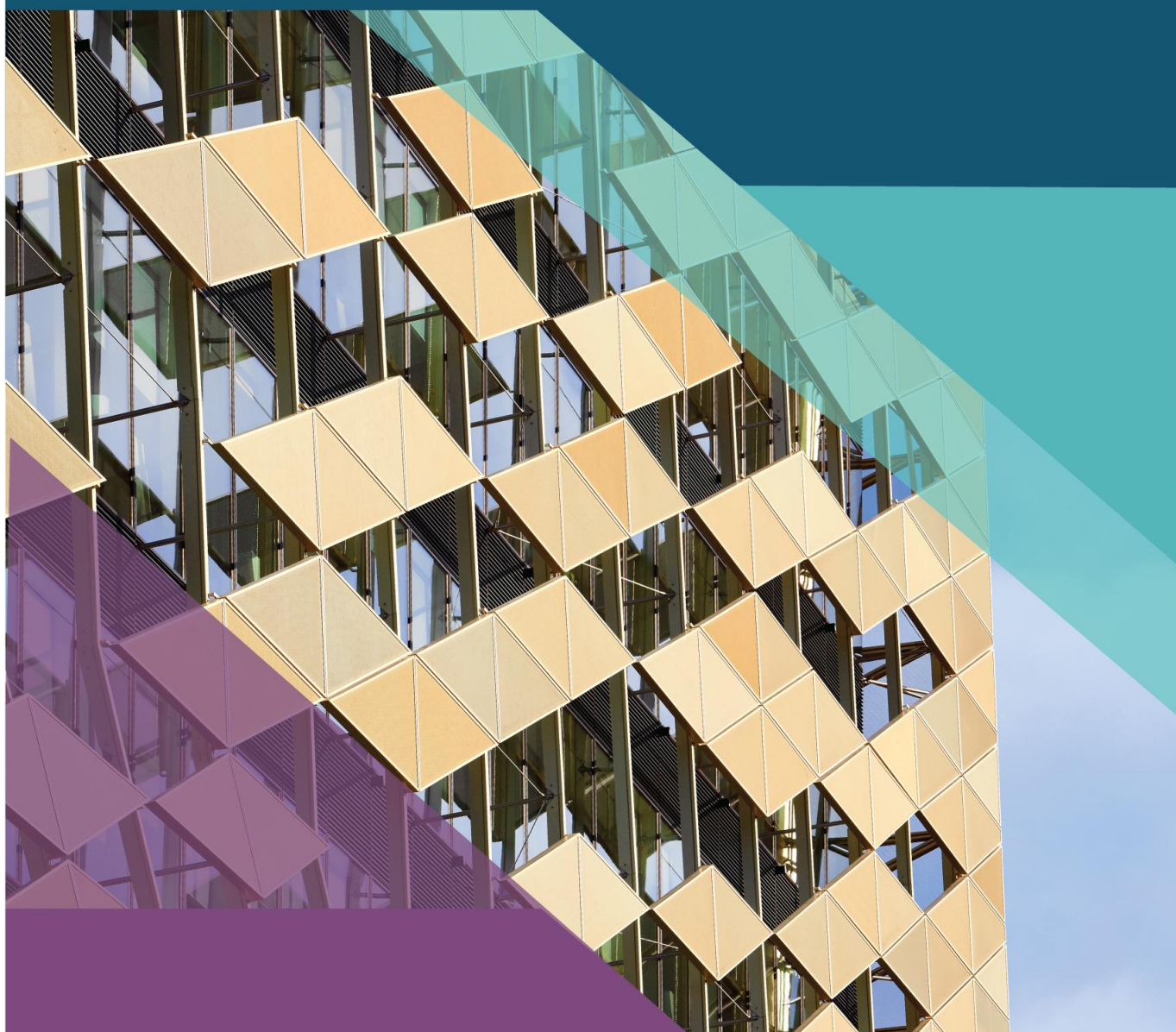




Banc Ceannais na hÉireann
Central Bank of Ireland

Eurosystem

Central Bank of Ireland Annual Report 2024 & Annual Performance Statement 2024-2025



Contents

Governor's Foreword.....	4
Part 1: Annual Report 2024 & Annual Performance Statement 2024-2025	8
Chapter 1: Implementing Our Strategy 2022-2026	12
Chapter 2: Delivering Our Responsibilities.....	16
Price Stability	16
Financial Stability	18
Climate Change.....	20
Resolution.....	21
Payment Systems and Currency	22
Economic Analysis and Statistics.....	27
Financial Regulation and Supervision	28
The Orderly and Proper Functioning of Financial Markets.....	51
Chapter 3: Enabling Our Organisation	55
Chapter 4: Our Priorities for 2025	68
Chapter 5: Internal Audit Statement	75
Part 2: Financial Operations.....	78
Financial Results for 2024.....	78
Governance Statement and Commission Members' Report.....	85
Statement on Internal Control	94
Profit and Loss and Appropriation Account for year ended 31 December 2024.....	106
Balance Sheet as at 31 December 2024	107
Notes To The Accounts.....	109

Who we are, what we do, & how we do it.

We are Ireland's central bank, responsible for maintaining monetary and financial stability and ensuring the financial system works in the interests of the community.

We are part of Europe's monetary and banking unions, and of the world's network of financial regulators.

Protecting people is at the heart of everything we do. We provide economic analysis, statistics and commentary to inform decisions about what the country needs. We set standards to protect consumers, and regulate and supervise financial service providers and markets, taking enforcement action when we need to. We are responsible for Ireland's payment systems and for the provision of its currency.

Our vision is to be a central bank that is trusted by the public, respected by its peers and a fulfilling place to work for its people. We work with people across Ireland and with colleagues across Europe, and elsewhere in the world, on the delivery of our mission.

We are passionate and ambitious for the Bank's performance and for the Bank's people. We act sustainably. We embrace diversity and inclusion as they strengthen us, as individuals and as an organisation. We apply rigorous analysis to the best available data. We believe in engagement and in communicating openly, clearly and regularly.

Our values underpin how we interact with each other and reflect our aspirations, for ourselves and for our community:



Integrity and care, so that we do what is right, our actions match our words and we care about people;



Courage and humility, so that we act with conviction, are prepared to innovate and adapt and are always looking to listen and learn;



Teamwork and excellence, so that we achieve quality outcomes by harnessing our collective strengths, seeking diverse perspectives and driving for disciplined execution.

We believe in the importance of an independent central bank that is transparent, accountable and connected across all public policy domains, in Ireland, in Europe and across the world.

Our constant and predominant aim is **the welfare of the Irish people as a whole.**

We are the **Central Bank of Ireland.**



Banc Ceannais na hÉireann
Central Bank of Ireland

Eurosystem

Our Mission



We serve the public interest by maintaining monetary and financial stability while ensuring that the financial system operates in the best interests of consumers and the wider economy

Our Vision



One Bank: Trusted by the Public, Respected by our Peers, and a Fulfilling Workplace for our People

Our Statutory Functions



Financial Stability

The stability of the financial system overall.



Price Stability

As part of the European System of Central Banks, the primary objective of the Central Bank is to maintain price stability.



Resolution

The resolution of financial difficulties in credit institutions, certain investment firms and credit unions.



Financial Regulation

The proper and effective regulation of financial service providers and markets, while ensuring that the best interests of consumers of financial services are protected.



Payments, Settlements & Currency

The efficient and effective operation of payment and settlement systems.



Economic Analysis & Statistics

The provision of analysis and comment to support national economic policy development.

The discharge of such other functions and powers conferred on the Central Bank by law including: The operation of the Central Credit Register, the Deposit Guarantee Scheme, the Insurance Compensation Fund and the National Claims Information Database.

A portrait of a middle-aged man with a grey beard and balding head, wearing a dark suit, white shirt, and a patterned tie. He is smiling slightly and looking towards the camera. The background is a blurred office or public space with large windows and architectural elements.

Governor's Foreword

Last year marked the mid-point of the five-year strategy (to 2026) that we adopted in September 2021 and so the Commission took stock of the Central Bank's operating context and progress, to ensure our goals remained valid and responsive to the changes taking place within the economy and financial system. We concluded that our strategic direction – built around the themes of *Future-focused, Open and Engaged, Safeguarding and Transforming* – remained the right one. We also took the opportunity to refresh the Strategy itself and extended its time horizon to the end of 2027.

Over the course of 2024, the global, euro area and Irish economies saw inflation falling and monetary policy adjusting accordingly. My colleagues and I on the ECB's Governing Council remain focused on reducing inflation to its 2% target over the medium term. Looking back at last year, we reduced rates by 100 basis points as inflationary pressures continued to ease and it became clearer that there would be a gradual convergence of inflation to our 2% target during 2025. Needless to say, the disinflation process remains subject to risks, and there is a very high degree of uncertainty surrounding the outlook, for both inflation and growth, in view of the geopolitical developments in the first quarter of this year.

Highlights from 2024 include implementing changes to our Fitness and Probity regime (following a review by Andrea Enria, enabling us to improve our processes while continuing to maintain our standards), our analytical work on housing (published in September) and the work to design a new integrated approach to regulation and supervision (leveraging our broad mandate and, among other things, giving regulated firms a more straightforward way to interact with their supervisor). We also launched our Innovation Sandbox (reflecting our determination to be future-focused while protecting consumers).

Overall, I am pleased with the progress we have made in delivering our mandate in what was a year defined by change. We find ourselves emerging from a period where, out of necessity, households, businesses and policymakers, have had to deal with the immediate – and in some instances unprecedented – short-run challenges created by a variety of global economic and geopolitical crises. From pandemic to war and from supply chain disruption to inflation, we find ourselves today facing into a period of both challenge and opportunity for the Irish economy, against an uncertain international backdrop. The global geopolitical landscape faces significant strain and complexity, driven by competing interests, shifting alliances with different values and increasingly independent economic blocs.

We are responding by delivering changes to enable our organisation to be more agile, resilient and intelligence-led. There has been a step change in our engagement with stakeholders in Ireland and we have built stronger relationships with our peers across the world. We are evolving our structures and ways-of working on data, modernising our physical and technological infrastructure and strengthening our data and analytics capabilities.

Most importantly, we are responding because the Central Bank's people have risen to the challenge. Our values – integrity and care, courage and humility, teamwork and excellence – guide all of us. Our diversity and inclusiveness strengthen us, individually and as an organisation. On behalf of the Commission, I want to thank them for their dedication and commitment to the public interest and the welfare of the people as a whole.



Gabriel Makhlouf
Governor

29 April 2025

Central Bank Commission (as at 31 December 2024)



Gabriel Makhoulf*
Governor of the
Central Bank (Chair)



Shay Cody
Appointed
Dec 2020 for 5 years



Mary Condon
Appointed
Jan 2024 for 5 years



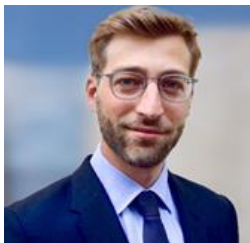
Sharon Donnery*
Deputy Governor
Financial Regulation



John Hogan*
Secretary General
Dept. of Finance



Sarah Keane
Appointed
Dec 2020 for 5 years



Vasileios Madouros*
Deputy Governor
Monetary and Financial
Stability



David Miles
Appointed
Dec 2020 for 5 years



Niamh Moloney
Reappointed
Sept 2023 for 5 years



John Trethowan
Reappointed
Sept 2023 for 5 years



Neil Whoriskey
Secretary
of the Central Bank

* Ex-officio member

All other members of the Commission are appointed by the Minister for Finance

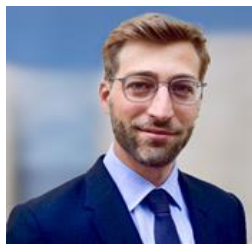
Central Bank Executive Leadership Team (as at 31 December 2024)



Gabriel Makhoulf
Governor



Sharon Donnery
Deputy Governor
Financial Regulation



Vasileios Madouros
Deputy Governor
Monetary and Financial
Stability



Derville Rowland
Deputy Governor
Consumer and
Investor Protection



Marcella Flood
Chief Operations
Officer

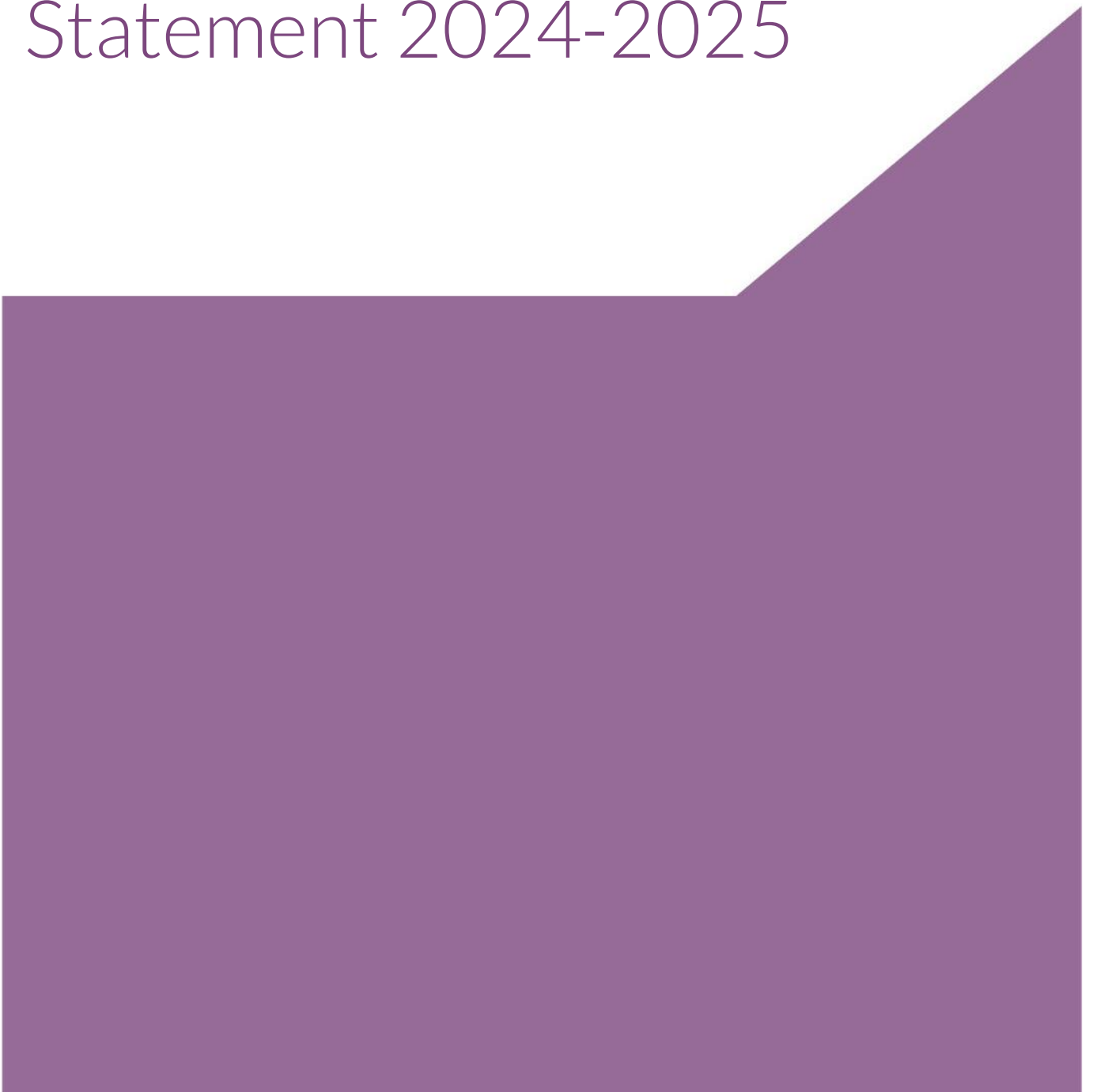
Part 1:

Annual Report 2024

&

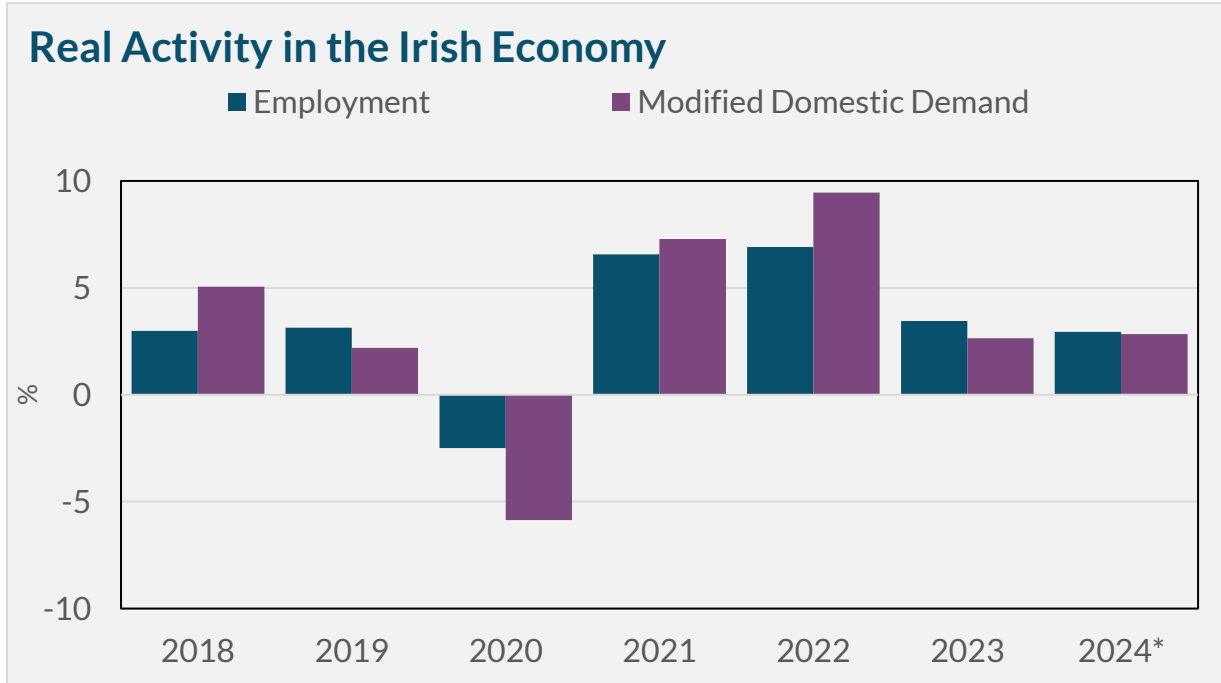
Annual Performance

Statement 2024-2025



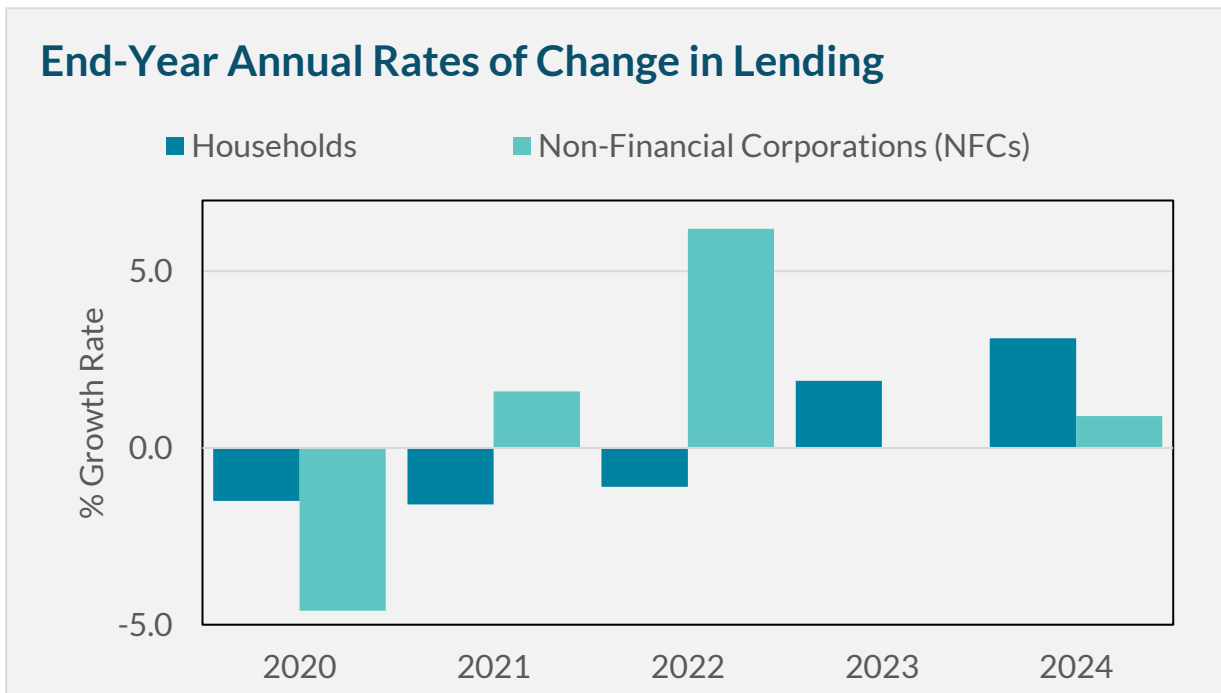
Part 1: Annual Report 2024 & Annual Performance Statement 2024-2025

