10,761 is considered to be non-competitive and non-compliant. NESDO has taken steps to address this non-compliance by finalising a competitive process for this service. This process will be finalised in 2024.

Review of Effectiveness

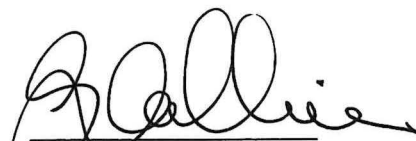
I confirm that NESDO has procedures to monitor the effectiveness of its risk management and control procedures. NESDO's monitoring and review of the effectiveness of the systems of internal control is informed by the work of the internal and external auditors, the ARC which oversees their work, and the senior management within NESDO responsible for the development and maintenance of the internal control framework.

I confirm that the Board conducted an annual review of the effectiveness of the internal controls for 2023 on the 18 December 2023.

Internal Control Issues

No weaknesses in internal control were identified in relation to 2023 that require disclosure in the Financial Statements.

Signed:



John Callinan
Board Chairman

Date:

16/12/24



Ard Reachtaire Cuntas agus Ciste Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

National Economic and Social Development Office

Opinion on the financial statements

I have audited the financial statements of the National Economic and Social Development Office for the year ending 31 December 2023 as required under the provisions of section 31 of the National Economic and Social Development Office Act 2006. The financial statements comprise

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

In my opinion, the financial statements give a true and fair view of the assets, liabilities and financial position of the National Economic and Social Development Office at 31 December 2023 and of its income and expenditure for 2023 in accordance with Financial Reporting Standard (FRS) 102 — *The Financial Reporting Standard applicable in the UK and the Republic of Ireland*.

Basis of opinion

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

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

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

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

I have nothing to report in that regard.

Paula O'Connor
For and on behalf of the
Comptroller and Auditor General
19 December 2024

Appendix to the report

Responsibilities of Board members

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

- the preparation of annual financial statements in the form prescribed under section 31 of National Economic and Social Development Office Act 2006
- ensuring that the financial statements give a true and fair view in accordance with FRS102
- ensuring the regularity of transactions
- assessing whether the use of the going concern basis of accounting is appropriate, and
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibilities of the Comptroller and Auditor General

I am required under section 31 of the National Economic and Social Development Office Act 2006 to audit the financial statements of the National Economic and Social Development Office and to report thereon to the Houses of the Oireachtas.

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

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

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

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

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

I report by exception if, in my opinion,

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

Information other than the financial statements

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

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

Reporting on other matters

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


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

National Economic and Social Development Office (NESDO)
Statement of Income and Expenditure and Retained Revenue Reserves
For the year ended 31 December 2023

Income	Notes	2023 €	As Restated 2022 €
Oireachtas Grant	3	2,353,350	2,128,808
Other Income	4	102,230	98,945
Total Income		2,455,580	2,227,753
Expenditure			
Staff Costs	5	1,653,117	1,488,944
Consultancy		25,606	76,839
Printing and Publications		11,499	5,086
Travel & Subsistence	7	13,746	8,263
Conferences and Seminars		171,653	50,375
Training		13,319	15,105
Post, Taxis & Couriers		850	483
Library Services		17,189	14,204
Administration		919	508
Professional Fees		35,591	5,100
Audit Fee		10,000	10,000
Telephone		5,398	7,900
Stationery		7,337	5,592
IT and Website costs		42,386	79,585
Rent & Service Charges		408,672	381,280
Office Equipment		36,428	31,054
Total Expenditure		2,453,710	2,180,318
Surplus/(Deficit) for the year before Appropriations		1,870	47,435
Transfer from/(to) Capital Account	12	-	-
Surplus/(Deficit) for the year after Appropriations		1,870	47,435
Balance at 1 January		171,664	124,229
Balance at 31 December		173,534	171,664

The Statement of Income and Expenditure and Retained Revenue Reserves includes all gains and losses recognised in the year.

The Statement of Cash Flows on page 12 and the notes on pages 13 to 18 form part of the Financial Statements.

Signed:  Date: 16/12/24
John Callinan
Board Chairman

Signed:  Date: 16/12/24
Larry O'Connell
Chief Officer

National Economic & Social Development Office (NESDO)


Statement of Financial Position


As At 31 December 2023

	Notes	2023	As Restated 2022
		€	€
Fixed Assets			
Property, Plant and Equipment	8	-	-
Current Assets			
Receivables	9	16,059	22,505
Cash and Cash Equivalents	11	221,787	201,070
		<u>237,846</u>	<u>223,575</u>
Current Liabilities (Amounts falling due within one year)	10	<u>(64,312)</u>	<u>(51,912)</u>
Net Current Assets		173,534	171,664
Total Net Assets		<u>173,534</u>	<u>171,663</u>
Representing			
Capital Account	12	-	-
Retained Reserves		173,534	171,664
		<u>173,534</u>	<u>171,663</u>

The Statement of Income and Expenditure and Retained Revenue Reserves includes all gains and losses recognised in the year.