2024: The Irish Economy at a Glance



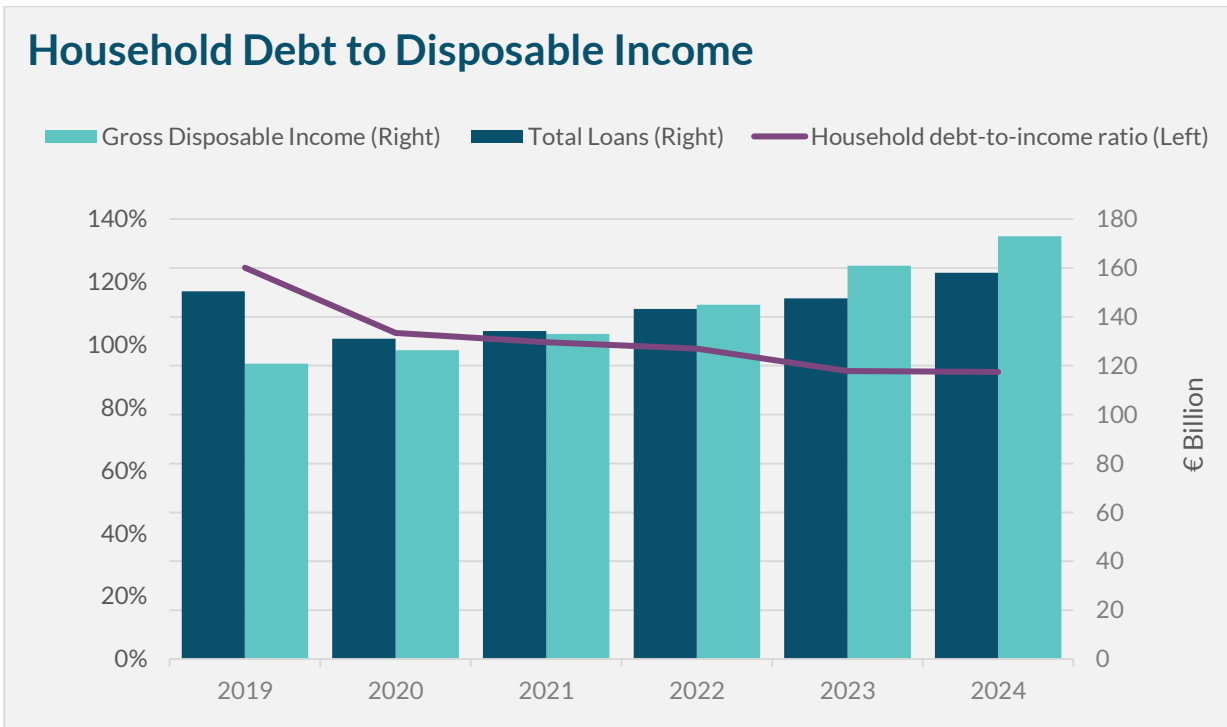
Source: Central Statistics Office

Note: 2024 data to end-September due to data availability



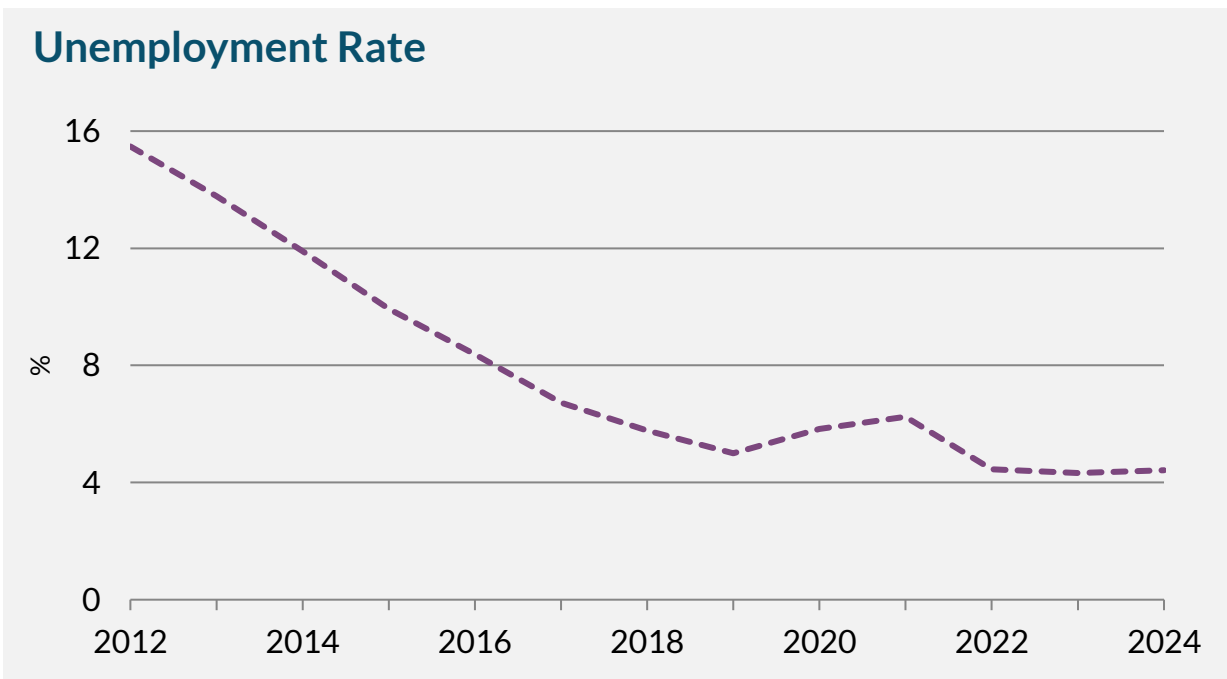
Source: Central Bank of Ireland

Note: Growth rates are based on underlying transactions, i.e., after adjusting for write-downs, securitisations, and transfers to NAMA, etc. Household growth rates reflect both on balance sheet and securitised balances.



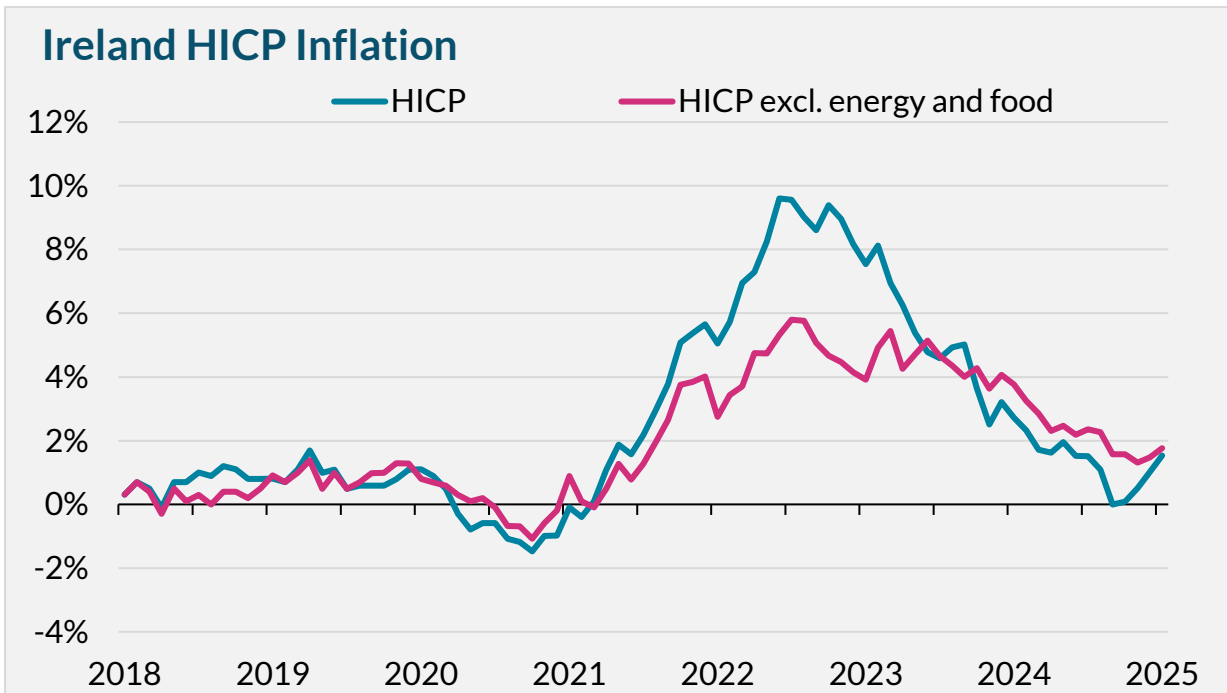
Source: Central Bank of Ireland and Central Statistics Office

Note: Values at year-end



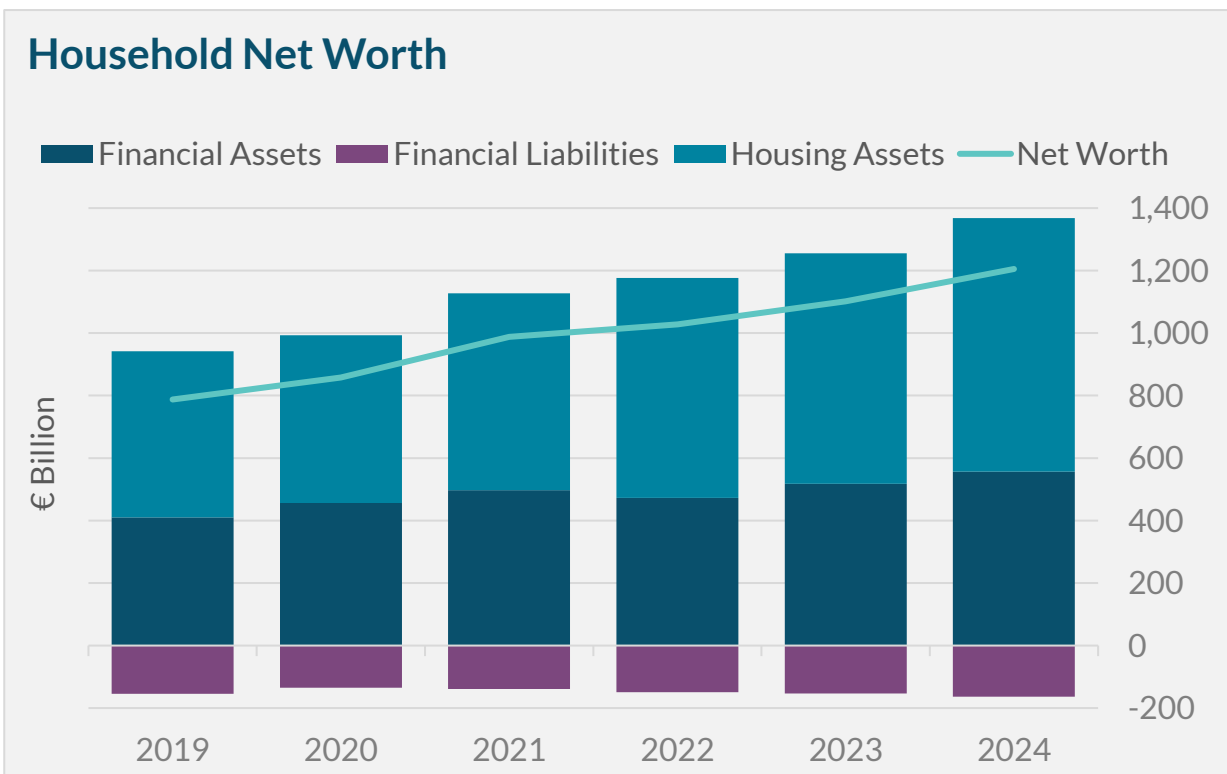
Source: Central Statistics Office

Note: International Labour Organisation unemployment rate



Source: Eurostat

Note: HICP - Harmonised Index of Consumer Prices

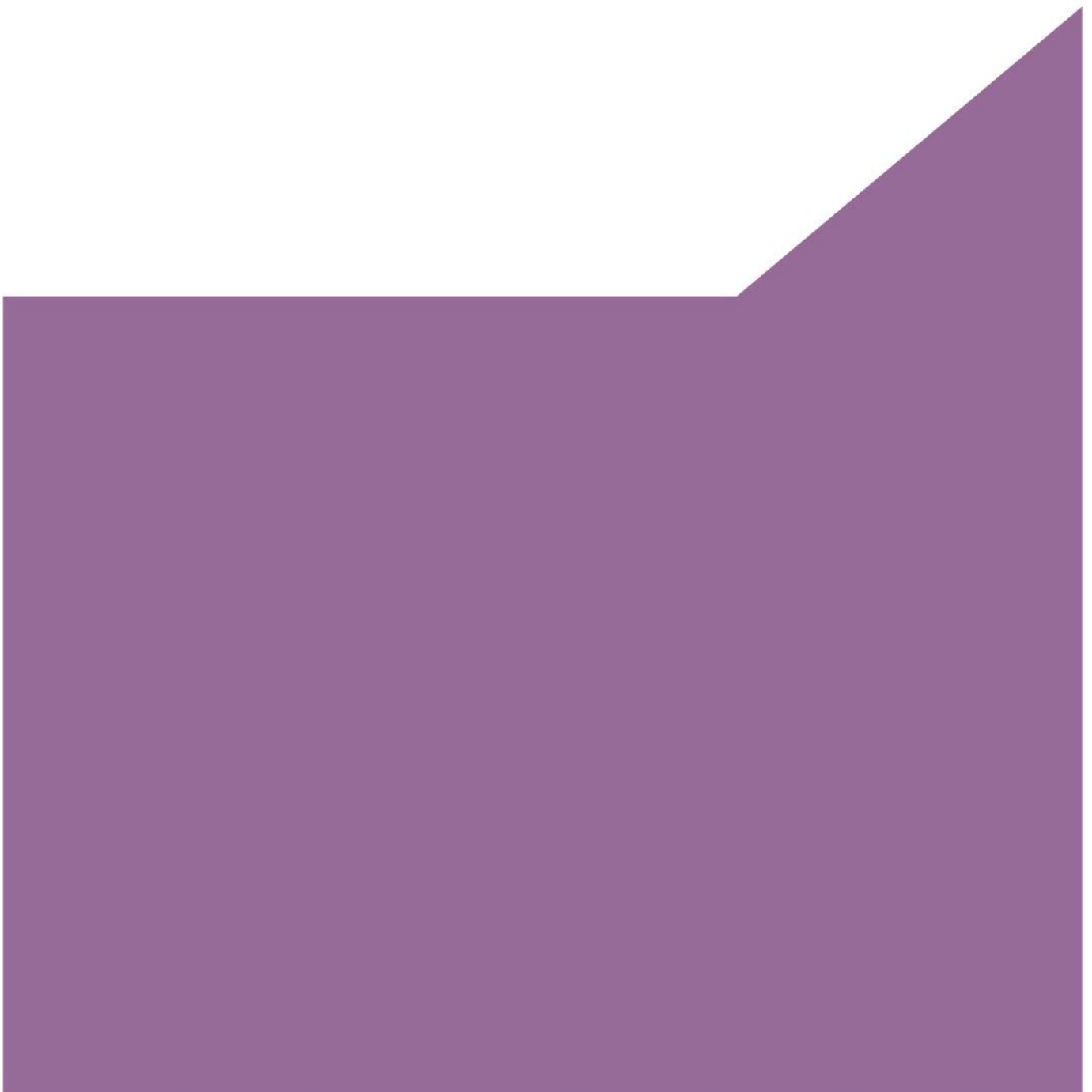


Source: Central Bank of Ireland

Note: Values at year-end. 2024 data to end-September due to data availability

Chapter 1:

Implementing Our Strategy 2022-2026



Chapter 1: Implementing Our Strategy 2022-2026

During 2024, as part of our response to the rapidly changing context in which we are working, we continued to make progress on implementing our five-year Strategy.

We also took the opportunity to review our progress at the half-way mark, and to validate our strategic direction and medium-term priorities. Through this review, we confirmed that our strategic direction remains appropriate, and that we should remain committed to delivering on our strategic goals.

Reflecting this continued commitment, we refreshed our [Strategy](#) in September 2024, where we updated and extended it to focus on some of the actions we will take to achieve our aims over the coming three years (2025-2027). The refreshed Strategy reaffirms the continued focus on evolving how we work and on building the capabilities needed to effectively fulfil our mission, both now and over the medium term.

Delivering on our strategic goals, under the four interconnected themes, will ensure we can respond to the many factors that are shaping the lives of citizens in Ireland and in Europe, and the environment in which we work. These include the far-reaching implications of climate change, shifting global trade relations and economic growth patterns, changes in consumer behaviours and expectations and the advances in digitalisation and the use of artificial intelligence, which are directing the continued evolution of the financial services sector.

The following pages give an overall summary of the achievement of objectives during the year. Further detail on each of the objectives is provided later in the report.

Our Strategy is centred on four interconnected themes: **Future-Focused, Open & Engaged, Transforming** and **Safeguarding**.

The Four Themes of Our Strategy

Future-Focused

Being Future-Focused is critical to enabling the Central Bank to better understand, anticipate and adapt in the context of the far-reaching changes taking place within the economy and financial sector.

During 2024, we enhanced our engagement with innovation in financial services, and commenced our first thematic Innovation Sandbox Programme focusing on combatting financial crime, in conjunction with a number of firms. Our data and statistics capabilities were enhanced, including launching our new Frontier Statistics.

A Digital Euro Unit was established to align with the European Central Bank/Eurosystem objectives as part of the preparation phase for the Digital Euro project. We actively contributed to the development of Ireland's National Payment Strategy in conjunction with the Department of Finance. We also advanced our plans to develop a new cash centre. Work was further progressed to ensure the financial system is an enabler of the transition to net zero, to integrate climate risks into our supervisory approach and tools, including the publication of our Flood Protection Gap Report.

Open & Engaged

Our Open and Engaged strategic objective emphasises the importance of deepening engagement with stakeholders and building dialogue so that we can contribute to building trust and confidence in the financial system and foster a wider understanding of the Central Bank's role.

During 2024, we focused on broadening and enhancing the quality and extent of our engagement with stakeholders, including with members of the public, civil society, public representatives, peers, and representatives from financial industry and the real economy. Examples of this include our Financial Industry Forum and its subgroups and publications such as our Authorisations and Gatekeeping Report. The Central Bank's [Open & Engaged Charter](#) was published, which sets out its aims and approach to engaging with stakeholders. Given the importance of engagement with peers and policy makers outside of Ireland, we also progressed a programme of engagements with representatives in relevant European and international institutions. We enhanced collaboration with external experts under the Research Engagement Programme. We also launched the Open Data Portal, which is designed to make our data easier to access and use by researchers, both within and outside the Central Bank.

Through this focus on stakeholder engagement, we are building stronger relationships, a richer dialogue and gathering insight that is shaping our thinking and how we work.

Transforming

Under the Transforming theme, we aim to deliver key enabling capabilities that support greater effectiveness, efficiency and increased agility in how we work. In 2024, a number of operational, technological and people-focused work programmes were progressed that aligned with these goals.

The Central Bank continued to invest in its IT capabilities, including transitioning to a new data centre service provider, building cloud capability, strengthening our cyber resilience and enhancing the IT operating model. These investments enable the

Central Bank to further leverage data and to enhance business processes resilience, thereby supporting staff to effectively fulfil their roles. We developed new learning initiatives for staff, such as Lean training, and launched our first robotic process automation solution.

To ensure our governance approach is calibrated to our risk tolerance, we introduced new frameworks and approaches to enable better planning, prioritisation, and resource allocation. We also progressed work to enhance our ability to strategically and efficiently procure, on-board and manage third parties or services that support the delivery of our mandate. We grew our maturity in continuous improvement by building capability, improving and simplifying processes and streamlining business process design.

Safeguarding

The Safeguarding theme reflects our unwavering commitment to strengthen the design, implementation and operation of the Central Bank's core policy, regulatory and supervisory frameworks, as it is through these frameworks that we deliver on our statutory functions.

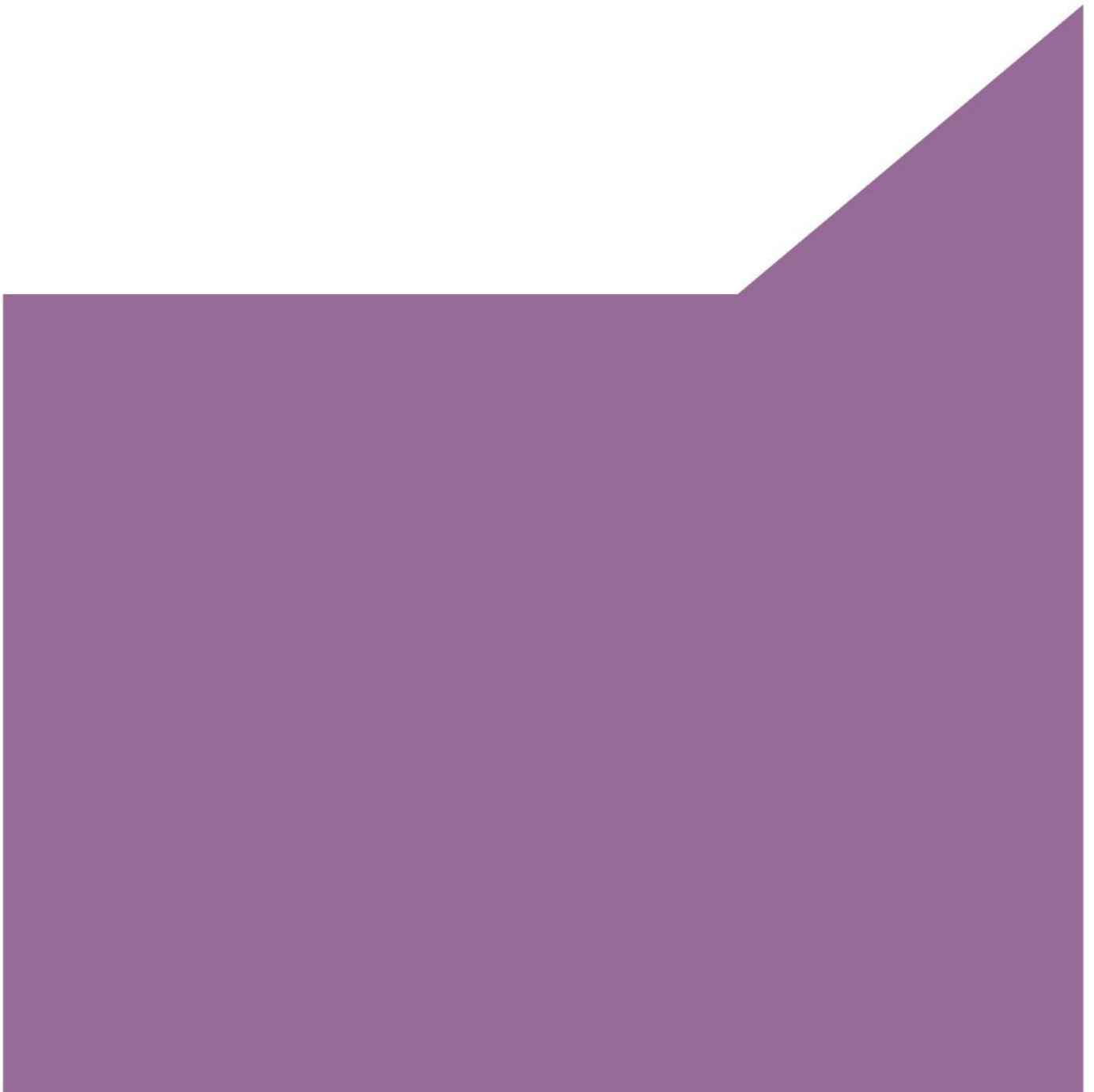
A major focus during 2024 in this regard was the design and implementation of a new supervisory framework and associated organisational structure. The new approach does not change the safeguarding outcomes we are pursuing, however, it recognises the changing nature of the financial system and delivers a more integrated approach to supervision, with multi-disciplinary teams working together to deliver our supervisory priorities in a more effective way.

In parallel, we advanced our preparations to implement new cross-sectoral legislation, such as the Markets in Crypto-Assets Regulation, the Digital Operational Resilience Act and the EU's Artificial Intelligence Act. We implemented the Individual Accountability Framework, and finalised our review of the Consumer Protection Code. We also commenced implementation of the recommendations of the Fitness and Probity Review and established a dedicated Fitness and Probity Unit.

We also progressed a number of key policy objectives in the area of macroprudential policy for funds, including introducing macroprudential measures for GBP Liability Driven Investment Funds and publishing a Feedback Statement to a discussion paper on an approach to macroprudential policy for investment funds.

Chapter 2:

Delivering Our Responsibilities



Chapter 2:

Delivering Our Responsibilities

Price Stability

The euro area economy was characterised by subdued growth and the gradual weakening of inflationary pressures during 2024. The dissipation of energy shocks and unwinding of supply chain pressures were offset by sustained inflation in the services sector driven by strong wage growth. The ECB's restrictive monetary policy continued to place downward pressure on demand, gradually easing domestic price pressures over the year.



Monetary Policy Decisions

The Central Bank contributes to Eurosystem monetary policy to ensure price stability. The Governor is a member of the Governing Council of the ECB, which meets every six weeks to review monetary policy.

At the Governing Council's first meeting of 2024, inflation remained elevated at 2.9%. The Governing Council, therefore, voted to hold its monetary policy rate at a peak of 4%, the third consecutive meeting of no change. The Governing Council continued to communicate that this restrictive stance would be maintained for "as long as necessary" to return inflation to its 2% target "in a timely manner". In June, the Governing Council reduced the monetary policy rate by 0.25% as it became increasingly confident about the inflation outlook. Three further 0.25% cuts followed in September, October and December, resulting in a cumulative decline in the monetary policy rate of 1 percentage point for 2024. By the end of the year, inflation had fallen to 2.4% and the Governing Council viewed that inflation was on track to reach the 2% target on a sustainable basis.

Eurosystem Monetary Policy Operations

Over the course of 2024, the ECB continued the process of gradual balance sheet reduction, which was announced in December 2021. The asset purchase programme portfolio continues to decline at a measured and predictable pace, with reinvestments from maturing securities having ended as of July 2023. Full reinvestments under the pandemic emergency purchase programme occurred throughout the first half of 2024, while over the second half of 2024 the portfolio was reduced by an average of €7.5 billion per month. Reinvestments in the pandemic emergency purchase programme portfolio were discontinued at the end of 2024.

The Eurosystem balance sheet continued to decline over the year, reaching €6.4tn by end-year, a fall of approximately €0.5tn. Most of the decline reflected the maturity and early repayment of funds borrowed under the third series of targeted longer-term refinancing operations. The net liquidity effect of repayment operations in 2024 was a reduction in outstanding Eurosystem longer-term lending of €379bn to €17bn at end-December 2024, with all of this borrowing repaid fully. The usage of the weekly main refinancing operations and three-month longer-term refinancing operations remained limited during the year. In addition, the standing seven-day US dollar operation continued to be carried out on a weekly basis.

As a result of the monetary policy normalisation process, excess liquidity across the Eurosystem continued to decrease, moving from €3.84tn on average in 2023 to €3.18tn on average in 2024. This adjustment mainly reflected the decrease in the third series of targeted longer-term refinancing operations outstanding borrowing amounts, as well as the run-down of the bonds held in the monetary policy portfolios.¹

On 13 March 2024, following an extensive review, the Governing Council announced changes to the operational framework for implementing monetary policy. The changes will affect how central bank liquidity will be provided, as excess liquidity in the banking system declines. The [new framework](#) sets out the core principles that will guide monetary policy implementation in the future. This notably included an adjustment in the spread between the deposit facility rate and the main refinancing operations rate, which was reduced from 50 basis points to 15 basis points from 18 September 2024.

Irish Monetary Policy Operations

Following the Governing Council's decisions to discontinue reinvestments from July 2023, the Central Bank's holdings under the asset purchase programme portfolio have declined as expected. Within this portfolio, the Central Bank was a purchasing national central bank under the public sector purchase programme and the third covered bond purchase programme. Public sector purchase programme holdings on the Central Bank's balance sheet, which are held at its own risk, decreased to €34.2bn at end-2024, from €37.3bn at end-2023. Holdings of covered bonds under the third covered bond purchase programme, which are risk-shared with the Eurosystem, fell to €654m at end-2024 from €687m a year earlier. Meanwhile, the Central Bank's holdings of Irish government bonds under pandemic emergency purchase programme decreased marginally during the year, from €22.0bn at end-2023 to €21.4bn at end-2024.

¹ Figures for the level of excess liquidity in the Eurosystem are computed as follows: current account balances, plus deposit facility balances, less total minimum reserve requirements, less marginal lending facility balances.

Regarding refinancing operations, there were no outstanding monetary policy borrowings by Irish counterparties at end-2024, compared to €85m at end-2023, with the reduction being driven by the third series of targeted longer-term refinancing operations repayments. Excess liquidity in the system remained broadly unchanged relative to the previous year, with excess liquidity of €84bn on average in 2024, up marginally from €83.2bn on average in 2023.

During 2024, the Central Bank monitored the fulfilment of minimum reserve requirements for credit institutions in compliance with Eurosystem procedures.

Financial Stability

To safeguard the stability of the financial system, the Central Bank evaluates the main risks facing the system and assesses the resilience of the system to those risks. A resilient financial system is one that is able to provide services to Irish households and businesses, both in good times and in bad. The Central Bank's actions, in particular its macroprudential policies, seek to ensure that the resilience of the financial system is proportionate to the risks that it faces.



Financial Stability Assessment and Analysis

The Central Bank published two [Financial Stability Reviews](#) in 2024, covering the Central Bank's assessment of the main risks facing the Irish financial system, its assessment of the resilience of the domestic financial system to such risks and an outline of the policy actions taken to safeguard financial stability.

Over the course of 2024, the global interest rate cycle turned as inflation risks receded, but rising geopolitical uncertainty increased downside risks to trade and economic growth. Irish economic and employment growth continued during 2024. However, a more fragmented world economy has negative implications for economic activity in Ireland and globally, and for the resilience of households, firms and the financial sector. Ireland is particularly exposed to this risk as a small open economy, not least because international investment and multinational enterprises play an important role in economic activity, the public finances and employment.

The Central Bank conducted research and analysis during 2024 in order to deepen its understanding of particular risks and vulnerabilities in the financial system, and the implications for macroprudential policy. This research was communicated through a range of channels, including the publication of [Financial Stability Notes](#) and [Research Technical Papers](#). Areas of focus included:

- The commercial real estate sector, including a Financial Stability Review [Special Feature](#) in June 2024, which assessed the domestic financial stability implications of adjustments in commercial real estate markets.
- The Irish housing market and its role in the economy, including contributions to a Quarterly Bulletin [Signed Article](#) about the housing market in September 2024.
- The impact of a higher interest rate environment on mortgage switching.
- The investment funds sector, including liquidity management tools for investment funds.

Macroprudential Policy

The Central Bank's macroprudential policy framework aims to enhance financial system resilience to a degree that is proportionate to the risks facing the system. The framework has three pillars, covering policies relating to banks (macroprudential capital buffers), borrowers (mortgage measures), and non-banks (with a current focus on investment funds). Macroprudential policies are regularly monitored and assessed to ensure that its policy stance remains appropriate for the prevailing systemic risk environment.

In relation to macroprudential capital buffers for banks, the Central Bank maintained the counter-cyclical capital buffer at 1.5% in 2024. The Central Bank's strategy is that it expects to maintain this buffer at 1.5% when risk conditions are neither elevated nor subdued.

During 2024, the Central Bank reaffirmed the identification of six financial institutions as being systemically important. These institutions are required to maintain an additional macroprudential capital buffer intended to reduce the probability of firm failure, which is deemed proportionate due to the potentially greater impact for the financial system if those institutions were to fail.

The Central Bank determined that the macroprudential mortgage measures continued to meet their objective of ensuring sustainable lending standards during 2024. The refreshed calibration of mortgage measures came into effect in 2023 and mortgage lending continued to reflect the new requirements during 2024. The Central Bank is committed to monitor, analyse, engage and communicate about the mortgage measures on an ongoing basis.

The Central Bank monitored the phased implementation of its macroprudential measures for Irish property funds, requiring funds to comply with guidance on liquidity timeframes by May 2024 and with limits on leverage by 2027. In April 2024, new measures were announced for Irish-authorized GBP-denominated liability driven investment funds.

The Central Bank continued its work to develop a macroprudential policy framework for funds. In July 2024, the Central Bank published a [Feedback Statement](#) to the 2023 Discussion Paper on an approach to macroprudential policy for the funds sector, having hosted an international conference on this topic in May 2024. Building on the Discussion Paper, the Central Bank published its [response to the European Commission's targeted consultation](#) on macroprudential policies for non-bank financial intermediation in November 2024. We were also heavily involved in developing a single [Eurosystem response](#) to the European Commission's consultation on macroprudential policies for non-bank financial intermediation.

Central Credit Register

The Central Credit Register is a national mandatory database of personal and credit information which is operated by the Central Bank.

The number of lenders submitting information to the Central Credit Register at the end of 2024 was 614 (2023: 611) and the database contained 5.5m active records (2023: 5.4m).

Lenders requested 2.52m credit reports in 2024 (2023: 2.56m) and 37,037 credit reports were provided to borrowers during 2024 (2023: 36,066), an increase of 2.7%. To recoup the costs of the Central Credit Register, lenders are charged for every enquiry they perform.

Climate Change

The financial system is affected by both physical and transition risks arising from climate change. Given the strategic importance of addressing these risks within the context of our mandate, we continued to embed climate and sustainability considerations into our activities during 2024.

Climate change continued at pace in 2024, evidenced by an increase in the frequency and severity of weather events and the continued rise in global temperatures. 2024 was the warmest year on record and the first year to record a global mean temperature of more than 1.5° Celsius above the 1850-1900 average.

The Central Bank's [work on climate change](#) covered a broad range of topics, including macro-financial linkages, safety and soundness of regulated firms in relation to climate change, sustainable finance (including consumer and investor protection dimensions), and filling data gaps. The Central Bank published a variety of new data and insights on climate risks in the financial sector in 2024, including publications on the macroeconomic impact of climate change and insurance flood protection gaps, and the preparation of the Central Bank's [Climate Observatory](#) for 2024.

The [Climate Risk and Sustainable Finance Forum](#) continued its work to build a shared understanding and knowledge based on the implications of climate change for the Irish financial system. The Forum's two industry-led working groups (on climate-related risk management and capacity building) progressed their efforts to build and share knowledge on these issues. The Forum also initiated a new working group on data and disclosures. The Central Bank continued to engage with international networks on climate change, including through its membership of the Network for Greening the Financial System.

To progress work on the Central Bank's own business operations, the Central Bank updated its [Climate Action Roadmap](#) in July 2024 and published the annual [climate-related financial disclosures](#) of its investment assets in June 2024.

Resolution

Resolution Planning and Enhanced Resolvability

In line with the Single Resolution Board's Expectations for Banks and the Central Bank's [Approach to Resolution](#), banks continued to make progress in removing potential impediments to resolvability during 2024. Banks met their targets for minimum requirement for own funds and eligible liabilities, which was introduced into the EU resolution framework with the aim of ensuring banks have sufficient capital and appropriate liabilities that can be bailed-in at point of failure, if necessary.



Resolution Actions

There were no resolution actions in 2024.

Resolution Funds

The Central Bank has statutory responsibilities with respect to three resolution funds: the Single Resolution Fund, the Bank and Investment Firm Resolution Fund and the Credit Institutions Resolution Fund.

In 2024, the Central Bank collected €2m from banks in Ireland contributing to the Single Resolution Fund on behalf of the Single Resolution Board. The fund had reached c.€80bn against its target of €77bn at end-2024, and to date has not been called upon to fund resolution actions.

In 2024, the Central Bank did not collect levy contributions to the Bank and Investment Firm Resolution Fund. The total fund, including interest earned, was €68m as at end-2024. This fund has not been called upon to date.

In 2024, the Central Bank collected €1.87m of levy contributions to the Credit Institutions Resolution Fund. The total fund, including interest earned and other income, is €74m as at end-2024.

Deposit Guarantee Scheme and Insurance Compensation Fund

The Central Bank administers the Deposit Guarantee Scheme and Insurance Compensation Fund. The Deposit Guarantee Scheme reached its mandated available financial means of 0.8% by July 2024. It is expected that the driver of any future levy requirements would be either an increase in the consolidated value of covered deposits or the use of Deposit Guarantee Scheme funds for a resolution/liquidation action.

In 2024, the Insurance Compensation Fund paid €4.8m to the State Claims Agency in respect of two insolvent entities namely: Gefion Finians A/S (Denmark) (In Bankruptcy) and Setanta Insurance Company Limited (Malta) (In Liquidation). The Insurance Compensation Fund also paid €0.8m to the Liquidators of Enterprise Insurance Company Plc (Gibraltar) (In Liquidation).

Financial Crisis Preparedness and Management

During 2024, the Central Bank's crisis preparedness work focused on examining internal and system-wide responses to operational disruptions involving cyber-attacks and payments. Given the interdependencies and interconnections between financial institutions and financial market infrastructures in the EU, the Central Bank also contributed to work at a European level to develop a pan-European response framework for systemic cyber incidents, the EU Systemic Cyber Incident Coordination Framework. This framework became operational when the Digital Operational Resilience Act came into application in January 2025.

Payment Systems and Currency

Payment System Operator

The Central Bank maintains the Irish TARGET Services component, TARGET Ireland, which is owned and operated by the Eurosystem.

TARGET Services offers three settlement services, a real-time gross settlement system called T2, which optimises liquidity management across all TARGET Services, TARGET2-Securities for settling securities, and TARGET Instant Payment Settlement a real-time settlement service for retail instant payments, all of which settle in central bank money. In addition, a new TARGET Service, Eurosystem Collateral Management System is being developed to manage



assets used as collateral in Eurosystem credit operations. The go-live date for this system is scheduled for June 2025.

T2-Ireland currently has 13 real-time gross settlement account holders, one ancillary system and two TARGET2-Securities dedicated cash accounts.

There was a decrease of 6.17% in transactions processed (672,125) in T2-Ireland in 2024, however, the total value of transactions for 2024 increased by 25.3% to €6.55tn.

The Central Bank is responsible for the maintenance of the Register of Irish Government Bonds and Treasury Bills on behalf of the National Treasury Management Agency. At end-2024, the nominal value of bonds and bills held on the register amounted to €140.7bn, representing a 1.8% decrease on 2023.

Payments Ecosystem Catalyst and Overseer

The Central Bank, as a member of the Eurosystem, has a mandate to promote the safety and efficiency of payment, clearing and settlement systems. These systems play important roles, not only in the stability and efficiency of the financial sector and the euro area economy as a whole, but also in the smooth conduct of the single monetary policy of the euro area and in the stability of the single currency.

The Government's publication in October 2024 of a National Payments Strategy was an important initiative to coordinate action in modernising and maintaining the payments ecosystem for the betterment of consumers and small businesses. The Central Bank contributed to the development of the Strategy, welcoming its role in the recommended actions, including efforts to develop account-to-account or 'Pay by Account' functionality in the Irish market, and to enhance the delivery of strategic insights from research, analysis, and data on the domestic payments ecosystem.

Efforts are currently underway to establish a public-private working group to progress the strategic objectives to advance domestic 'Pay by Account' functionality with Pan-European interoperability. Design of this 'Pay by Account' Working Group was informed by a strategic industry workshop hosted by the Central Bank on 12 April 2024. More than sixty participants from the payments ecosystem attended the workshop, comprising a variety of payment service providers, government departments and agencies, technical service providers, retailers, and industry representative bodies. This flagship event illustrates the important role of the Central Bank, convening public and private sector participants, and coordinating enhanced market efficiency, security and integration.

The Central Bank is also progressing the development of a coordinated programme for research, analysis and data collection to facilitate greater insights into the payments ecosystem. As part of this initiative, the Central Bank has begun scoping

two priority analytical studies – one on the relative cost, usage, and efficiency of retail payments, and another on consumer behaviours and attitudes towards retail payment methods.

Digital Euro

The Eurosystem's digital euro project aims to make central bank money available to the public in digital form. A digital euro would be a digital form of cash, issued by the central bank and available to everyone in the euro area.²

The Central Bank continues to align with the ECB's/Eurosystem's objectives for the digital euro project. A two-year preparation phase was launched in November 2023. Within this phase, the groundwork is being prepared for the potential issuance of a digital euro.

The primary objectives during this phase include: providing a draft digital euro scheme rulebook (a set of standards which will bring harmonisation to payment standards across the euro area market); selecting potential providers for the digital euro platform and infrastructure; and conducting further experimentation and stakeholder consultations to ensure a digital euro would meet the highest standards of quality, security, privacy and usability.

On 28 June 2023, the European Commission published its legislative proposal for the establishment of a legal framework for a possible digital euro. By end-2025, the Governing Council will decide on whether to move to the next phase of preparations. The decision on whether to issue a digital euro will only be taken by the Governing Council once the European Union's legislative framework has been adopted.

Currency

Banknotes

In 2024, the Central Bank issued 166m banknotes (value €5,280m), representing a 2% decrease on the 169m banknotes (value €5,281m) issued in 2023. In 2024, the Central Bank received banknote lodgements of 103m (value €2,492m) which represents a decrease of 22% on the 132m (value €3,357m) received in 2023.

² Further information can be found on the Central Bank website (<https://www.centralbank.ie/financial-system/a-digital-euro>), including a keynote address on the "Practical Considerations of a Digital Euro" provided in December (https://www.centralbank.ie/docs/default-source/financial-system/digital-euro/digital-euro-keynote-address.pdf?sfvrsn=2ee6641a_3).

Table 1: Banknote Issues

No. of Banknotes (m) Issued ³			Value €m	
Denomination	2024	2023	2024	2023
€5	22.4	22.2	112	111
€10	24.6	21.3	246	213
€20	34.6	45.1	691	902
€50	83.9	80.4	4,196	4,022
€100	0.3	0.3	35	34
€200	0	0	0	0
Total	165.8	169.3	5,280	5,281

Note: Figures may not sum due to rounding

Coin

The Central Bank, acting as agent for the Minister for Finance, issued 63m coins (value €33m) into circulation in 2024. This represents a 34% increase in coins issued when compared with the 47m coins (value €24m) issued in 2023. The Central Bank received lodgements of 27m coins (value €12m), which represents a 39% decrease on 2023 coin lodgements of 44m (value €17m).

Table 2: Coin Issues

No. of Coin (m) Issued			Value €m	
Denomination	2024	2023	2024	2023
1c	0	1	0	0
2c	0	1	0	0
5c	26	18	1	1
10c	8	8	1	1
20c	8	6	2	1
50c	6	4	3	2
€1	4	3	4	3
€2	11	8	22	17
Total	63	47	33	24

³ The €500 banknote is legal tender; however, as of 27 April 2019, it is no longer issued.

Collector Coins

The Central Bank marks significant events in Irish arts, history, heritage and culture by issuing a range of coin products on behalf of the Minister for Finance. During 2024, the Central Bank issued the following four coin products for sale on

www.collectorcoins.ie:

- Annual Mint Set 2024 – Bio-Diversity Theme
- Baby Set 2024
- Silver Proof Coin 2024 – St. Brigid
- Silver Proof Coin 2024 – 100 Years since the establishment of the Irish Defence Forces.



Launch of Commemorative Coin celebrating 100 years of the Irish Defence Forces

During 2024, the Central Bank issued two silver proof commemorative coins. On 26 June 2024, a silver proof coin was launched to mark the 1500th anniversary of the passing of St. Brigid. On 8 October 2024, the Central Bank launched a silver proof coin to mark the centenary of the Irish Defence Forces.

National Cash Cycle Developments

In July 2024, the Minister for Finance published the Finance (Provision of Access to Cash Infrastructure) Bill 2024 (the Bill) which aims to ensure the public and small and medium enterprises have reasonable access to cash. Access to cash means the ability of the public and small and medium enterprises to both lodge and withdraw banknotes and coin, and the Bill will set out a range of measures, which are designed to ensure that cash continues to be readily accessible into the future. The Bill will convey a range of new responsibilities on the Central Bank to oversee the implementation of its provisions. Some of the key provisions are as follows:

- Provide for a framework to manage future changes to access to cash infrastructure in a fair, equitable and transparent manner and for that purpose, to provide for access to cash criteria and local deficiency provisions to be complied with.
- Designate entities who will be responsible for such compliance and that there will be monitoring and enforcement of these obligations by the Central Bank.
- Collect and publish certain information relating to access to cash.
- Register ATM Deployers and Cash-in-Transit companies, and conduct ongoing oversight of ATM Operators and Cash-in-Transit companies.

It is expected that the Bill will be enacted with most of the provisions taking effect during 2025. In anticipation of this, the Central Bank is preparing for implementation of its new responsibilities.

The Central Bank is progressing the implementation of its strategy to develop a new cash centre, including the purchase of a new site. The initial estimate is that it will be at least seven years before a new cash centre is delivered. Until such time, operations will remain at its premises in Sandyford.

Economic Analysis and Statistics

Economic Analysis

In contributing to the development of national economic policy, the Central Bank provided economic analysis and advice through its [Quarterly Bulletins](#) and in speeches and statements by the Governor and other senior staff. It prepared four macroeconomic forecasts during the year, which informed the economic outlook and comment provided in the Bulletin. The forecasts produced include those conducted within the Eurosystem's biannual Broad Macroeconomic Projection Exercise. The Central Bank's modelling suite continued to be developed, especially to support policy-relevant analysis in the area of climate change.



Research during 2024 focused on various aspects of the Irish economy. Areas considered in the [Quarterly Bulletin Signed Articles](#) were inflation forecasting, the economic policy issues arising in the housing market, short-to-medium fiscal policy and long-term growth. In the [Research Technical Papers](#) and [Economic Letters](#) series, research findings were published on estimating the cyclical position of the economy, measuring household indebtedness, the contribution of multinational enterprises to the domestic economy and the impact of job switching on wages. Staff also published in external publications and presented at domestic and international fora. A detailed description of the Central Bank's research output is provided in its [Research Bulletin](#).

Statistics

The Central Bank is responsible for publishing official statistics on the Irish financial sector to support the ESCB and external users, such as public institutions, media, market participants and the general public. It also continues to develop new and expanded datasets on key financial activity in Ireland.