The Statement of Cash Flows on page 12 and the notes on pages 13 to 18 form part of the Financial Statements.

Signed: 
 John Callinan
 Board Chairman
 Date: 16/12/24

Signed: 
 Larry O'Connell
 Chief Officer
 Date: 16/12/24

National Economic & Social Development Office (NESDO)

Statement of Cash Flows

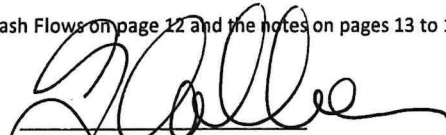
For the year ended 31 December 2023

	Notes	2023 €	As Restated 2022 €
Net Cash Flows from Operating Activities			
Surplus for year		1,870	47,435
Depreciation		-	-
Decrease in receivables		6,446	317
Increase/ (Decrease) in payables		12,400	(26,803)
Transfer to/(from) capital account		-	-
Bank interest received		(167)	-
Net Cash Inflow from Operating Activities		20,549	20,949
Cash flow from Investing Activities			
Payment to acquire property, plant & equipment	7	-	-
Net Cash Flows from Investing Activities		-	-
Cash Flows from Financing Activities			
Bank interest received		167	-
Net Cash Flows from Financing Activities		167	-
Net Increase in Cash and Cash Equivalents		20,716	20,949
Cash and cash equivalents at 1 January		201,070	180,121
Cash and Cash Equivalents at 31 December	10	221,786	201,070

The Statement of Income and Expenditure and Retained Revenue Reserves includes all gains and losses recognised in the year.

The Statement of Cash Flows on page 12 and the notes on pages 13 to 18 form part of the Financial Statements.


Signed:


 John Callinan
 Board Chairman

Date:

16/12/24

Signed:


 Larry O'Connell
 Chief Officer

Date:

16/12/24

National Economic & Social Development Office (NESDO)

Notes to the Financial Statements

For the Year Ended 31 December 2023

1 Statement of Accounting Policies

Accounting Policies

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

General Information

NESDO was set up under the National Economic and Social Development Office Act 2006, with a head office at 16 Parnell Square, Dublin 1.

NESDO's primary objective as set out in Section 8 of the National Economic and Social Development Office Act 2006 is as follows:

To advise the Taoiseach on all strategic matters relevant to economic and social development in the State.

NESDO is a Public Benefit Entity (PBE).

Statement of Compliance

The Financial Statements of NESDO for the year ended 31 December 2023 have been prepared in accordance with FRS 102, the financial reporting standard applicable in the UK and Ireland issued by the Financial Reporting Council (FRC).

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 Financial Statements are in the form approved by the Taoiseach with the concurrence of the Minister for the Department of Public Expenditure, NDP Delivery and Reform under the National Economic and Social Development Office Act, 2006. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to NESDO's Financial Statements.

Revenue

Oireachtas Grant

Grant received from the Department of the Taoiseach is recognised in the Financial Statements on a cash receipts basis.

Other Income

NESC are engaged in research projects supported by funding from the Department of the Environment, Climate and Communications. This income is recognised when it is invoiced.

NESDO enters into co-funding projects with other organisations that may last greater than one year. This income is recognised on a cash receipts basis.

Foreign Currencies

Transactions in currencies other than euro are recorded at the rates ruling at the date of the transactions or at a contracted date. Monetary assets and liabilities are translated into euro at the balance sheet date or at a contracted date. Exchange differences are dealt with in the Statement of Income and Expenditure Account.

National Economic & Social Development Office (NESDO)

**Notes to the Financial Statements
For the Year Ended 31 December 2023**

Property, Plant and Equipment

The threshold for inclusion of property, plant and equipment is €10,000. Property, plant and equipment are stated at cost less accumulated depreciation, adjusted for any provision for impairment. Depreciation is provided on all property, plant and equipment, other than freehold land and artwork, at rates estimated to write off the cost less the estimated residual value of each asset on a straight-line basis over their estimated useful lives, as follows:

(i)	Furniture:	10 years
(ii)	Equipment:	5 years

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

If there is objective evidence of impairment of the value of an asset, an impairment loss is recognised in the Statement of Income and Expenditure and Retained Revenue Reserves in the year.

Employee Benefits

Short-term Benefits

Short term benefits such as holiday pay are recognised as an expense in the year, and benefits that are accrued at year-end are included in the Payables figure in the Statement of Financial Position.