In 2024, the new [Frontier Statistics Series](#) was launched. This series aims to make use of a broader range of data assets held by the Central Bank, to publish new information to users and to share novel insights on topics of interest to the general public. The launch included two new outputs that will be updated on a regular basis. The first release is a new measure of total credit in the domestic economy using granular data sourced from the Central Credit Register, a measure of total credit that includes loans granted by a range of non-bank entities. This provides a broader and more comprehensive understanding of credit dynamics in the domestic economy than official statistics on domestic credit. The second release explores the distribution of mortgage interest rates using granular Central Credit Register data to enrich the official statistics by providing further analysis on the underlying distribution of interest rates across Irish borrowers.

The Central Bank [Open Data Portal](#) was launched in 2024. The Portal was developed in line with international open data standards, to increase the accessibility of the Central Bank's statistical data. It is consistent with the government's Open Data Strategy, which aims to make non-confidential data held by public bodies accessible and easier to reuse and redistribute.

Financial Regulation and Supervision⁴

Risk Landscape

The geopolitical situation is characterised by ongoing tensions, regional conflicts and global power shifts. A further escalation in any of these areas of concern, or other such developments, could trigger a cascade of adverse economic, financial market, supply chain and operational impacts,



The global financial system has remained resilient following several years of overlapping negative shocks. The near term growth outlook remains weak in many countries with some facing fiscal challenges. Considerable uncertainty remains on the future path of economic growth, inflation and monetary policy globally, although the

⁴ This section of the report addresses the Annual Performance Statement reporting obligations under Section 32L(2)(b) of the Central Bank Act 1942 (as amended).

expectation is that interest rates will stay higher for longer relative to pre-pandemic levels.

Despite this highly uncertain backdrop, financial markets have been performing strongly. But sentiment is fragile, there is some evidence of mispricing of risk in some markets, and market volatility can rise quickly. The sharp equity price drop in August 2024, and its quick rebound, illustrate this. Generally, movements in risk premia on different asset classes are unlikely to capture the evolving nature of global tail events.

Pressures from higher inflation and interest rates on credit quality eased somewhat, although commercial property prices continued to decline for much of the year.

Operational risks remain elevated and new vulnerabilities are being created through a greater use of outsourcing and a growing incidence and sophistication of cyber-attacks. The rapid pace of digitalisation has continued, in particular in the area of generative artificial intelligence, the usage of which in the financial sector has been limited to date. While digitally-enhanced business models provide many benefits to firms and consumers, and can enhance ease and speed of access to financial services, there is a consequential increase in the risk of fraud, financial crime and wider operational risk.

In terms of the climate crisis, there is a continuing watering down by governments and corporations from earlier net zero commitments and timelines, with increasing gaps between progress actually made and those commitments that are needed to slow down global warming. There is rising evidence of the impact of climate change on physical risks, with an increasing number of extreme weather events in the form of floods, severe heatwaves and wildfires.

The financial sector has, for the most part safely navigated the overlapping shocks seen so far this decade, including the global pandemic and the war in Ukraine. However, in the context of a highly uncertain and volatile operating environment, maintaining and building operational and financial resilience in the financial sector becomes increasingly important. In addition to resilience, strong governance and risk management practices, consumer centric leadership and firms' adaptability to keep pace with changes facing their businesses and their customers' needs and expectations will be key.

Strengthening our Supervisory Framework

To ensure the Central Bank continues to deliver on its mandate into the future, our 2022-2026 Strategy committed to transforming its approach to regulation and supervision, recognising that this was a necessity in a rapidly changing world.

The transformation focused on:

- Accelerating the evolution of our risk-based, outcomes-focused supervisory approach such that it becomes more integrated, holistic and agile.
- Harnessing innovation in how we work through developing our data and tools (including supervisory technology).
- Anticipating and supporting innovation in financial services.
- Preparing for new EU anti-money laundering requirements and the establishment of the new EU agency, the Authority for Anti-Money Laundering and Countering the Financing of Terrorism.

While our transformational work across regulation and supervision continues, during 2024 we significantly progressed the transformation of our approach to supervision, culminating in the [announcement](#) of our new supervisory approach and the associated new organisation structure, which took effect in January 2025. These were key parts of delivering on the Transformation and Safeguarding themes in our Strategy.

In developing the new supervisory approach, we reflected on EU and global best practice, while also recognising the particular strategic advantage the Central Bank has by virtue of having all elements of the central banking and financial regulation mandate in one organisation.

Our new supervisory framework builds on the Central Bank's existing successful supervisory approach and practices. It incorporates our European and international supervisory responsibilities and the domestic and European regulatory framework in which we operate. It does not change the four safeguarding outcomes we are pursuing as a regulator. They remain: protection of consumer and investor interests; the integrity of the financial system; the safety and soundness of firms; and financial stability. What is changing is how we work to achieve these outcomes in a changing financial system – which increasingly transcends traditional regulatory distinctions such as “prudential”, “conduct”, and “anti-money laundering” – and delivers a more integrated approach to supervision, with multi-disciplinary teams working together to deliver our supervisory priorities in a more effective way.

Chart 1: Who We Regulate



† All figures are as at 31 December 2024 and include, where relevant, branches of European Economic Area and third country regulated entities providing financial services in Ireland.

⁺ This firm is also regulated as a benchmark administrator under the Benchmarks Regulation.

Key Financial Regulation and Supervision Activities in 2024

Consumer and Investor Protection

In 2024, the Central Bank continued to deliver on its consumer protection mandate in the context of identified risks and the uncertain economic environment. It continued to be a testing time for consumers with cost of living challenges putting pressure on some, in particular consumers on lower incomes or those who were already financially vulnerable.

The Central Bank sought to deliver positive outcomes for consumers through a range of supervisory activities and engagement in all financial sectors, with a focus on being clear on our expectations for how firms support their customers in the face of these challenges. We continued to monitor firms' compliance with regulatory requirements and our stated expectations, ensuring focus on high standards of governance and risk management. We expect firms to put consumers and investors at the heart of decision-making, to ensure consumers' interests are protected and that the assets held by firms on behalf of their clients are appropriately safeguarded.

Through supervisory work, the Central Bank identified a range of good practices and areas where improvements are required by firms. These included:

- The need for [investment firms to ensure marketing and advertising communications](#) are fair, clear and not misleading.
- Reviewing the [supports provided to consumers in, or facing, early mortgage arrears](#) and setting out a number of actions for firms to make improvements.
- Increasing transparency on the [interest rates for savings and deposit accounts](#) across providers, accompanied by a consumer campaign on how to make your savings work harder.
- Ending the practice of [discretionary commission arrangements in motor finance](#) hire purchase.
- Setting out to insurance firms [how to better identify, manage and mitigate risks to consumers](#) following a targeted consumer protection risk assessment.
- Requiring [credit card providers to take action](#) to address the over 400,000 credit cards on historically high interest rates, and a public awareness campaign on the considerations required when applying for credit cards.
- A review of [minimum competency, knowing the customer and suitability standards](#) in retail intermediaries.

The importance of ensuring effective customer services and supports was a common issue identified throughout our supervisory work. While good practices were observed, we also saw that firms are falling short of internalising a consumer-focused culture into their commercial decision-making, and there is a lack of attention to the level of service received by consumers in their day-to-day activities. As a result, there

will be a continued focus on customer service and complaints handling by firms as a core supervisory topic into 2025.

Supervision of Regulated Firms

Markets in Financial Instruments Directive

In 2024, the Central Bank issued a [Dear CEO letter](#) to the Markets in Financial Instruments Directive investment firm sector, detailing findings from its thematic review of marketing communications, and commenced a thematic review of sustainability requirements.

The Supervisory Review and Evaluation Process framework was further embedded for the sector during the year. Supervisory engagements focused on ensuring high standards of governance and risk management, including a particular focus on ensuring client assets are appropriately safeguarded, with firms driving the right culture.

Operational resilience remained a critical supervisory focus with ongoing engagement addressing the themes of over-reliance on outsourcing arrangements, the need for robust and mature IT risk management frameworks and controls and the importance of firms understanding their obligations under the Digital Operational Resilience Act. Supervisory focus with respect to financial risk and resilience centred on risks to solvency and liquidity, and on firms' governance around the capital adequacy and risk assessment process.

Development of the regulatory framework was also a key focus with active participation at the European Securities and Markets Authority during the year to support supervisory convergence work, and to influence the development of measures under the EU Retail Investment Strategy to strengthen the protections afforded to retail investors.

Retail Banking

The changing domestic retail banking sector remained a key priority in 2024. Following extensive supervisory engagement, the banking licence of KBC Bank Ireland (now 'Exicon DAC') was (at its own request) revoked by the ECB, as the competent authority under the Single Supervisory Mechanism, effective 30 April 2024. Further consolidation of the sector is largely complete due to the ongoing exit of Ulster Bank.

Against a backdrop of heightened macroeconomic uncertainty and geopolitical risks, Irish banks remained resilient and reported high liquidity buffers and capital levels above minimum regulatory requirements. Strong profitability was supported by high net interest income, however financial forecasts anticipate this will normalise in

response to decreasing interest rates. Credit quality, to date, has also remained robust but there are vulnerabilities in some portfolios.

Operational resilience was a priority in 2024 amid the sector's growing dependence on digital channels to deliver critical services to customers, the interconnectedness of the sector and an increasing cyber threat landscape. Supervisory engagements focused on operational resilience at a firm level and across the system to reduce the impact from inevitable operational disruptions and ensure resilient banking services to customers. To this end, there was also a focus on system-wide readiness for the implementation of the EU Digital Operational Resilience Act in January 2025.

International Banking

The international banking sector in Ireland continued to grow in both size and complexity in 2024, driven by the increase in cross border assets held by third country subsidiaries. The initial desk mapping review launched by the ECB to assess whether third country subsidiaries located in the EU have appropriate internal governance and risk management capabilities for material trading desks was concluded. Supervisory expectations arising from this review, including necessary remedial actions, were shared with the relevant banks.

Separately, upon completion of the merger between UBS Group and Credit Suisse AG Dublin Branch, which was executed and confirmed on 31 May 2024, Credit Suisse AG Dublin Branch ceased to exist and, as such, their authorisation under Section 9A of the Central Bank Act, 1971 lapsed.

Credit Unions

The credit union sector continued to grow its assets during 2024, with total assets of €21.4bn, strong reserves maintained and positive growth trends in lending. Through supervision of the financial and operational resilience of credit unions, there was a continued emphasis to deliver outcomes in the interests of members.

Consolidation continued with eight transfers of engagement completed and a future pipeline in place. Restructuring continues to reshape the sector's asset size profile, with 70 of 183 active credit unions reporting assets over €100m (representing 73% of sector assets) at end-2024.

In December, the Central Bank published a [Credit Union Lending](#) report which assessed and analysed the impact of changes to the 2020 credit union lending regulations and assessed the need for future changes to these regulations. This resulted in the publication of [Consultation Paper \(CP159\) on Proposed Changes to the Credit Union Lending Regulations](#), with a number of targeted changes including to concentration limits for house and business loans.

Other changes for credit unions included the November publication of the [Feedback Statement on Consultation Paper 148](#) Credit Union Exempt Services and amending regulations, application of the Individual Accountability Framework and application of the Minimum Competency Code.

Phases 1-3 of the Credit Union (Amendment) Act 2023 (2023 Amendment Act), which introduced changes to the Credit Union Act, 1997, were commenced during 2024. Commencement was achieved by amending the relevant regulations of the Credit Union Act 1997 (Regulatory Requirements) Regulations 2016, undertaking the required statutory consultation with the Minister for Finance and other sector stakeholders, issuing communications to credit unions and other sector stakeholders on the commencement phases and updated relevant chapters of the sector Handbook.

Payments and Electronic Money (E-Money)

The payment and e-money sector continues to increase in importance in the Irish and European payments landscape. Activity levels have increased as a result of strong growth in payment activity by firms and continued growth in the number of firms operating within the sector, with services being passported across the EU from Ireland. The value of safeguarded funds held at the end of 2024 was €10.2bn, an increase of 27% compared to €8bn held at the end of 2023.

The Central Bank's supervision of the sector continues to identify deficiencies in governance, risk management, internal control arrangements, outsourcing and safeguarding. This has necessitated supervisory intervention to progress firms' remediation.

A key area of supervisory focus continues to be on safeguarding risk and the requirement that firms ensure users' funds are appropriately managed and protected on an ongoing basis. During 2024, at a sectoral event, the Central Bank communicated its findings and expectations arising from the 2023 independent audit obtained by firms regarding their safeguarding practices. This will continue to be an area of supervisory focus in 2025 and beyond.

Insurance/Re-Insurance

During 2024, there was a continued supervisory focus on the robustness of firms' reserves, together with pricing governance practices, methodology and reporting across different sub-sectors. This is in addition to progress firms are making in embedding the requirements of the Individual Accountability Framework.

As a number of international firms increased the size of their operations, we engaged with those firms to ensure governance structures were put in place to support this change.

A detailed analysis of the [flood insurance protection gap](#) in Ireland was completed in 2024. The published findings of the analysis were discussed at a seminar with a range of stakeholders. The objective of the analysis was to inform a solutions-focused debate on the issue. This work was complemented by a continued focus on climate change and sustainability considerations by (re)insurers and, in particular, firms' assessment of the materiality of their climate risk exposures.

A targeted review of firms' consumer protection risk management frameworks was undertaken in 2024, as well as an inspection of firms' adherence to the Unclaimed Life Assurance Policies Act. The Central Bank's review of the Personal Injury Guidelines and Claims Inflation, also completed in 2024, communicated a range of expectations to firms in the non-life sector.

Extensive supervisory engagement has also been completed in relation to outsourcing, operational resilience (including preparedness for the introduction of Digital Operational Resilience Act), complemented by a thematic review of third party administrators. This work will continue into 2025. We also continued to deepen our understanding of innovation and digitalisation in the insurance sector. A focus on fundamentals in 2024 looked at firms' IT risk processes and infrastructure. This work was complemented by the Central Bank's workshop on the responsible use of Big Data and related technologies which looked at themes of general governance and risk management, data usage and management, and the ethical and fair use of data in avoiding customer detriment.

Retail Intermediaries

The retail intermediary sector comprises almost 2,500 firms, and is a key distribution channel for insurance, pensions and investments, and mortgage products. In 2024, the Central Bank issued a [Dear CEO letter](#) to the retail intermediary sector, detailing findings from its thematic review of professional standards, and commenced a thematic review on intermediaries providing advice based on fair or limited analysis of the market. Sectoral outreach and communication is also a key priority, and in 2024 the Central Bank published multiple editions of its [newsletter](#) for the sector, as well as hosting its annual retail intermediaries [roadshows](#).

Securities and Markets

In 2024, the Central Bank continued to enhance its data led approach to supervision of the investment funds sector. Notable deliverables in this regard include the funds risk model formally concluding its test and learn phase, and data automation and collection efforts resulting in daily subscriptions and redemptions being successfully submitted to the Central Bank for all Irish authorised funds.

Liquidity and leverage remained key areas of supervisory focus, with work progressed to identify excessive leverage, liquidity management tools usage and hedge fund

activities in particular. The final report on the Common Supervisory Action on Sustainability Risk and Disclosures was submitted to the European Supervisory and Markets Authority in Q3. Industry communication was issued to property funds on the Central Bank expectations in relation to liquidity stress testing in Q4. Following the completion of a thematic review, the Primary and Secondary Market Trading Arrangements of Exchange Traded Funds in Ireland, an [industry letter](#) was published outlining the findings and required actions in November. Thematic reviews of securities lending fee arrangements and liquidity management tools in Irish funds also commenced in 2024, with findings anticipated to be communicated in 2025.

The detection and prevention of market abuse remains a key priority and the Central Bank continue to work closely with the Garda National Economic Crime Bureau in this regard. In 2024, the first individual was sentenced following conviction of insider trading in 2023. The quality and quantity of suspicious transactions and order reports received has continued to improve, resulting in another record number received during the year (442 which is a 20% increase on 2023). In February, the Central Bank went live with its market surveillance tool, which enhances capabilities in monitoring trading activities for suspected market abuse and also identifies potential reporting errors and other operational issues.

Throughout 2024, the Central Bank continued to maintain its focus on the efficacy of wholesale market conduct frameworks in mitigating market conduct risk, and supporting a resilient and well-functioning market for the protection of investors and market participants. Whilst the Central Bank has seen some improvements in the standard of firms' wholesale market conduct risk management frameworks, we continue to observe the need for improvements to ensure firms' adopt a proactive, forward-looking approach to managing market conduct risk. Supervisory engagements identified that wholesale market conduct risk management policies and conflicts of interest policies were not sufficiently comprehensive to cover relevant risks emanating from firms' business activities and that such frameworks were not subject to a formal and systematic review.

High Cost Credit Providers

An annual return was launched for the sector in 2024 to collect enhanced data. The data will be used to inform the scoping and development of a report for the Minister for Finance in 2025 on the impact of the interest rate cap introduced in 2022.

A selection of firms within the sector were subject to two on-site inspections. The first focused on ensuring that firms providing cash loans have policies and procedures in place that encourage responsible lending and that adequate affordability assessments are conducted. The second focused on ensuring that online and insurance premium

finance providers are handling complaints in accordance with applicable complaints handling requirements.

Authorisation and Gatekeeping

The Central Bank focuses on processing applications for authorisation in a timely manner, ensuring that the applicants authorised are those who clearly demonstrate that they can meet the required regulatory obligations at application stage and on an ongoing basis. The Central Bank continues to enhance how it meets its ongoing commitment to providing a clear, open and transparent authorisation process and ensuring constructive engagement with industry and other stakeholders.

In 2024, there was an increase in authorisations activity and a continued level of complexity, primarily driven by technological innovation in the business models of applicant firms.

A number of areas across the Central Bank deal with applications for different sectors under differing legislative and regulatory requirements. The assessment processes across the Central Bank continue to be streamlined with clear descriptions of the application processes, the standards required for authorisation and the relevant engagement required. In line with our open and engaged strategy, the Central Bank sets out expectations for regulated firms on its website, through hosting webinars and in person fora, and via meetings with parties engaged in the authorisation process.

Further information is available in the new Authorisations and Gatekeeping report on the Central Bank [website](#). This report seeks to provide increased transparency and predictability regarding our authorisations expectations and processes and has been shaped by feedback we have received from stakeholders.

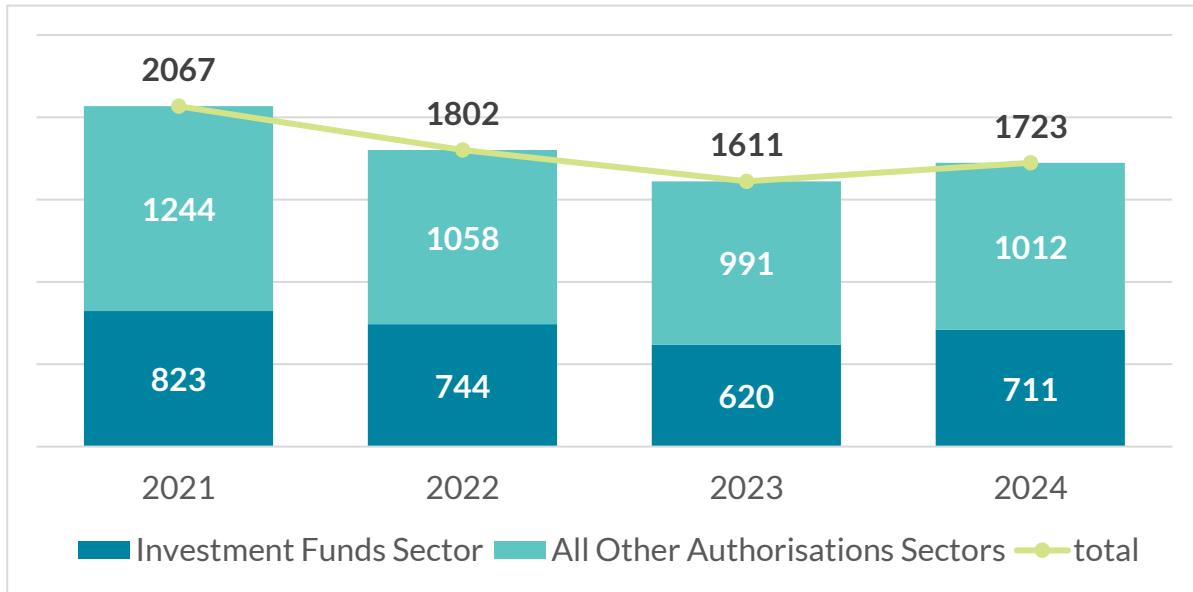
A breakdown of the number of authorisations progressed in 2024, along with processing times is contained in the table below.⁵

⁵ The purpose of these metrics is to provide information which indicates, for a typical application, how long an authorisation can expect to take. More complex authorisations may take longer to assess. This metric is from the date a complete application is received to the final decision and includes time taken by applicants to deal with queries raised by the Central Bank in the course of the application.

Table 3: Authorisations Data

Authorisations data covering the period 1 January to 31 December 2024	Applications Received	Applications Withdrawn/ Closed	Applications Approved	Processing Times – Average Calendar Days	Pipeline at 31 December 2024
Funds Authorisation	787	69	710	88	-
Retail Intermediaries/ Debt Management Firms	309	122	200	119	82
High Cost Credit Providers	0	0	0	N/A	1
Retail Credit Firms/ Credit Service Firms	2	6	4	854	19
Trust or Company Service Providers	10	0	10	75	5
Fund Service Providers	18	2	15	202	13
Insurance	9	1	9	21	1
MiFID Investment Firms	8	5	6	256	15
Crowdfunding Service Providers	0	0	2	420	1
Payment and Electronic Money Institutions	3	1	6	688	10
Credit Unions	No updates for 2024				
Virtual Asset Service Providers	4	10	11	382	0
Credit Institutions	2	0	0	n/a	2
Prospectus Approval	644	N/A	759	15	
Fitness and Probity	3060	429	2683	52	444

Chart 2: Authorisations Activity of Regulated Firms 2021-2024



Funds

Fund authorisation submissions received in 2024 continued at pace with 710 funds authorised during the year. There were 3,141 post-authorisation submissions reviewed during year, with 1,210 post-authorisations notings taking place. In addition, during this period 153 investment manager applications were reviewed. The Sustainable Finance Disclosure Regulation and Taxonomy Regulation continued to be an area of focus this year, along with the implementation of the European Securities and Markets Authority fund naming guidelines. The Central Bank hosted a Sustainable Finance Disclosure follow-up workshop in October to further discuss the findings of the review of investment fund pre-contractual disclosures. Attendees included representatives from Irish funds, asset managers, fund service providers and legal advisors. Fifteen fund service provider firms were also authorised in 2024.

Primary Markets

Ireland is also a significant jurisdiction for the approval of prospectuses related to securities offered to the public or admitted to trading on a regulated market. In 2024, there were 759 prospectus approvals, in addition to 156,289 post authorisation filings. There was a significant increase in the final terms passporting into Ireland in 2024.

Insurance Undertakings

In 2024, the Central Bank issued authorisation in principle to one (re)insurance undertaking, five Solvency II special purpose vehicles and three special purpose vehicle arrangements. Alongside core supervisory engagements in 2024, supervisors engaged on a material number of transactions relating to changes in firms' strategies and structures during the period.

Investment Firms

The authorisation pipeline remained strong throughout 2024 with six firms authorised. The pipeline continues to be highly varied, and is driven mainly by business expansions within incumbent firms, an increased level of interest in authorisation of Markets in Financial Instruments Directive trading venues and ongoing pursuit of group Brexit strategies. In addition, two branches of EU authorised firms were approved to operate in the jurisdiction.

Retail Intermediaries

There were 200 retail intermediary authorisations/registrations issued in 2024, representing a 15% increase on the previous year, whilst also noting that the overall number of firms operating in this sector decreased during the year. The application process for approximately 90% of applicants was enhanced in 2024 with the recent introduction of automated online validation checks for A-Form applicants. This has resulted in a more streamlined application process, a material improvement in the quality of applications, and faster turnaround times for applicants.

Crowdfunding Service Providers

Crowdfunding Service Providers were authorised for the first time in late 2023 with two additional firms authorised in 2024. The first year of supervision of this new sector included significant collaboration with European authorities and other regulators to ensure a harmonised approach and the application of supervisory best practice. Firms were required to submit their first annual return to the European Securities and Markets Authority detailing activity on their platforms, including the amount of funding raised. This data fed into their first annual report on the EU crowdfunding market.

Virtual Asset Service Providers

The Central Bank continued to assess virtual asset service provider applications in 2024, with 11 additional firms registered. A total of 22 virtual asset service providers were registered with the Central Bank at end-2024. These firms are supervised by the Central Bank for Anti Money Laundering/Countering the Financing of Terrorism purposes only.

The commencement of the Markets in Crypto Assets Regulation significantly altered the authorisation process for firms seeking to provide crypto asset services from Ireland. The Central Bank's authorisation process is based on clarity, transparency, and predictability for firms seeking authorisation under the Markets in Crypto Assets Regulation. We are committed to achieving the benefits of the new EU regulatory framework for crypto assets, while ensuring the risks are well managed. Crypto Asset Service Providers authorised under the Markets in Crypto Assets Regulation are subject to anti-money laundering, prudential and conduct requirements, while the

current Virtual Asset Service Provider registration process is focused solely on an applicant's compliance with Anti Money Laundering/Countering the Financing of Terrorism obligations.

Innovation Hub

In 2024, the Central Bank delivered improvements to its Innovation Hub to deliver deeper, clearer and more informed engagement with the innovative ecosystem.

Our Innovation Hub offers an informal engagement process to support innovators to gain a deeper understanding of our regulatory and supervisory expectations. Since the inception of our Innovation Hub in 2018, we have engaged with over 460 firms, from Fintech start-ups to established financial institutions. This engagement has provided us with valuable insights into emerging technologies and business models, enabling us to inform our regulatory approach accordingly.

A significant milestone in our innovation journey this last year has been the enhancement of our Innovation Sandbox and the launch of the inaugural Innovation Sandbox Programme with the theme of Combatting Financial Crime. This initiative offers a structured environment for firms to develop innovative solutions in a collaborative environment, ensuring that new technologies are introduced safely and effectively into the financial system. The programme has welcomed seven project development solutions over a six-month period, with advice and support from various teams across the Central Bank. The programme reflects our commitment to supporting innovation while safeguarding the integrity of the financial sector.

Review of the Fitness & Probity Regime

On 11 July 2024, the Central Bank published the review of its Fitness & Probity Regime. This review was completed by Mr Andrea Enria, the former Chair of ECB Supervisory Board. This work was initiated by the Central Bank to review the established regime and following a decision from the Irish Financial Services Appeals Tribunal, which raised issues regarding certain aspects of the fitness and probity regime. The review found that the standards operated by the Central Bank broadly aligned with international good practice, but it also set out a number of recommendations. The recommendations highlighted the need for targeted improvements in process consistency across firms of different sizes and from different financial sectors. The recommendations focus on three areas: clarity of supervisory expectations, governance of the process, and the fairness, efficiency and transparency of the process. The review identified a number of areas in which the operation of the fitness and probity regime could be improved.

Based on the recommendations of the report, the Central Bank commenced the process to examine how fitness and probity processes dispersed across the Central

Bank could be brought together. In December, the establishment of a newly created Fitness and Probity Unit was announced. This unit will be dedicated to fitness and probity application processing. Further work on implementing the recommendations will continue into 2025.

Figures relating to the processing of fitness and probity applications during 2024 are contained in the table below. Further information is available in the Authorisations and Gatekeeping Report on the Central Bank [website](#).

Table 4: Fitness and Probity Applications by status in 2024

Authorisations data covering the period 1 January to 31 December 2024	All Pre-Approval Controlled Function (PCF) Assessments	Pre-Approval Controlled Function (PCF) Standard Applications	Pre-Approval Controlled Function (PCF) Linked to Authorisation
Applications Received	3060	2175	885
Applications Returned as Incomplete	301	212	89
Applications Withdrawn	128	60	68
Applications Approved	2683	1982	701
Applications Refused	0	0	0
Interviews Conducted	47	32	15
Average Calendar Days for approvals	52	24	134
% approved within 90 calendar days	82%	98%	37%
End of Year Pipeline	444	129	315

Enforcement

Central Bank Enforcement Actions

In 2024, the Central Bank fined Goodbody Stockbrokers Unlimited Company €1,225,000 for a breach of its obligations under Article 16(2) of the Market Abuse Regulations (596/2014/EU), in failing to put in place an effective trade surveillance framework to monitor, detect and report suspicious orders and transactions in relation to market abuse.



The Central Bank reprimanded and fined Waystone Fund Management (IE) Limited (WFM) €393,512 for eight breaches of the European Union (Alternative Investment Fund Managers) Regulations 2013, including failings in relation to due diligence, conflicts of interest, delegate oversight, risk management, valuation procedures and treating investors fairly.

The Central Bank reprimanded and fined BlueSnap Payment Services Ireland Limited (BlueSnap) €324,240 for three breaches of the European Union (Payment Services) Regulations 2018, in failing to comply with its safeguarding obligations and failing to inform the Central Bank promptly of changes to the accuracy of information given at authorisation.

The WFM and BlueSnap settlements were reached under the new “undisputed facts settlement process”, introduced by the Central Bank (Individual Accountability Framework) Act, 2023. In accordance with changes introduced by the Act, applications have been lodged in the High Court to seek confirmation of the WFM and BlueSnap sanctions.

The Central Bank revoked the authorisation of Pat O’Sullivan Insurances Limited t/a Olympian Financial Services in 2024 for failure to comply with regulatory obligations.

Inquiries

Three Central Bank inquiries continued in 2024. In respect of the inquiry concerning Irish Nationwide Building Society and a person concerned in its management, the inquiry’s findings in respect of the sole remaining person formerly concerned in its management issued. The findings determined that Mr Purcell had participated in certain of the firm’s breaches of its regulatory obligations. A sanctions hearing was held, the outcome of which is awaited.

In respect of the inquiry concerning a person concerned in the management of Permanent tsb plc, the inquiry hearing was held in early 2024. The inquiry issued its findings determining that Mr Guinane participated in a breach of its regulatory obligations. A sanctions hearing was held in early 2025, the outcome of which is awaited.

The inquiry concerning a person formerly concerned in the management of a regulated financial service provider, which commenced in 2022, progressed during 2024 with the holding of four inquiry management meetings.

Further details of the Central Bank’s [enforcement outcomes](#) and cases currently at [inquiry](#) are available on the Central Bank's website.

Fitness and Probity Investigations

The Central Bank conducted a fitness and probity investigation in relation to an insurance broker in accordance with Section 25 of the Central Bank Reform Act 2010. The investigation concerned certain matters that arose in the context of the individual’s employment at an insurance broker, including the unauthorised creation and modification of insurance documentation.

Following this investigation, the Central Bank issued a [Prohibition Notice](#), prohibiting the individual from carrying out any controlled functions, including pre-approval

controlled functions, in any regulated financial service provider for an indefinite period.

Financial Crime

Financial crime can cause significant detriment to consumers and it undermines the integrity of the financial system. It is a continued concern of the Central Bank and work has been prioritised around financial crime affecting consumers of financial services through fraud or the laundering of the proceeds of crime.

There are increasing instances of financial services being used to perpetrate or facilitate fraud, and fraud techniques are also becoming more complex and sophisticated. Fake or imitation trading platforms, clone investment firms, and impersonation via “smishing” or social engineering are common techniques used by criminals. Based on fraud data reported from payment service providers and [compiled by the Central Bank](#), the monetary value of those reported fraudulent payments in Ireland has also increased by a quarter in 2023 compared to 2022 – from €100m to €126m.

In 2024, the Central Bank ran an awareness campaign which built upon our previous campaigns in 2022 and 2023. The purpose of these campaigns is to increase public awareness about scams and frauds, empower individuals to avoid them and enhance public engagement with the Central Bank.

With a view to disrupting online fraud and protecting consumers from online scams, the Central Bank has engaged with technology firms on how best to respond to the increase in online scam activity. Through this engagement, we are requesting technology firms to verify whether services on their platforms are authorised by the Central Bank to offer such services.



Unauthorised Providers

In 2024, the Central Bank published 154 warning notices in respect of unauthorised firms and updated a further 17 existing warning notices, representing a marked year-on-year increase. The Central Bank continued to engage closely with criminal enforcement agencies, including An Garda Síochána, in respect of unauthorised

activity. It also engaged with technology firms on how best to respond to the increase in online scam activity. This engagement has led to one provider taking steps to verify whether entities seeking paid for advertisements for regulated financial services are authorised by the Central Bank.

Protected Disclosures

Protected disclosure reports provide the Central Bank with valuable information that may not otherwise come to light. The Central Bank can only act on what it knows, so information provided may assist in protecting consumers. The Central Bank encourages individuals to report concerns relating to suspected regulatory wrongdoing. A total of 233 protected disclosures were received during 2024 (224 in 2023). Each protected disclosure is assessed and investigated as necessary. During the year, protected disclosures contributed to enhanced supervision and engagement with firms, implementation of risk mitigation programmes, publication of warning notices and enforcement action.

Financial Sanctions

The Central Bank is Ireland's competent authority for the administration of targeted financial sanctions. In this role, it has supported the administration of EU sanctions arising from the Russian war in Ukraine. During 2024, the Central Bank received 19 derogation applications of which four were authorised and five remain under assessment. A further eight applications were withdrawn by the applicant following engagement with the Central Bank and the remaining two were either refused or rejected. Additionally, the Central Bank has supported individuals and entities in the implementation of the EU's sanctions through responding to 235 requests for guidance. The Central Bank is an active participant in national and international fora, the focus of which is to ensure that the sanctions achieve their desired goal.

Anti-Money Laundering and Countering the Financing of Terrorism

The Central Bank continued to enhance and evolve its risk based approach to Anti-Money Laundering/Countering the Finance of Terrorism supervision during 2024. The supervision of firms for these purposes continued to focus on ensuring that appropriate and effective control frameworks are in place to minimise risk and to ensure that firms are compliant with their legislative obligations under the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010. In this regard, areas covered included risk assessment frameworks, governance, transaction monitoring, customer due diligence and suspicious transaction reporting. In 2024, the Central Bank focused on the analysis of international money flows, including model development to estimate the level of money laundering and its source, domestic or international, and assessment of firms' controls to manage the risks associated with these flows. Continued focus was maintained on enhancing reporting in line with the Central Bank's strategy to be a more data driven supervisor. The Central Bank worked

closely with An Garda Síochána, the Criminal Assets Bureau and other relevant competent authorities in the domestic and global fight against money laundering and terrorist financing, including through its activities as a member of Ireland's delegation to the Financial Action Task Force. This included significant engagement to support the preparations for the establishment of The Authority for Anti-Money Laundering and Countering the Financing of Terrorism. Our supervisory work in Anti-Money Laundering and Countering the Financing of Terrorism and Financial Crime will form part of our safeguarding outcome on the integrity of the financial system as part of our enhanced supervisory approach.

Anti-Money Laundering Registers

Ireland Safe Deposit Box, Bank and Payment Accounts Register

The Central Bank operates the Ireland Safe Deposit Box, Bank and Payment Accounts Register following its establishment in 2023. The register contains a record of the account holder(s), beneficial owner(s) and person(s) purporting to act (as applicable) of over 25m IBAN accounts and safe deposit boxes from credit institutions in Ireland. The register is directly accessible to prescribed law enforcement agencies only.

Beneficial Ownership Register for Certain Financial Vehicles

In 2024, the Central Bank processed 1155 requests from designated persons to access the Beneficial Ownership Register for Certain Financial Vehicles. The register maintains a record of the ultimate owners and/or controllers of Irish Collective Asset-management Vehicles, Credit Unions, Unit Trusts, Investment Limited Partnerships and Common Contractual Funds. It is one of three beneficial ownership registers in Ireland. Access to the register is provided on an unrestricted basis to prescribed competent authorities and on a restricted basis to designated persons defined by the Criminal Justice Act. Persons demonstrating a legitimate interest may also access the register on a restricted basis. Throughout 2024, the Central Bank continued its engagement with peer registers and Irish agencies on efforts to enable the future interconnection of beneficial ownership registers on a pan-European basis.

Policy and Legislative Pipeline

Individual Accountability Framework

The Individual Accountability Framework was signed into law and commenced in 2023. It includes the following key elements: Senior Executive Accountability Regime; Conduct Standards; enhancements to the Fitness and Probity Regime; and amendments to the Administrative Sanctions Procedure. The firms in-scope of the Senior Executive Accountability Regime are credit institutions (excluding credit unions), insurance undertakings (excluding reinsurance undertakings, captive (re)insurance undertakings and Insurance Special Purpose Vehicles), investment firms (which underwrite on a firm commitment basis and/or deal on own account and/or are

authorised to hold client assets) and third-country branches of these categories of firms. The regulations for executives became applicable on 1 July 2024.

Review of Consumer Protection Code

The Consumer Protection Code Review was initiated by the publication of a wide-ranging discussion paper in October 2022 and an extensive six-month engagement process. In March 2024, the Central Bank published [a Consultation Paper](#) (CP158) on the [Consumer Protection Code](#). It set out proposals for a modernised Consumer Protection Code, which builds on the existing Code, reflects the provision of financial services in a digital world and enhances clarity and predictability for firms on their consumer protection obligations. Following extensive engagement during the consultation period, 57 written responses were received from across industry, civil society and other government agencies and regulators. Feedback was broadly positive, with many stakeholders welcoming the proposals set out in the revised Code. The Central Bank considered the nature and extent of the feedback and developed a set of proposed actions and proposals which have been reflected in the updated revised Code regulations and accompanying guidance.

Consumer Advisory Group

The Consumer Advisory Group is a statutory advisory panel, established under the Central Bank Reform Act 2010, which provides advice to the Central Bank on the performance of its functions and the exercise of its powers in relation to consumers of financial services. The group met five times in 2024 and its input was sought on a number of significant strategic issues, including:

- The Consumer Protection Code review.
- National Payments Strategy and Payment Innovation in the Irish Market.
- Mortgage arrears, particularly in the context of rising interest rates.
- Consumer Facing Communications Strategy (Building Trust in 2024).
- Key Sectoral Risk Assessment relating to Consumer Protection.
- Cost of Living Challenges.
- Sector-specific issues including Consumer Risks in the Health Insurance Sector and Behavioural Research on Buy Now Pay Later finance.

Markets in Crypto Assets (MiCAR)

The Markets in Crypto-Assets Regulation introduced a harmonised regulatory framework across the European Union for the crypto-assets sector that sets prudential and conduct obligations for issuers of e-money tokens, asset-referenced tokens, and for crypto-asset service providers. The regulation aims to protect consumers and investors and mitigate risks to financial stability. The regulation became applicable to issuers of Asset-Referenced Tokens and E-Money Tokens on 30 June 2024 and applicable to Crypto-Asset Service Providers on 30 December 2024.

The Central Bank has been designated as the competent authority for the authorisation and supervision of entities that will be subject to the Markets in Crypto-Assets Regulation. On 18 July 2024, the Central Bank hosted an industry event, which focused on the Central Bank's approach to implementation and included an overview of the Central Bank's risk appetite and the Central Bank's Authorisation and Supervisory Expectations (note section above on VASPs regarding authorisation under Markets in Crypto-Assets Regulation).

Artificial Intelligence

The Central Bank ranked Artificial Intelligence amongst the technology with the greatest transformational potential in its 2024 Regulatory and Supervisory Outlook Report. During 2024, we began work to develop our supervisory expectations of regulated entities related to the use of Artificial Intelligence in financial services.

The Central Bank welcomed the publication of the European Union Artificial Intelligence Act in July 2024 and notes the specific high-risk use cases related to the provision of regulated financial services. During 2024, the Central Bank actively engaged with relevant government departments charged with implementing the Act to determine the mandate of the Central Bank under the Act and began our own internal preparations to monitor compliance by regulated financial service providers.

Funding and Staffing of Regulation and Supervision

Funding of Regulation and Supervision

The Central Bank's funding strategy continues to evolve, on a phased basis, towards fully recovering the cost of financial regulation and supervision activities from industry. In this regard, we will look to progress a consultation to elicit views on future recovery rates for credit unions in 2025.

On an annual basis the Central Bank makes regulations requiring regulated firms to pay a funding levy to the Central Bank in respect of its financial regulation and supervision activities. These regulations, which set out the basis on which levies are applied to individual regulated entities within each industry funding category, take effect following approval by the Minister for Finance. The annual funding requirement reflects the cost of financial regulation and supervision, the cost recovery rates approved by the Minister for Finance and adjustments for items including balances or deferred income from prior years.

The Central Bank continuously reviews the levy process to ensure it remains appropriate as the financial services industry evolves and new sectors fall within our regulatory remit. The Central Bank also seeks to ensure the levy process is as efficient to operate as possible. For example, last year the Central Bank issued the levy

invoices by email to the majority of regulated entities for the first time and this will continue into the future.

The Central Bank continues to progress its review of its longer term levy strategy. This is to consider whether, and to what extent, changes in methodology and approach are warranted, taking into consideration the evolution of the financial services sector and the Central Bank's approach to regulation and supervision. Preliminary engagement has already been held with industry representative bodies as we look to progress this substantial piece of work in 2025. The Central Bank plans to engage publicly on any significant proposals arising from its work in this area in advance of changes (if any) being implemented.

Staffing in Regulation and Supervision

At end-December 2024, there was the equivalent of 1,002.2 full-time staff involved in regulatory activities, marginally down from 1,012.3 in December 2023. The relatively similar staffing levels reflects a stability in the workforce through 2024. Voluntary turnover for regulation and supervision at end-2024 was 3.3% versus 3.9% at end-2023.

Chart 3: Headcount in Financial Regulation 2020-2024



International Peer Reviews⁶

In 2023, the Central Bank commissioned the Organisation for Economic Co-operation and Development (OECD) to review its consumer protection supervisory functions against the global standards for financial consumer protection, the G20/OECD High-

⁶ Section 32M of the Central Bank Act, 1942 requires the Central Bank to make appropriate arrangements every four years for either another national central bank, or another person or body certified by the Governor, after consultation with the Minister, to carry out a review of the Central Bank's performance of its regulatory functions. This section of the report addresses the Annual Performance Statement reporting obligations in respect of such reviews under Section 32L(2)(c) of the Central Bank Act 1942 (as amended).

Level Principles on Financial Consumer Protection (the High Level Principles). This was the first review of this nature undertaken by the OECD. The outcome of the review was published on 16 December 2024. The review found that the Central Bank is strongly committed to fostering and upholding the High Level Principles, meets the expectations outlined by the High Level Principles and that its practices are consistent with those of its peers. They also made a series of recommendations that the Central Bank can consider to further strengthen its consumer protection supervisory functions, support its transformation and accelerate the evolution of its risk-based supervisory approach. The Central Bank welcomes the findings of the review. The implementation of the recommendations will sit alongside the Central Bank's new supervisory framework and forthcoming revised Consumer Protection Code and ensure regulated firms are operating under a modernised set of rules and approaches in a changing global economy.

The Orderly and Proper Functioning of Financial Markets⁷

Introduction

When performing its functions and exercising its powers, the Central Bank is required to do so in a way that is consistent with the orderly and proper functioning of financial markets. Much of the day-to-day work of the Central Bank, contributes to this objective - including oversight of the financial system, which involves authorisation, supervision, enforcement and resolution. The purpose of this section is to focus on specific initiatives undertaken over the course of 2024 and outline how they are consistent with the orderly and proper functioning of financial markets.

A Resilient Well-Functioning System

The financial system continues to provide a diverse array of services to the Irish economy, underpinning real economic activity, while demonstrating continued resilience in the aftermath of recent shocks. The scale of financial services is reflected by the provision of over 27m payment accounts and through the processing of c. 4.9bn payment transactions in 2024 (totalling €11.84tn in value). Credit institutions have funded the economy providing €101bn in credit to households and €18bn in credit to small and medium enterprises, while new non-bank lending to Irish enterprises from January to September 2024 was estimated to stand at around €3bn.

At a system-wide level, the Central Bank focuses on ensuring that the financial system is able to function smoothly in providing services to households and businesses,

⁷ This section of the report addresses the Annual Performance Statement reporting obligations under Section 32L(2)(b) of the Central Bank Act 1942 (as amended), and as added to by the Recommendations of the Retail Banking Review (2022).

throughout the financial cycle.⁸ Indeed, over the course of 2024, and despite restrictive monetary policy and associated implications for asset prices and economic activity, the provision of financial services to households and businesses in Ireland remained uninterrupted, demonstrating the benefits of resilience accumulated over the past decade.

As previously noted, the Central Bank's countercyclical capital buffer rate for banks of 1.5% came into effect in June 2024. This buffer rate continues to be informed by detailed assessment regarding, inter alia, the macroeconomic benefits and costs of different capital levels for the Irish banking system. This assessment took a holistic approach to bank capital, including to consider the interactions between macroprudential capital buffers and other elements of the bank capital framework, such as risk weights.⁹ The rate is calibrated to ensure the banking sector is resilient to shocks, while not imposing disproportionate costs by affecting the sustainable flow of bank lending to the real economy.

The Central Bank's new macroprudential measures for Irish-authorized, GBP-denominated liability driven investment funds are another important intervention at the level of the financial system. This was informed by an impact assessment, considering both the benefits and costs of the new measures. By preventing excessive build-up of leverage, the measures are expected to reduce forced asset sales that could otherwise arise among funds under stress, which would in turn impose spillover costs on other market participants. Transitional costs to comply with the new measures were assessed to be low, because funds had already adjusted leverage positions to comply with measures in 2022, and over time, the measures are not expected to impose costs or disruption to the core functions of liability driven investment funds.