Retirement Benefits

With the approval of the Departments of the Taoiseach and the Department of Public Expenditure, NDP Delivery and Reform by 2015 all staff had become members of the pension scheme for Non-Established State Employees. This is a non-contributory scheme for an officer's own retirement pension and lump sum benefits. Contributions are payable for the Spouse and Children's Scheme. NESDO remits these contributions to the Department of Public Expenditure, NDP Delivery and Reform. Accordingly, NESDO has no liability in respect of the superannuation arrangements of these staff. NESDO is in the process of establishing the NESDO Pension Scheme as per the Public Services Pension Act 2012 SI 582 which was submitted to the Department of Public Expenditure, NDP Delivery and Reform for approval in 2023.

NESDO operates the Single Public Services Pension Scheme ("Single Scheme"), which is a defined benefit scheme for pensionable public servants appointed on or after 1 January 2013. Single Scheme members' contributions are paid over to the Department of Public Expenditure, NDP Delivery and Reform (DPENDPR).

During 2023, some members of staff were seconded into NESDO from other Departments. These staff were covered by the superannuation schemes in operation in their respective Department. The Departments were reimbursed by NESDO in respect of salary, employer's PRSI and superannuation for the particular staff. Reimbursements accrued on a monthly basis were charged to the Statement of Income and Expenditure and Retained Revenue Reserves. The relevant Department takes responsibility for the payroll and superannuation in respect to its seconded staff to NESDO.

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 judgement has had the most significant effect on amounts recognised in the Financial Statements.

Depreciation and Residual Values

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

National Economic & Social Development Office (NESDO)

Notes to the Financial Statements

For the Year Ended 31 December 2023

2 Prior period adjustment

For the 2023 financial period, NESDO retrospectively adopted a voluntary change in accounting policies in accordance with FRS102 in assessing whether or not to capitalise property, plant and equipment in line with the DPER Circular 21/2020.

The DPER Circular 21/2020 stated that the threshold for inclusion of capital assets on the statement of capital assets will increase to €10,000 for an individual asset. NESDO has now aligned the Property, Plant and Equipment policy in line with the Circular, and in accordance with FRS 102 have made the appropriate adjustments to the capitalised costs of previous periods. This change in accounting policy was approved by the board on the 30 September 2024.

The reduction in the asset value is matched by a corresponding and compensating adjustment to the capital account. This change in interpretation has not resulted in any change to the reported deficit for the financial year ended 31st December 2022, or any reporting period prior to that.

The following table outlines the impact of this prior period adjustment. The following adjustments were made to the amounts recognised in the Statement of Financial Position at the date of the initial recognition 1 January 2022, being the beginning of the earliest period presented at 31 December 2022, being the comparative closing balance.

Impact of prior period adjustment on financial statements

	1 January 2022 as previously presented	Adjustment	1 January 2022 as restated
Statement of financial position			
Property, plant and equipment	22,425	(22,425)	-
Capital account	<u>22,425</u>	<u>(22,425)</u>	<u>-</u>
	31 December 2022 as previously presented	Adjustment	31 December 2022 as restated
Statement of income and expenditure and retained revenue reserve			
<i>Expenditure</i>			
Depreciation	13,484	(13,484)	-
Office Equipment	<u>-</u>	<u>31,054</u>	<u>31,054</u>
<i>Capital Account</i>			
Transfer to/(from) capital account	17,570	(17,570)	-
Statement of financial position			
Property, plant and equipment	39,995	(39,995)	-
Capital account	<u>39,995</u>	<u>(39,995)</u>	<u>-</u>

National Economic & Social Development Office (NESDO)

Notes to the Financial Statements

For the Year Ended 31 December 2023

3 Oireachtas Grant Income Drawdown	2023	2022
	€	€
Oireachtas Grant Income Drawdown ¹	<u>2,353,350</u>	<u>2,128,808</u>

¹ Source of Income – Allocation from Vote 2 Department of the Taoiseach Subhead A3 to NESDO. As a constituent body of NESDO (as set out in the National Economic and Social Development Office Act, 2006), NESC's expenditure is met by NESDO.

4 Other Income	2023	2022
	€	€
Environment Income ²	100,951	98,945
Bank Interest Receivable	167	-
Sale of Consumables	1,112	-
	<u>102,230</u>	<u>98,945</u>

² The sum of €100,951 was received from the Department of the Environment, Climate and Communications in 2023.