Well-Run Firms and Orderly Markets

At the level of individual firms, the Central Bank's core supervisory work, already outlined in this report, continues to ensure that firms across a variety of sectors are well prepared to meet the challenges of an evolving economic environment. Well-run, resilient firms remain the bedrock of orderly and properly functioning markets. Through continued focus on robust risk management, strong governance and operational resilience, the Central Bank's core supervisory work remains crucial to

⁸ The Central Bank's macroprudential policy framework sets out the strategy for deploying the macroprudential policy instruments to achieve this aim. For more details, see here: <https://www.centralbank.ie/financial-system/financial-stability/macro-prudential-policy>

⁹ See the Central Bank's framework for macroprudential capital, June 2022 here: <https://www.centralbank.ie/docs/default-source/financial-system/financial-stability/macroprudential-policy/countercyclical-capital-buffer/ccyb-rate-announcement-february-2025.pdf>

ensuring that the provision of financial services can be sustained in good times and in bad. Our new supervisory framework, described in the previous section, is specifically tailored to allow the Central Bank to take a more holistic view of the multifaceted risks facing firms under our supervision.

In 2024, the Central Bank completed a review of credit union lending to assess the impact of changes introduced to the lending regulations in 2020. In December 2024, the Central Bank published a [Consultation Paper \(CP159\)](#) which proposed a number of changes to credit union lending regulations, notably in relation to concentration limits for house and business lending and certain conditions attached to underwriting. The proposals were informed by supervisory experience, analysis of credit union lending data, feedback from stakeholders, as well as broader developments within the credit union sector, and in the wider banking ecosystem. A regulatory impact analysis, included in CP159, was also undertaken to inform the evidenced based assessment and to identify and quantify the potential benefits, costs and impacts of the proposed changes on credit unions.

Well-functioning markets also require a steady flow of new entrants, as well as orderly exits from markets. The Central Bank's gatekeeping role in relation to authorisation ensures new entrant firms meet the requisite regulatory standards. In June 2024, the Central Bank published its inaugural Authorisation and Gatekeeping Report. This report aims to provide increased transparency and predictability regarding our authorisations expectations and processes. As already set out earlier in this report, the Central Bank's work in relation to resolution planning continues to make progress on removing impediments to resolvability, so that firms can exit the market in an orderly fashion.

More broadly, the Central Bank continues to conduct research and analysis to deepen its understanding of the markets in which firms operate in Ireland. For example, researchers from the Central Bank's new Research Collaboration Unit are developing measures of concentration and competition in both business and household lending segments of the Irish credit market, taking into account both bank and non-bank credit providers.

Innovation in financial services, if properly managed and designed, can bring important improvements to the functioning of financial markets. When done well, it can result in better outcomes for consumers, as well as greater efficiencies in the financial intermediation process. The Central Bank is committed to fostering an environment that enables innovation, underpinned by a regulatory framework that ensures risks are appropriately managed. A notable achievement in 2024 was the launch of the inaugural Innovation Sandbox Programme with the theme of Combatting Financial Crime.

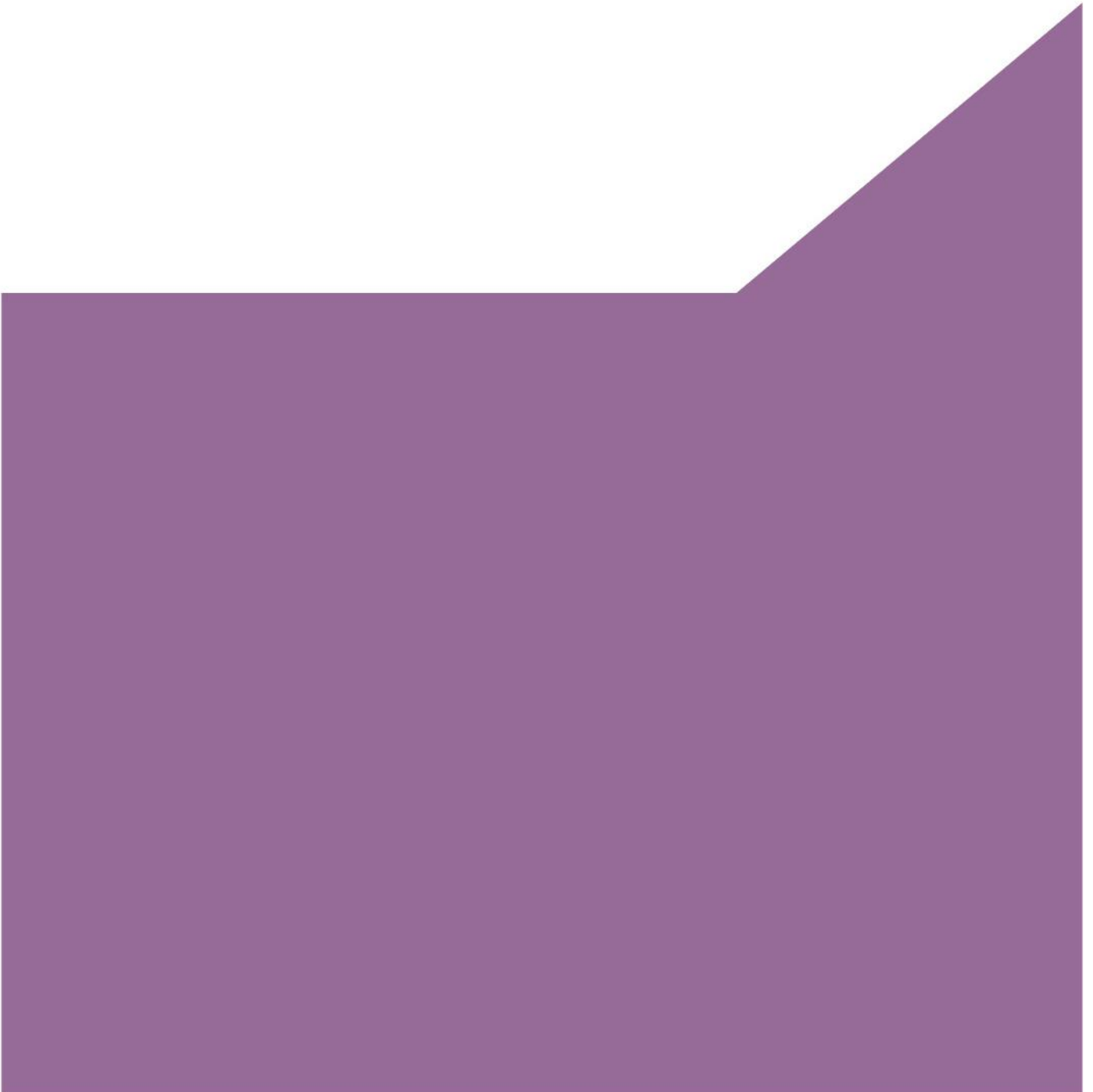
Enhancing Consumer Protection

The Central Bank's work in the area of consumer protection continues to deliver fair outcomes for consumers, by placing their interests at the heart of the financial system's operation. Important milestones were achieved in 2024 in updating the Central Bank's Consumer Protection Code, which is being modernised to keep pace with a rapidly changing financial services landscape. This work was informed by extensive outreach and engagement with stakeholders, as previously outlined in the report, including through a public consultation which covered the costs and benefits of revisions to the Code. In seeking to secure consumer interests, the revised Code builds on a well-established framework that is complemented by rigorous consumer-focused research. This framework not only protects consumers from wrong-doing, but has also had important impacts on market functioning, through ensuring that firms compete on the merits of their services rather than seeking to exploit knowledge gaps or biases in consumer behaviours. Like many other examples of regulation, the outcomes not only serve to fulfil a core part of the Central Bank's mandate. They also make markets work better, and in a manner that is more in tune with the predominant aim of the Central Bank, which is the welfare of society as a whole.

Chapter 3:

Enabling

Our Organisation



Chapter 3: Enabling Our Organisation

Our People

People activities throughout 2024 continued to focus on the delivery of progressive, future-focused people practices in support of the Central Bank's Mission, Vision and Strategy.

Reflecting this, 2024 marked a significant change in our approach to regulation and supervision with the introduction of a new Supervisory Framework. Leaders and employees were supported through a number of organisational design and change management interventions to facilitate a smooth transition to the new Framework, which went live in January 2025.

Talent attraction, development and retention is an ongoing priority. Our attrition rate remains at historically low levels (3.8% at end-2024) with 271 roles filled throughout the year.

A wide range of learning and development opportunities were provided throughout 2024 including the roll-out of a bespoke senior leadership development programme. Work also progressed on identifying and building the key skills and capabilities needed to support future organisational success.

Regular employee feedback is a key enabler in the delivery of a fulfilling workplace and following the introduction of a new digital listening platform in 2023, two Employee Engagement Surveys were conducted in 2024. Leaders and teams across the organisation are working together to make progress on the priority areas identified through these surveys.

Reflecting our commitment to health and wellbeing, the Central Bank underwent a fourth consecutive KeepWell Audit in Q4 and is set to receive a high award in all eight categories. We launched our latest Wellbeing Strategy which will progress the approach to wellbeing over 2025-2027 with particular focus on leadership involvement.

The Central Bank continues to operating a hybrid working model with the aim of sustaining a flexible, collaborative and integrated working model while ensuring delivery of our critical mandate. A Hybrid Working Policy was refreshed in October 2024 which outlines the practical application of that model and the requirements on all employees within it.

Diversity and Inclusion

The Central Bank continued to progress work on its [Diversity & Inclusion goals](#). Our commitment to fostering a diverse, inclusive and fulfilling working environment for all of our people remains steadfast and is regarded as an important enabler of our work. We continue to invest in growing a shared awareness and understanding of what an inclusive workplace experience is through training, communications, employee engagement activity and Employee Network led events and activities.

We maintain our focus on being open and transparent, reflected in the publication of our seventh [Gender Pay Gap Report](#) and continued support of the Business in the Community Ireland [Inclusive Workplace Pledge](#).

In 2024, we were proud to be awarded Public Sector Organisation of the Year at the [National Diversity & Inclusion Awards](#) while also progressing to achieve the [Investors in Diversity – Silver](#) accreditation for our work.



The Central Bank accepting an award at the National Diversity & Inclusion Awards

Social Responsibility – Community

As part of its commitment to being a socially responsible organisation, the Central Bank places a priority on connecting with the local community in Dublin's North East Inner City where its Docklands Campus is located. A primary focus of our work is to support employment and employability including education and work readiness/work experience. We have five Community Partners; North Wall Community Development Project, East Wall Youth, SWAN Youth Service, Belvedere Youth Club and Five Lamps Arts Festival. The Central Bank provides some funding, the use of its building and

facilities for events and meetings, help with governance and strategy and a pool of volunteers. We also partner with The National College of Ireland – Early Learning Initiative and with Junior Achievement Ireland. This work is led by members of our Social Responsibility Working Group who run programmes and lead relationships with local groups and by the wider Central Bank community that volunteers when needed. Some key numbers from 2024 are set out below.

Table 5: Events and Initiatives 2024

Key Numbers	2024
Number of initiatives and events in 2024	18
Number of attendees at key onsite events in NWQ (aimed at local people/schools)	660
Number of local young people to whom we gave job exposure in the Central Bank	13
Number of Central Bank volunteers (does not include facilities support for events)	60



The “Empower Her” exhibition with our Community Partner Five Lamps

Charity

The Charity Committee is a staff-led committee with a mission to support charitable causes, either with financial or volunteering support. The Central Bank partners with five charities every two years (see our website for details of our current [Partner Charities](#)). The Committee also run a matching funds programme, where staff who

fundraise for charities, clubs or schools throughout the year can apply to have their funds matched (up to a maximum amount). Through this matching funds programme, we donated to an additional 65 organisations throughout the year, across a range of causes.

The Charity Committee also seeks to support the evolution of governance in the charity sector over the longer term. In this context, the Central Bank commenced a programme to sponsor ten+ staff members joining charity boards and has partnered with Boardmatch to support these placements.

Our Workplaces

Our workplaces comprise of our Dockland Campus consisting of two linked buildings, Mayor Street and North Wall Quay, and the Currency Centre in Sandyford. The Mayor Street building has been partially occupied by the Central Bank since July 2022 and the marketing for leasing of the two vacant floors is continuing. The Central Bank's Spencer Dock building R2 is currently for sale and was fully leased during 2024.

The Central Bank's buildings and facilities remained fully operational during 2024 whilst supporting our hybrid working model. A safe and secure working environment continued to be provided for all colleagues working in the Dockland Campus, and the Currency Centre.

Our Strategy sets out our commitment to act as a socially responsible and sustainable organisation. The Central Bank published its updated [Climate Action Road Map](#) in July 2024. In line with the organisation's sustainability agenda and Climate Action Road Map targets, the Central Bank continues to work and manage its facilities sustainably, reducing energy consumption across the Dockland Campus and in the Currency Centre in Sandyford.

The Central Bank operates to an ISO certified, integrated environmental, safety and energy management system across all locations. A range of related indicators are measured and available on the Central Bank's website in the [Safety, Health and Sustainability](#) annual performance reports.

Our Data & Analytics and Artificial Intelligence (AI)

The Central Bank continues to prioritise leveraging data and analytics to enhance its effectiveness as an intelligence-led organisation. With a clear strategy in place, the Central Bank will ensure that data is used to support strategic decision-making, drive innovation, optimise operations and improve customer experiences.

In 2024, the focus was on embedding a new data approach by building confidence and understanding through staff engagement. The Central Bank created the Data Board

to enable a cohesive approach to managing data across the organisation and operates a One-Bank “OneData” strategy.

Specific focus areas included advancing the Cloud Data Analytics Platform, enhancing the data governance framework, advanced analytics, the exploration of data centric AI, building and use of Generative AI systems and tools and their potential organisational value, as well as identifying risks associated with their use. The launch of the “OneData” brand led to significant staff engagement and opportunities for business areas to collaborate more effectively.

Our data governance framework is a priority, ensuring that data management maturity is uplifted, aligning with the Data Protection Enhancement Project to manage personal data risk, and embedding sustainable data privacy practices across the organisation.

Our Technology

The Central Bank recognises the critical role technology plays in driving innovation, efficiency and security. Investment in technology is a key strategic priority, and the Central Bank has made significant strides in this area over the past year.

One of the key areas of focus has been investment in cloud technologies, which will enable the Central Bank to support cloud analytics, drive innovation, and scale its operations to meet its evolving needs. This investment will enable the Central Bank to improve its operational efficiency and enhances its ability to respond to changing external conditions and expectations.

In recognition of the increasing and evolving threat landscape that it faces, the Central Bank has prioritised cybersecurity. Investment in cybersecurity will protect data and prevent potential security breaches. The Central Bank has strengthened its defences and enhanced its incident response capabilities to ensure that we can respond quickly and effectively in the event of a security incident.

The Central Bank’s technology strategy is closely aligned with that of our European colleagues, ensuring that we can collaborate and regulate effectively across borders. This close alignment enables us to leverage best practices, share knowledge and drive consistency in our technology.

Over the past year, we have established new partnerships that will help drive the technology agenda forward. The new Data Centre Managed Services contract will enable the continuity of services for data centres and ensure that critical infrastructure is managed and supported appropriately.

Engaging with Our Stakeholders

In 2024, we continued to transform how we engage with stakeholders. A new Communications and Engagement Strategy 2024-2026 was approved for the organisation underpinned by the publication of our [Open and Engaged Charter](#), which outlines our approach to effective engagement. The Central Bank's stakeholder engagement is focused on the key areas of Culture, Dialogue, Reach and Insight.

During the past year, the Central Bank communicated and engaged widely with stakeholders across a variety of channels and activities on a range of priority themes. Activities of note during the period included the following:

- The programme of regional outreach continued with members of the executive team visiting organisations across academia, business interest groups, civil society, energy, manufacturing and the real economy across the country. Counties visited included Carlow, Cork, Dublin, Limerick, Longford, Meath and Roscommon. The outreach programme provides an opportunity to engage across Ireland, and to experience first-hand how the work of the Central Bank impacts a wide range of stakeholders.
- The [Financial Industry Forum](#), which enables senior level cross-sectoral engagement between the Central Bank and members from 14 representative bodies and comprises three dedicated Subgroups – Domestic, International and Innovation - met eight times during the year to consider issues relating to the financial system.
- In November, the [Financial System Conference](#) *Delivering a well-functioning financial system to support a changing economy*, the Central Bank's flagship stakeholder event, took place attended by nearly 800 delegates in person and virtually. The event brought together diverse perspectives from various stakeholders, including industry leaders, consumer representatives, and international policymakers to discuss and debate topical issues relevant to the financial system.
- The Central Bank hosted an international conference in May to discuss macroprudential policy for investment funds. The event was attended by a broad range of stakeholders including national central banks, securities regulators, industry representatives and public decision making bodies.
- The Central Bank hosted two meetings of the Civil Society Roundtables, which includes representatives from across civil society. Topics discussed included the Consumer Protection Code, economic policy, the Irish Housing Market and the Central Bank's transformation of its approach to regulation and supervision.

- Industry workshops also took place on topics such as the Individual Accountability Framework, the Digital Operational Resilience Act and opportunities to develop Account to Account Payments.
- We hosted an event to consider the Drivers of Trust in Central Banks and Regulatory Bodies, attended by more than 100 internal and external guests.
- Consumer Hub and public information campaigns (on topics such as crypto and scams) allowed the Central Bank to engage with the public at scale on important consumer topics.
- The Central Bank became the first central bank in the Eurosystem to launch a WhatsApp channel for broadcasting important news updates.



Deputy Governor Vas Madouros and Commission member Sarah Keane at an Outreach visit in Cork

European Union and International Engagement

Throughout 2024, the Central Bank continued its influential role within European and international organisations and authorities, in line with the Central Bank's EU and International Strategy. This strategy was developed to further enhance how the Central Bank engages and prioritises its activity and influences its peers and stakeholders as part of fulfilling its role in Europe and internationally.

Within the EU, the Central Bank were actively engaged at a senior-level at the ECB Governing Council, the Supervisory Board of the Single Supervisory Mechanism, the General Board of the European Systemic Risk Board, the Single Resolution Board and the Boards of Supervisors of the three European Supervisory Authorities. The Central

Bank has a leadership role at a number of these organisations including; as Co-Chair of ECB High Level Task Force on Non-Bank Financial Intermediation; Chair of the Joint ESA Sub-Committee on Digital Operational Resilience and as Chair of the European Securities and Markets Authority Investment Management Standing Committee. Through the dedicated office in Brussels, there was effective engagement with EU institutions, sharing supervisory experiences, providing timely input into the policy-making process, and navigating the EU's legislative framework.

At a global level, the Central Bank played an influential role at the International Organisation of Securities Commissions, and acted as co-Chair of the Financial Stability Board Regional Consultative Group for Europe. The Central Bank retained its positions at the Governing Council of the International Financial Consumer Protection Organisation and on the Executive Committee of the International Association of Insurance Supervisors.

The Central Bank continued to administer its role as fiscal agent for the State with the IMF. The Central Bank also had senior-level engagement at the 2024 IMF Spring and Annual Meetings.

Complaints Handling

The Central Bank is committed to providing a professional, efficient, and courteous service to all customers and members of the public who have dealings with us. Our [Customer Charter](#) provides that, where a customer is unhappy with a service received and if an issue cannot be resolved to the customer's satisfaction with the relevant staff member or section dealt with, a formal complaint can be made. The Central Bank has a defined procedure for handling complaints received. In 2024, there were 22 formal complaints processed under this procedure. These were across a range of issues, with the largest number relating to issues concerning the Central Credit Register. There were no complaints received under the separate Disability Complaints Procedure.

Freedom of Information

The Central Bank processed 83 Freedom of Information requests during 2024. A total of 26 requests were granted/part-granted and 42 were refused under the various provisions of the Freedom of Information Act. In addition, nine requests were withdrawn after engaging with the requester and six requests were handled outside of the Freedom of Information process by the relevant area in the Central Bank.

Official Languages Act

During 2024, the Central Bank continued to meet its obligations under the Official Languages Act. Compliance requirements relating to advertising in Irish, arising from the Official Languages (Amendment) Act 2021, were achieved and reported to An

Coimisinéir Teanga. Work continued on meeting the commitments in the Central Bank's Language Scheme.

Legal

The Central Bank liaised with Government Departments on legislative matters and supported on primary legislation impacting on its mandate, including the Finance (Provision of Access to Cash Infrastructure) Bill 2024 and the Motor Insurance Insolvency Compensation Act 2024. The Central Bank also assisted with the transposition and implementation of a number of EU directives and regulations, including the European Union (Markets in Crypto-Assets) Regulations 2024, the European Union (Capital Requirements) (No 2) (Amendment) Regulations 2024 and the European Union (Resilience of Critical Entities) Regulations 2024.

The Central Bank continued to strengthen the regulatory framework through Central Bank Regulations in 2024. The Central Bank made various regulations in 2024 including the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Senior Executive Accountability Regime) Regulations 2024, the Central Bank Reform Act 2010 (Section 21(6)) Regulations 2024, the Credit Union Act 1997 (Regulatory Requirements) (Amendment) Regulations 2024, the Credit Union Act 1997 (Regulatory Requirements) (Amendment) (No. 2) Regulations 2024 and the European Union (Bank Recovery and Resolution) Resolution Fund Levy (Amendment) Regulations 2024. The Central Bank consulted on the draft Central Bank Reform Act 2010 (Section 17A) (Standards for Business) Regulations and draft Central Bank (Supervision and Enforcement) Act 2013 (Section 48) (Consumer Protection) Regulations.

Investment Portfolio Management

At end-2024, the Central Bank's balance sheet included an investment portfolio comprising assets with a market value of €18.3bn (2023:€17.0bn), including an allocation to foreign currency denominated portfolios (US dollar, Australian dollar, Singapore dollar, Chinese renminbi and Korean won) for diversification purposes.¹⁰

The rise in the size of the investment portfolio from €17.0bn at end-2023 was mainly attributable to investment income, linked to the prevailing yield environment, FX and gold revaluation gains, as well as further allocations to the equity portfolio.

Investment income rose to some €478.3m in the Central Bank's investment portfolios (excluding returns on equities and gold) for the year, following income of €389.5m in 2023.¹¹ Holding diversified assets supports investment returns and reduces overall

¹⁰ The figures of €18.3bn and €17.0bn include gold holdings and equity allocation.

¹¹ The 2023 figure has been updated to include realised price gains on equity funds and unrealised exchange rate losses.

volatility in the long-term, notwithstanding some potential for variability in returns over the short-term.

Having established a Sustainable Investment Charter in 2022, the Central Bank has since implemented further sustainable investment measures. We published our [second annual climate-related financial disclosures](#) for our investment portfolio in 2024, as part of a concerted effort by all Eurosystem national central banks to disclose climate change-related information on our respective non-monetary policy portfolios, in line with a common framework developed by the Eurosystem.

The Central Bank has also been increasing investments in Green, Social and Sustainability bonds that help support the green transition and other environmental/social objectives. At end-2024, the Central Bank's investment portfolio held about €2bn (nominal) in such bonds, including investments in the Bank for International Settlements' US dollar- and euro-denominated green bond funds for central banks. In order to decarbonise our equities portfolio and support the objectives of the Paris Agreement, the Central Bank continued in 2024 to transition from a standard equity benchmark to an EU Paris-aligned benchmark.¹² We expect to finalise this transition during the course of 2025, one year ahead of our intended completion date.

Box 1: The Central Bank's Profitability

Maintaining monetary and financial stability is core to the mandate of the Central Bank. In order to discharge its responsibilities, the Central Bank – like all central banks – uses its balance sheet as a policy tool. This is essential to deliver our mandate, but it also implies taking on financial risks. In 2024 – similar to other central banks in Europe – the necessary monetary policy actions to achieve price stability resulted in losses on the Central Bank's balance sheet. This risk has been anticipated over a number of years and, in response, the Central Bank has built substantial financial buffers. This Box sets out the factors driving the Central Bank's monetary policy losses and outlines the actions that the Central Bank has taken in recent years to build its financial resilience.

Monetary policy has had to respond to a challenging environment over the past decade and a half on two fronts. First, following the global financial and

¹² An EU Paris-aligned benchmark has the objective of a decarbonisation trajectory of at least 7% reduction in greenhouse gas (GHG) emissions intensity on average per annum, while the GHG intensity (including Scope 1, 2 and 3 GHG emissions) shall be at least 50% lower than the GHG intensity of the investable universe.

the euro sovereign debt crises, the European economy went through a prolonged period of below-target inflation. Second, this period was immediately followed by a combination of shocks: initially the COVID-19 crisis, followed by the Russia-Ukraine conflict, both of which significantly impacted global supply chains, energy and food prices, among other factors.

In reaction to the first challenge, the Eurosystem initially made use of its standard policy tool of reducing interest rates and extending liquidity under standard operations. As interest rates approached the effective lower bound, but inflation remained below target, *non-standard* measures were introduced to the toolkit. Primarily, this involved the Eurosystem using its balance sheet to implement a more accommodative monetary policy stance by undertaking asset purchases, mostly of government bonds. The use of this policy tool was expanded further in response to the COVID-19 crisis. These government bonds were purchased at very low, fixed rates of interest (yields) and are income-earning assets on the Central Bank's balance sheet. In contrast, we pay interest at the ECB's variable policy rates on the related monetary policy liabilities. As such, the Central Bank's balance sheet is exposed to interest rate mismatch risk – if the interest we pay on monetary policy liabilities exceeds the interest that we receive on our bond holdings, we will make losses on that portion.

The second challenging period for monetary followed a range of supply shocks hitting the global economy, resulting in the post-pandemic rekindling of inflation. This led to the ECB raising interest rates markedly – by 450 basis points beginning in July 2022. However, the low-yielding bonds still held on the Central Bank's balance sheet were then funded by paying interest at the ECB's new higher policy rates. In other words, the interest rate mismatch risk noted above was realised.

Parallel to the developments described above, at the beginning of the phase of very low inflation and non-standard policy measures, the Central Bank began to generate substantial profits, driven largely by the realised gains on sales of assets from the so-called Special Portfolio.¹³ These were acquired in 2013, as part of the liquidation of the Irish Bank Resolution Corporation and were fully disposed of by end-2023. Mindful that both the inflation and interest rate environments could change markedly over time, realising interest rate mismatch risk, the Central Bank retained the maximum allowable (under legislation) 20% of its profits during this period, up until

¹³ See Governor's blog which explains these realised gains from sales of the Special Portfolio in more detail <https://www.centralbank.ie/news/article/blog-the-central-banks-balance-sheet>

2022.¹⁴ A provision was also built up since 2016 to cover financial losses driven by the interest rate mismatch risk on the balance sheet. This allowed the Central Bank to strengthen considerably its overall financial buffers, in order to mitigate the increased financial risks it faced.

Using our balance sheet as a policy tool to help achieve price stability led to a loss of €795.4m in 2024 (2023: €132.1m), before the use of our provisions. At end-2024, following the use of provisions to cover this loss, the Central Bank's financial buffers were €8,343.7m (made up of capital and reserves of €6,271.2m and the general risk provision of €2,072.5m). When we consider the underlying financial performance of the Central Bank, we look at measures that exclude the effects of the holdings of monetary policy assets. For example, the return from our investment assets and the levy were sufficient to cover our operating expenses in 2024.

The increased financial resilience generated through retained profits and provisions over several years effectively provides a buffer against the interest rate mismatch losses, allowing them to be absorbed. While the full extent of losses from monetary policy operations in the future is uncertain, it is expected that these losses will reduce going forward, as interest rates have fallen from their recent peaks, and continue to be covered by our financial buffers.

¹⁴ No profit was retained in 2023 and 2024 as the Central Bank recorded zero net profit for these years.

Chapter 4:

Our Priorities for 2025



Chapter 4:

Our Priorities for 2025¹⁵

Looking at the year ahead, the Central Bank's priorities can be grouped under the four key themes identified in Our Strategy:

The **Safeguarding** theme reflects a steadfast commitment to the effectiveness of the design, implementation and operation of core policies, across the mandate, through which the Central Bank aims to deliver on its statutory functions and the best overall outcomes for the economy and for financial services users.

Under the **Future Focused** theme, the Central Bank is working to ensure that its economic advice and oversight of the financial system adapts to the world of rapid technological innovation, climate transition, socio-economic and geopolitical change and disruption, so that the interests of citizens and the economy are appropriately served by change, innovation and competition.

The Central Bank will continue to step up efforts to be more **Open and Engaged** with stakeholders domestically and abroad. This includes deepening and broadening engagement with: the users and consumers of financial services, as well as their representatives; supervised firms and their parent groups; as well as international and European counterparts.

The Central Bank's broad mandate allows it to take a comprehensive and integrated view, using the breadth of its expertise on the economy and the many sectors we supervise to tackle challenges facing the entire, inter-connected, financial system, including an integral part of the EU and its institutions and frameworks. To continue delivering on the mandate in the changing environment, there is a strong intent on **Transforming** the Central Bank to become a more agile, resilient, diverse and intelligence-led organisation. This remains a critical priority. We will continue to drive improvements in the way the Central Bank works to meet the challenges of the evolving financial system.

¹⁵ This chapter includes details of regulatory activity planned for 2024, addressing the Annual Performance Statement reporting obligations under Section 32L(2)(a) of the Central Bank Act 1942 (as amended).

Priorities for 2025

Our priorities for 2025 are guided by our enduring objective to service the public interest and ensure the resilience of the financial system is retained, and strengthened where necessary.

Growth in the Irish domestic economy has been robust, however, there has been a significant rise in uncertainty in 2025 and this uncertainty is the most prominent feature informing the current economic outlook. While our central forecast for the domestic economy continues to point to a steady pace of growth out to 2027, the shift in policy uncertainty weighs on the outlook. We continue to observe resilience in the domestic and global financial system, however, geopolitical developments are increasing financial stability risks.

We are focused on the provision of independent research, economic advice and commentary on the medium term risks, challenges and opportunities for the Irish economy, households and firms, and on monetary policy research and analysis. This also includes the effective dissemination and collaboration of analysis and research with external stakeholders. We see challenge and opportunity for the Irish economy in the medium term, but the most pronounced challenges for the economy relate to infrastructure deficits and the risks to the Exchequer from the over-reliance on a relatively narrow tax base, especially in the context of a rapidly-shifting external environment.

Another priority area that continues at pace is the technological advances across many aspects of the financial system, and in this area a key priority for 2025 is a focus on payments innovation. Ireland has been lagging behind some of our peers in terms of the payments offerings available to domestic households and businesses. The Government's National Payments Strategy, published last October, has set the foundations to address that. Our collective near-term focus is on delivery, to realise the intended outcomes of the strategy. We are working towards ensuring greater choice, driven by innovation, full integration with the European infrastructure, enhanced coordination amongst participants in the payments ecosystem, an adaptive regulatory and oversight framework, and public money as an anchor for a well-functioning system.

The Eurosystem is responding to the requirement for innovation in payments through the preparation for a Digital Euro. It also is clear that there is a societal demand and need for cash, and the Central Bank

remains committed to the provision of cash. We are prioritising the development of a framework to protect access to cash services and the resilience of the cash system. This includes progressing plans to develop the new cash centre, with the acquisition of a site for the development of a new cash centre completed in February 2025.

Strengthening the resilience of the financial system to climate-related risks and its ability to support the transition to a low-carbon economy continues to be a priority.

A key priority of the Central Bank includes simplifying supervisory and regulatory processes in Ireland, and we will continue to proactively engage with this agenda, domestically and internationally. Our new integrated supervisory framework (bringing together conduct, integrity and prudential supervision, which took effect from January 2025), is an important contribution to this simplification process.

The financial regulation priorities are set in the context of the statutory mandate, domestic and international responsibilities, and Ireland's large and increasingly complex financial sector as well as the prevailing risk environment. The key priorities are:

- Finalisation of the revised Consumer Protection Code to ensure consumers are protected in a more digitalised financial services sector. This will include continuing to engage with stakeholders of the Code and it being finalised and published this year.
- Embedding the recommendations of the Enria review of the Fitness and Probity Regime.
- Implementation of the Markets in Crypto Assets Regulation (MiCAR), including engaging with firms seeking authorisation and furthering our work to raise awareness of the risks related to crypto for consumers.
- Delivering our first thematic Innovation Sandbox Programme focusing on combatting financial crime, and expanding the Programme to continue to support innovation while safeguarding the integrity of the financial sector.
- Ensuring firms have effective governance underpinned by strong ethical culture and robust systems of delivery. This will include continuing to embed the Individual Accountability Framework for in-scope firms (including the extension of the Senior

Executive Accountability Regime to (independent) non-executive directors) and supporting external stakeholders through ongoing engagement.

- Progressing changes to the credit union lending regulations including our proposed changes to concentration limits for house and business lending and lending practices for specific categories of lending.
- Contributing to the successful establishment of the EU's new Anti-Money Laundering Agency (AMLA) and preparation for changing how anti-money laundering supervision is carried out.
- Ensuring that regulated firms' risk management capabilities and practices, including stress and scenario modelling, are forward-looking and commensurate with the heightened risk environment.
- Enhancing operational resilience, including cyber-related resilience, across the financial sector.

The overarching supervisory objective remains ensuring the Central Bank has a stable, resilient and trustworthy financial sector, operating sustainably in the best interests of consumers and the wider economy. The Central Bank will continue to take a risk-based approach: it does not operate a no-failures regime but rather works to ensure any firms that fail do so in an orderly way.

In addition to work within ECB Banking Supervision and wider European System of Financial Supervision, supervisory priorities for 2025 include ensuring consumers are protected, firms are resilient and the system is stable, particularly given the persistently high geopolitical tensions and the associated uncertainty about the macroeconomic outlook.

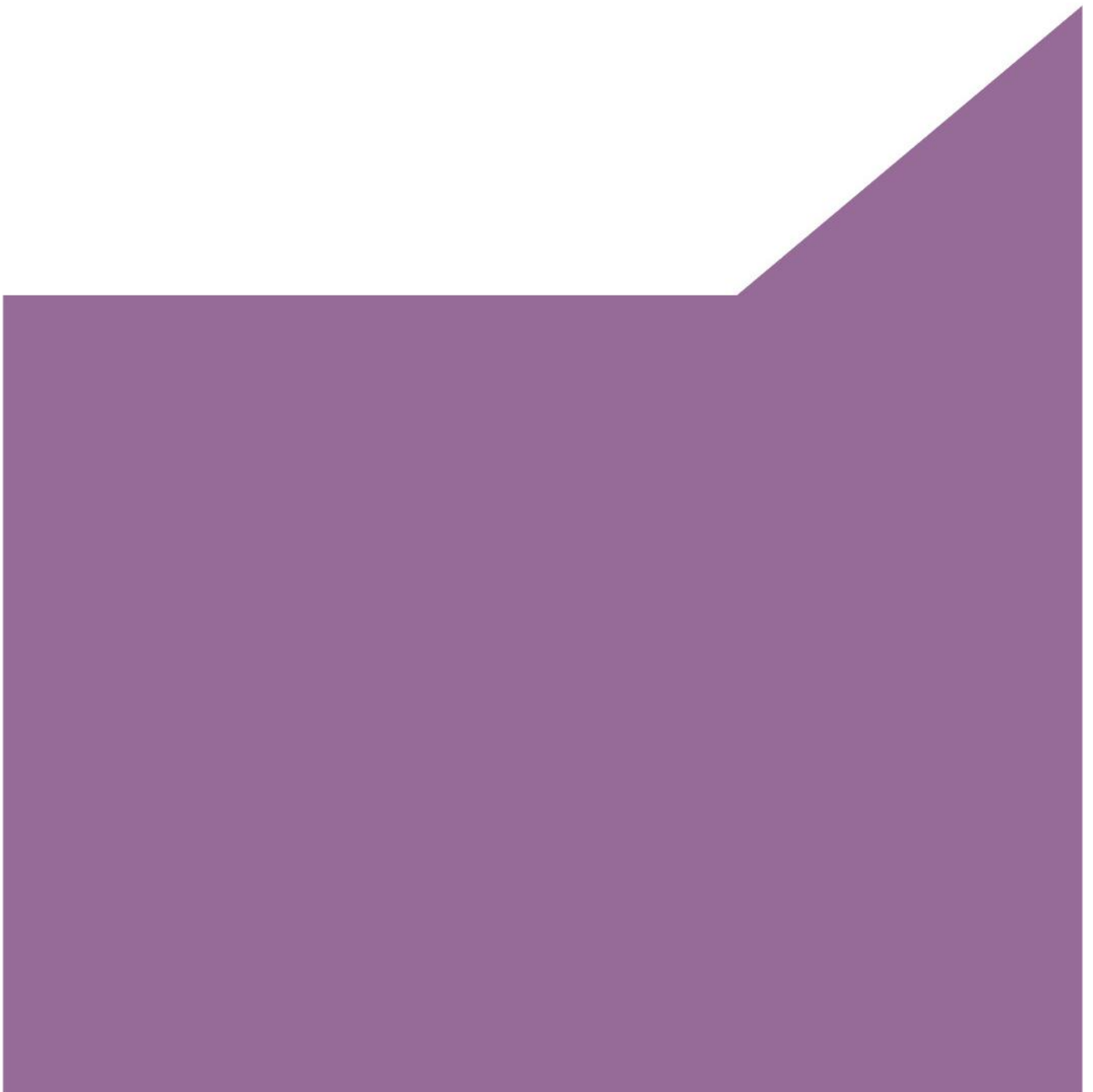
Our operational priorities include:

- Working towards ensuring we are a learning organisation with the skills and competencies to continually adapt and respond to change.
- Working to ensure our research, data and analytics capabilities are contributing to our effectiveness as an intelligence-led organisation and operate in compliance with obligations.

- Ensuring our governance framework is calibrated to our risk tolerance, enabling efficient, evidence-based, and agile decision-making, prioritisation, and accountability.
- Enhancing our ability to strategically and efficiently procure, on-board and manage third parties or services that support the delivery of our mandate.
- While implementing Our Strategy, the Central Bank is also seeking to ensure we retain a stable cost base.

Chapter 5:

Internal Audit Statement



Chapter 5: Internal Audit Statement¹⁶

The Internal Audit Division (IAD) provides independent, objective assurance to assist the Central Bank in delivering its objectives by bringing a systematic, disciplined approach to the evaluation and improvement of the risk management, control and governance processes. In this capacity, it acts as the independent, “third line of defence” function within the Central Bank’s governance framework.

In 2024, IAD conducted a range of reviews on supervisory activities, central banking, IT and other operational functions. These reviews included a continued focus on changes in the Central Bank’s risk profile arising from economic, industry and regulatory developments, and emerging risks.

IAD submitted regular dashboards to the Audit Committee detailing the outcome of reviews and the progress made by management in addressing previously identified findings. In November, the Audit Committee approved the rolling three-year Audit Plan. Additionally, in March 2024, IAD presented the 2024-2026 Internal Audit Divisional Strategy to the Audit Committee. Actions arising from the Strategy were monitored and tracked throughout the year.

Along with colleagues from other national central banks, IAD performed audits as part of the Internal Auditors Committee (IAC) of the ESCB.

IAD also reports to the Internal Auditors Committee on the outcome of these audits and status of open findings. The Committee submit update reports to the ECB Governing Council and to relevant ESCB committees. In addition, IAD staff represent the Central Bank on various sub-committees of the Committee including chairing the sub-committee on Payments, Securities and Market Infrastructure.

To build awareness and understanding of developments and risks within the organisation, IAD attended a number of senior executive committee meetings and meetings with divisional representatives from across the Central Bank. In addition, IAD held regular meetings with the Governor and Chair of the Audit Committee to discuss audit-related matters.

¹⁶ This chapter addresses the Annual Performance Statement reporting obligations under Section 32L(3)(a) of the Central Bank Act 1942 (as amended).

This is given under the seal of the Central Bank of Ireland.

Gabriel Makhlouf
Governor

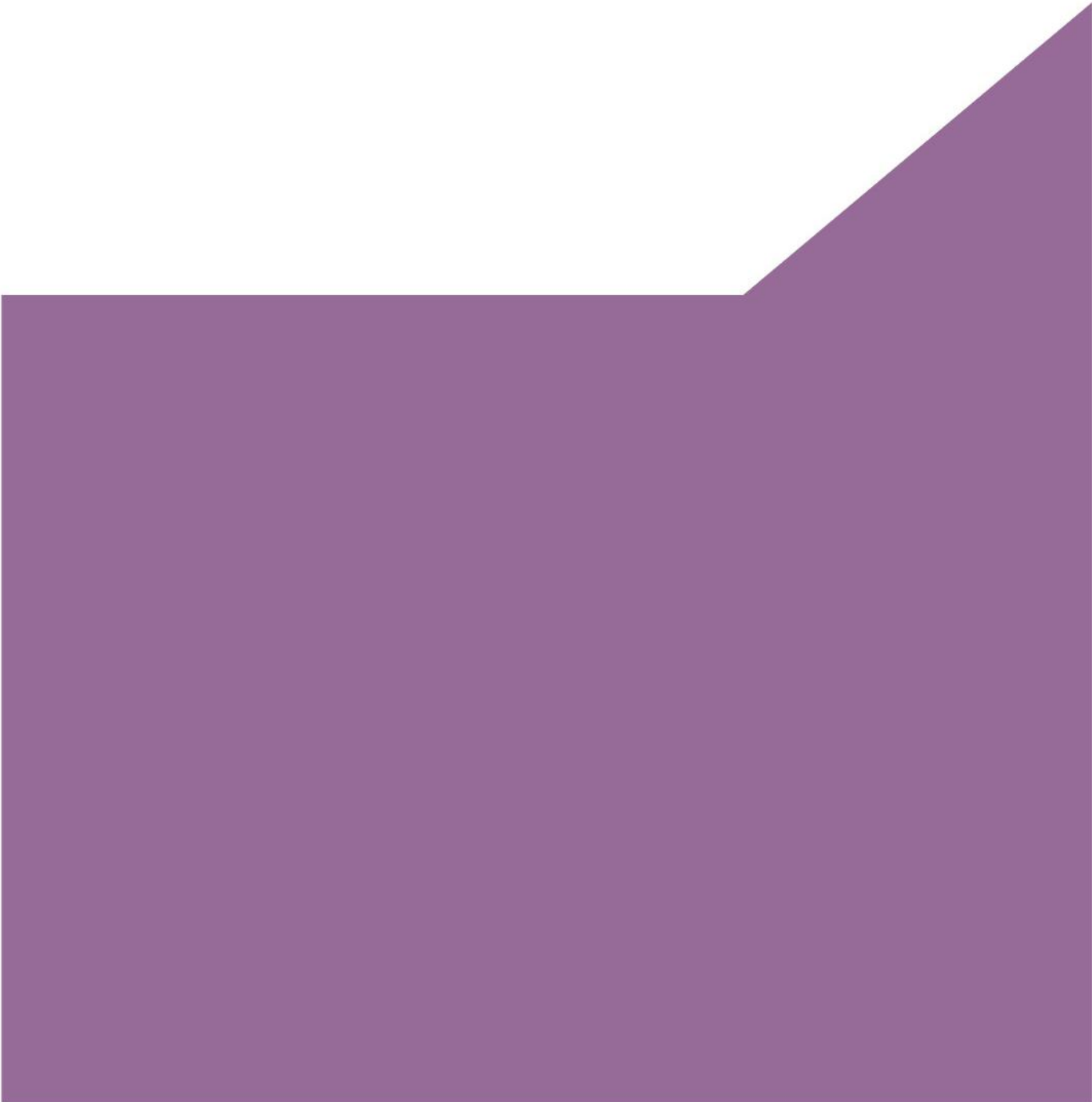
29 April 2025

Neil Whoriskey
Secretary

29 April 2025

Part 2:

Financial Operations

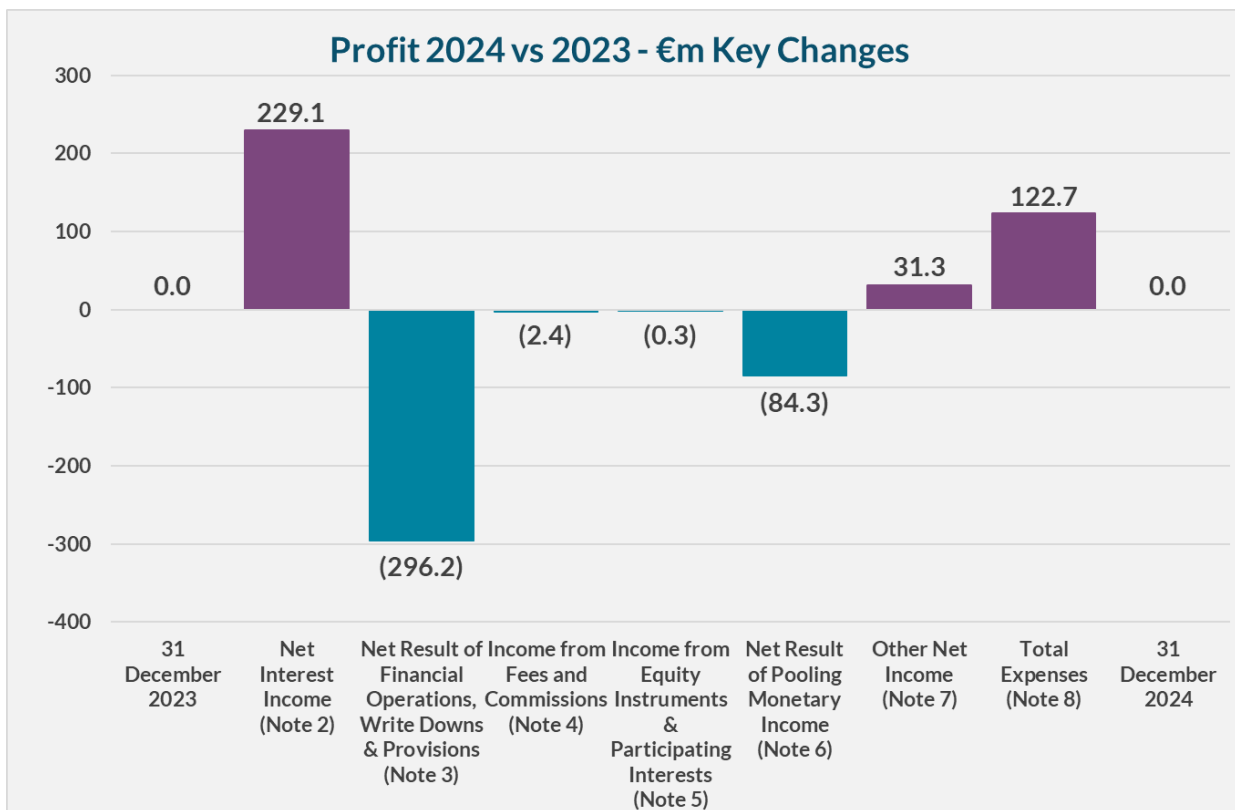


Part 2: Financial Operations

Financial Results for 2024

In 2024, the Central Bank made a loss of €795.4m (2023: €132.1m) before the utilisation of its general risk provision bringing the result to a Nil profit for the year (2023: Nil). This is a consequence of the Central Bank using its balance sheet as a tool for monetary policy and the crystallisation of the interest rate mismatch risk, whereby interest paid on the Central Bank's liabilities rose at an accelerated pace compared to the interest earned on its assets.