5 Staff Costs	2023	2022
	€	€
Salaries and Pensions	1,501,072	1,356,291
Social Welfare Costs	152,045	132,653
	<u>1,653,117</u>	<u>1,488,944</u>
The average number of employees and ECF allocation during the year were:	<u>18</u>	<u>18</u>

A total of €82,249 (2022: €75,736) of pension levy has been deducted from staff and paid over to the Department of the Taoiseach. The Chief Officer of NESDO, who is also the Director of NESC received €167,520 (2022: €157,530) as remuneration in respect of his role as Director of NESC for the year ended 31 December 2023. The Chief Officer was not in receipt of remuneration, emoluments or expenses in respect of his role as Chief Officer of NESDO. As Director of NESC he received €474 in 2023 (2022: €1,830) in respect of official travel and subsistence as per Department of Finance Circular 07/2009.

There was one member of staff seconded from the Department of the Taoiseach, and one member of staff from Dublin City Council.

Included in Salaries and Pensions is Holiday Pay accrual amounting to €42,074 (2022 – €28,159).

6 Retirement Benefits	2023	2022
	€	€
Included in salaries and pensions in note 4 is the following:		
Employee contributions to the Single Public Service Pension Scheme in respect of staff	14,128	6,535
Employee contributions to the Department of the Taoiseach in respect of staff	46,758	30,126
	<u>60,886</u>	<u>36,661</u>

7 Travel & Subsistence	2023	2022
	€	€
Travel and Subsistence ³	<u>13,746</u>	<u>8,263</u>
	<u>13,746</u>	<u>8,263</u>

3. Includes reimbursement of expenses to Council members of NESC associated with attending Council meetings.

National Economic & Social Development Office (NESDO)

Notes to the Financial Statements

For the Year Ended 31 December 2023

8 Property, Plant and Equipment	Equipment	Furniture	Total
	€	€	€
<u>Cost</u>			
Balance at 1 January 2023 (as restated)	119,466	39,693	159,159
Additions	-	-	-
Disposals	-	-	-
Balance at 31 December 2023	<u>119,466</u>	<u>39,693</u>	<u>159,160</u>
<u>Depreciation</u>			
Balance at 1 January 2023 (as restated)	119,466	39,693	159,159
Charge for year	-	-	-
Disposals	-	-	-
Balance at 31 December 2023	<u>119,466</u>	<u>39,693</u>	<u>159,159</u>
<u>Net Book Value</u>			
At 31 December 2023	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2022 (as restated)	<u>-</u>	<u>-</u>	<u>-</u>

As outlined in Note 2 to the financial statements the prior year adjustment arises from a change of accounting policy in relation to the capitalisation of assets and the minimum threshold. Accordingly, the opening balance (cost and depreciation) at the 1st January 2023 in respect of total assets has been adjusted by €39,995 to reflect this change.

9 Receivables	2023	2022
	€	€
Prepayments	16,059	22,505
	<u>16,059</u>	<u>22,505</u>

10 Payables	2023	2022
	€	€
Trade creditors	5,083	3,081
Taxes and social costs	2,195	1,432
Accruals	57,034	47,399
	<u>64,312</u>	<u>51,912</u>

11 Cash and Cash Equivalents	2023	2022
	€	€
Current account	47,130	41,686
Deposit account	174,491	158,990
Cash on hand	165	394
	<u>221,786</u>	<u>201,070</u>

National Economic & Social Development Office (NESDO)

Notes to the Financial Statements

For the Year Ended 31 December 2023

	2023	As Restated 2022
	€	€
12 Capital Account		
Balances at 1 January	-	-
<i>Transfer to Income and Expenditure</i> Released on disposal of fixed assets	-	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>
Balance at 31 December	-	-

13 Premises occupied by NESDO

NESDO occupies one premises which is located at 16 Parnell Square, Dublin 1. It rents this premises on a year-to-year basis from the Office of Public Works and is not tied into a lease. Rent of € 322,329 and service charges of €86,343 were paid in respect of 2023.

14 Related Party Disclosures

The Board members of NESDO adopted procedures in accordance with procedures issued by the Department of Public Expenditure, NDP Delivery and Reform in relation to the disclosure of Interests by Board members and these procedures have been adhered to during the year. I confirm that there were no transactions in the year in relation to the Board's activities in which a Board member had any beneficial interest.

The Council of NESD (the constituent body of NESDO) is solely an advisory body with no executive functions and is specifically structured in order that key sectoral interests are represented.

Key management personnel in NESDO consist of the Chief Officer and members of the Board. Key management personnel were not in receipt of remuneration, emoluments or expenses in respect of their role in NESDO.

Both NESDO and NESD operate under the NESDO Act, 2006 which provides for disclosure of interests.

15 Approval of Financial Statements

The Financial Statements were approved by the Board of NESDO on the 16 July 2024.



NESDO

16 Parnell Square

Dublin

D01E7C1

An Oifig Náisiúnta um Fhorbairt Eacnamaíoch agus Shóisialta
National Economic & Social Development Office NESDO