Profit and Loss – Key Movements



Key movements are as follows:

- Higher 'Net Interest Income' due to:
 - Increases in the 2024 average key ECB interest rates, which remunerate the TARGET asset, as well as an increase in average balances. This resulted in increased interest income recognised.
 - Increase in interest income on the investment and monetary policy portfolios, largely due to increased returns on the assets.
 - Decrease in Euro banknotes interest expense due to a fall in the difference between the banknotes issued and the allocated amount.

- Decrease in Government Deposits interest expense due to a decline in average holdings throughout the year.

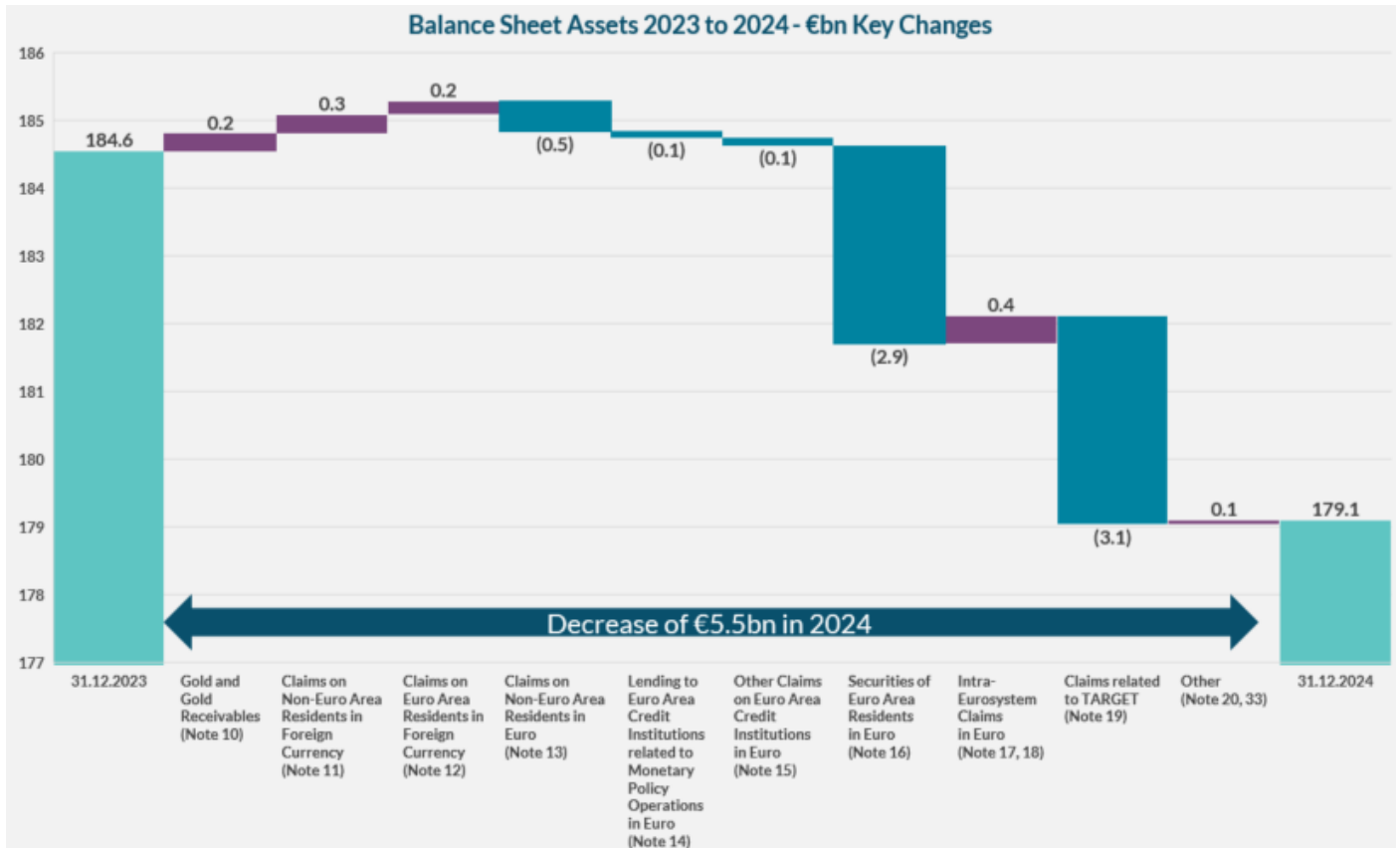
Offset by:

- Higher Credit Institution Deposits interest expense due to increases in average holdings throughout the year, combined with average ECB interest rate increases.
- Reduced 'Net Result of Financial Operations, Write Downs & Provisions' predominantly relating to the sale of the Floating Rate Notes from the special portfolio. This portfolio was sold in full in 2023, with no equivalent in 2024. This is partially offset by the increase in General Risk Provision utilised in 2024.
- Reduced 'Net Result of Pooling Monetary Income', due to higher net payments to the ECB, compared to 2023. This reflects the difference between the Central Bank's pooled monetary income and the Central Bank's share of the total distributed Eurosystem monetary income.
- Increase in 'Other Net Income' primarily due to the higher Financial Regulation Industry Funding Levy in 2024.
- Reduced 'Total Expenses' due to lower impairment charges, offset by increased staff cost, driven by the public sector pay agreement, and higher operating costs.

Balance Sheet

Total Balance Sheet Assets/Liabilities as at 31 December 2024 were €179.1bn, a decrease of €5.5bn compared to the corresponding balance of €184.6bn at end-2023.

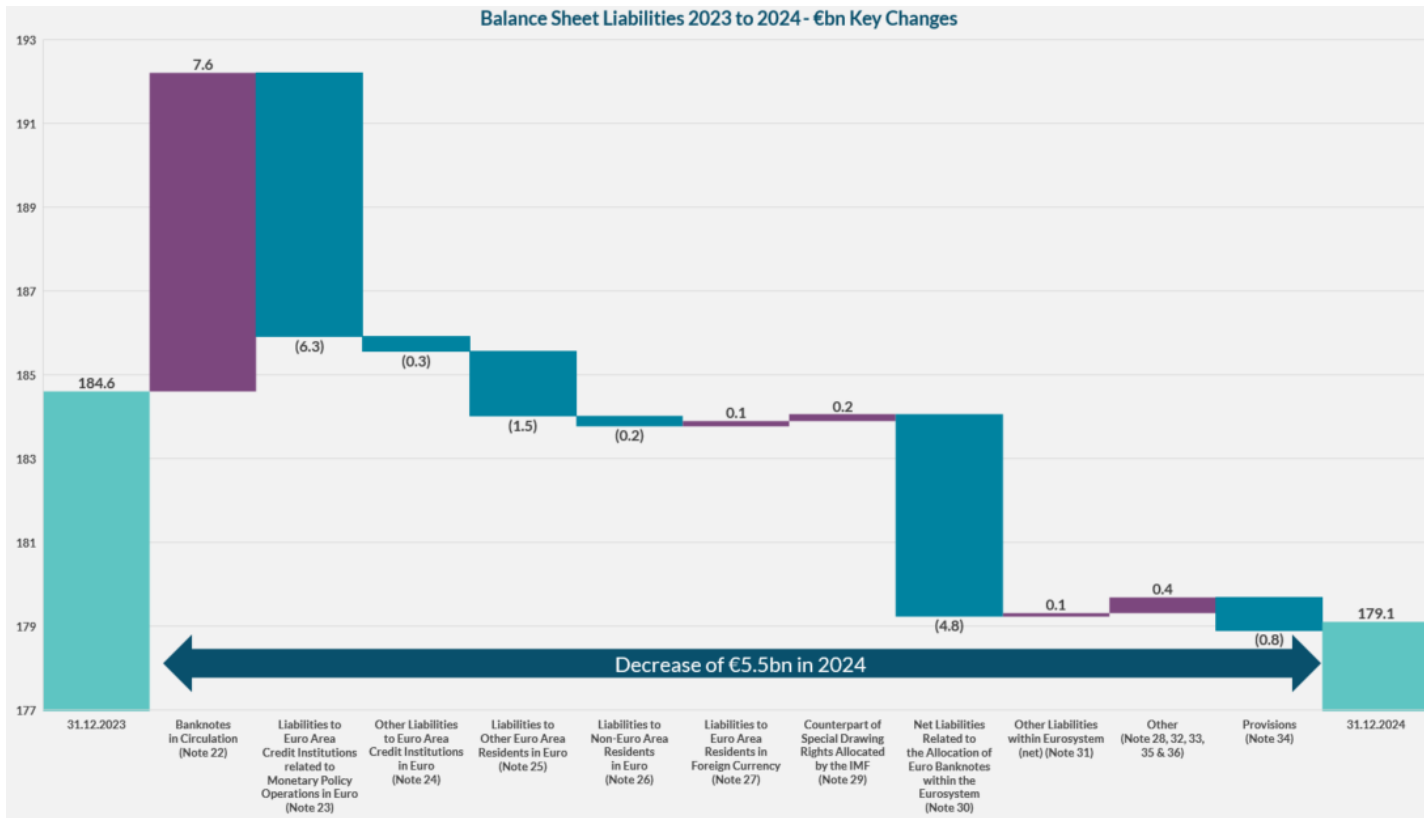
Balance Sheet Assets – Key Movements



Key movements in Balance Sheet Assets are as follows:

- Decrease in 'Claims related to TARGET' due to a lower TARGET balance at year-end. This reflects an outflow of euro from the State, through the Central Bank's TARGET account, largely channelled through credit institutions' reserves accounts.
- Decrease in 'Securities of Euro Area Residents in Euro' primarily due to the maturity of Securities Held for Monetary Policy Purposes and the Governing Council decisions not to reinvest these maturities.

Balance Sheet Liabilities – Key Movements



Key movements in the Balance Sheet Liabilities are as follows:

- Higher 'Banknotes in Circulation' due to an increase in the Central Bank's Eurosystem and Banknote allocation key as a result of the five yearly review which took place as at 1 January 2024.

Offset by:

- Reduction in 'Liabilities to Euro Area Credit Institutions related to Monetary Policy Operations in Euro' due to lower deposit facility holdings at year-end.
- Reduction in 'Liabilities to Other Euro Area Residents in Euro' due to a reduction in general government deposits held at the Central Bank.
- Reduction in 'Net Liabilities Related to the Allocation of Euro Banknotes within the Eurosystem' due to a reduction in excess banknotes issued by the Central Bank, relative to the ECB's share of total banknotes in circulation. This was due to a change in the Eurosystem and Banknote allocation key.

Central Bank of Ireland – Challenges to profitability

Prior to the use of any provisions, the Central Bank recorded a loss of €795.4m in 2024 (2023: €132.1m). Similar to last year, this negative result was due to the exposures arising from the use of the Central Bank's balance sheet as a tool for monetary policy – reflecting the Central Bank's primary mandate of safeguarding price stability.

In the years leading up to the COVID-19 pandemic, the euro area experienced inflation persistently below the ECB's 2% target. The ECB therefore pursued an accommodative monetary policy stance, which included purchases of government bonds under the asset purchase programme. Following the outbreak of the COVID-19 pandemic, the Eurosystem faced turmoil in financial markets that threatened to disrupt the transmission of monetary policy to the real economy. In response, it launched the pandemic emergency purchase programme in March 2020, under which bonds were purchased on a larger scale, alongside the asset purchase programme.

As a result of these programmes, the Central Bank is exposed to interest rate mismatch risk. On the asset side of the balance sheet are the longer dated fixed-rate holdings under these monetary policy purchase programmes that have been acquired at low or negative interest rates. The interest rates on the related liabilities are, however, tied to the ECB's (variable) monetary policy rates. With these policy rates being elevated, on average, in 2024 (although they have declined since June), the Central Bank's funding costs for the liabilities remained high, relative to the income received on the related assets. This resulted in a significant loss of €795.4m arising in 2024.

Going forward, this balance sheet structure and interest rate environment is forecast to reduce the Central Bank's income over a number of years and to result in losses in 2025, and potentially beyond. While these losses are expected to be covered by the Central Bank's financial buffers, their full extent is uncertain and will depend on many factors, in particular the monetary policy set by the ECB's Governing Council to ensure price stability.

This interest rate mismatch risk was anticipated and projected, and the Central Bank took a number of actions in recent years to mitigate the impact. As part of its assessment of the risk, a provision of €3,000.0m was built up to cover anticipated losses. This provision was decreased in 2023 to €2,867.9m, and has decreased again in 2024 to €2,072.5m due to the utilisation of €795.4m to cover financial losses driven by the interest rate mismatch on the balance sheet.

In addition, the maximum 20% of profit was generally retained historically, in line with the strategic aim of strengthening the Central Bank's financial resilience¹⁷, although not in 2023 when the Central Bank recorded zero net profit. For 2024 (similar to 2023), as the Central Bank is recording a zero net profit again, there is no retention applying.

The Central Bank has also, in recent years, diversified its investment assets, with allocations to foreign currency denominated portfolios, gold and equities. Holding diversified assets supports investment returns and reduces overall income volatility in the long run, notwithstanding some potential for variability in returns over the short-term. However, the investment asset portfolios are far smaller than the monetary policy assets. Therefore, returns from the investment portfolios will not compensate for the effects of the pronounced interest rate mismatch on the balance sheet.

As with all Eurosystem National Central Banks, the Central Bank's balance sheet is partly a policy tool. Using it is essential to deliver the Central Bank's mandate, but it also means taking on financial risk. Recognising that, the Central Bank has been building its financial resilience over several years, including by accumulating substantial financial buffers to absorb potential future losses.

¹⁷ The Central Bank complies with Statutory Instrument 93/1943 - Central Bank of Ireland (Surplus Income) Regulations, 1943. The Central Bank may retain up to a maximum of 20% of profit in each year. The amount retained is appropriated to reserves and is subject to the approval of the Commission each year.

Statement of Accounts of the Central Bank of Ireland

for the year ended 31 December 2024

Presented to Dáil Éireann pursuant to section 32J of the
Central Bank Act, 1942 (as amended).

Governance Statement and Commission Members' Report

Introduction

The functions of the Central Bank of Ireland (the Central Bank) are set out in section 5A of the Central Bank Act 1942 (as amended) (the Act). The functions of the Central Bank Commission (the Commission) are set out in section 18B of the Act, which provides that the activities and affairs of the Central Bank (other than ESCB functions) are managed and controlled by the Commission.

Role of the Commission

The Commission has the following statutory functions: management and control of the affairs and activities of the Central Bank; ensuring that the Central Bank's financial regulation and central banking functions are co-ordinated and integrated; and ensuring that the statutory powers and functions conferred on the Central Bank are properly exercised and discharged. The Commission has adopted its own terms of reference, which sets out how it can best deliver on those responsibilities.

Section 18F of the Act provides that any of the statutory functions vested in the Commission may be delegated to the Governor, a Deputy Governor or an employee of the Central Bank. In the interest of the efficient and effective management of the Central Bank and the exercise of its powers and functions, the exercise of most of the Central Bank's statutory functions and powers are delegated. The Commission retains the power to exercise any of those functions and powers of the Central Bank delegated by the Commission where it considers it appropriate to do so.

Further, the Commission has adopted a Plan of the Assignment of Responsibility (the Plan) in respect of delegations made. The Commission has approved the Plan (most recently in January 2023). The Commission retains accountability for the effective oversight of the performance of such functions and for ensuring that the powers and functions conferred on the Central Bank (other than those in respect of which responsibility is conferred solely on the Governor) are being effectively managed and controlled. Where a power has been assigned in accordance with the Plan, that person is accountable to the Governor and to any other person specified in the assignment for its performance.

The Commission engages with the executive and staff members as appropriate on issues of strategic importance to the Central Bank (other than ESCB functions), and advises, supports and constructively challenges them as appropriate. It also approves the Central Bank's Strategy and reviews its implementation.

Commission Responsibilities

The main statutory provisions relating to the role and duties of the Commission are covered in Part III of the Act. Moreover, under Section 32J of the Act, the Central Bank is responsible for the maintenance of proper accounting records. This responsibility also extends to the preparation and presentation to the Comptroller and Auditor General of a Statement of Accounts within six months of the end of each financial year and the appointment of external auditors as required by Article 27 of the Statute of the European System of Central Banks (the ESCB) and of the European Central Bank (the ECB).

The Commission has overall responsibility for the system of internal controls in the Central Bank, which are designed to safeguard the assets of the Central Bank and to prevent and detect fraud and other irregularities. To discharge this responsibility, the Commission has established appropriate structures. In this regard, the Audit Committee meets regularly with the internal and external auditors and with members of the management of the Central Bank to discuss control issues, financial reporting and related matters. The internal and external auditors have full access to the Audit Committee.

The Commission is satisfied that the Accounting Guideline of the European Central Bank (the Guideline)¹⁸, and where this is silent, the accounting standards generally accepted in Ireland - Financial Reporting Standard 102 (FRS 102) - and statutory provisions that are applicable to the Central Bank, have been consistently applied and are supported by reasonable and prudent judgements and estimates.

The Commission has taken all the steps in order to make itself aware of any relevant audit information and to establish that the Central Bank's statutory auditors are aware of that information.

Commission Structure

The Commission is made up of the following ex-officio members:

- Governor (Chair)
- Deputy Governor (Monetary and Financial Stability)
- Deputy Governor (Financial Regulation)
- Secretary General of the Department of Finance.

In addition, at least six, but no more than eight, other members are appointed by the Minister for Finance.

¹⁸The Guideline refers to the Guideline of the European Central Bank (3 November 2016) on the legal framework for accounting and financial reporting in the ESCB (ECB/2016/34) as amended.

The table below lists the members who served on the Commission during 2024 and their appointment, or re-appointment dates (Commission members appointed by the Minister for Finance may be re-appointed for one additional term of five years):

Commission Members	Date Appointed (or Reappointed)
Gabriel Makhoulouf*	1 September 2019
Shay Cody	1 December 2020
Mary Condon	1 January 2024
Sharon Donnery* ¹⁹	1 July 2022
John Hogan*	8 June 2021
Sarah Keane	1 December 2020
Vasileios Madouros*	1 November 2022
David Miles	1 December 2020
Niamh Moloney ²⁰	11 September 2023
John Trethowan ²¹	11 September 2023

*Ex-officio members

This membership is in line with the requirement to have regard to the skills, diversity and gender mix within State Boards as set out in the Annex on Gender Balance, Diversity and Inclusion under the Code of Practice for the Governance of State Bodies (the Code). The gender balance of the Commission at end-2024 was 60% male and 40% female. Of the appointed members, the gender balance was 50% male and 50% female.

Commission Membership Changes in 2024

Mary Condon was appointed as a Commission member on 1 January 2024. Sharon Donnery stood down as Deputy Governor and as Commission member on 31 December 2024.

¹⁹ Sharon Donnery was first appointed as Deputy Governor, Central Banking on 1 March 2016, and was reappointed to that role on 1 March 2021. She was appointed as Deputy Governor, Financial Regulation on 1 July 2022. She stood down as Deputy Governor and Commission member on 31 December 2024.

²⁰ Niamh Moloney was first appointed on 11 September 2018, and was reappointed on 11 September 2023.

²¹ John Trethowan was first appointed on 11 September 2018, and was reappointed on 11 September 2023.

Committees of the Commission

The Commission has established the following committees, which were in place at end-2024. The Commission appoints the members of the committees.

- Audit Committee
- Risk Committee
- Major Projects Committee
- Remuneration Committee.

The Commission established the committees to provide support to the Commission in meeting its responsibilities.

Audit Committee

The Audit Committee is comprised of three non-executive members. The membership of the Audit Committee, as at 31 December 2024, was as follows: Shay Cody (Chair), Mary Condon and John Trethowan.

The Commission established the Committee to provide support to the Commission in meeting its responsibilities for issues relating to risk, control and governance. The Committee achieves this through reviewing the comprehensiveness, reliability and integrity of assurances to the Commission. The Committee is empowered to take decisions on the basis of any delegated authority from the Commission.

Risk Committee

The Risk Committee is comprised of five members, including three non-executive members of the Commission. The membership of the Risk Committee, as at 31 December 2024, was as follows: John Trethowan (Chair), Shay Cody, Marcella Flood, Vasileios Madouros and David Miles.

The Commission established the Committee to review and advise the Commission on key risk frameworks for the management of the Central Bank's principal internal risk exposures. A key objective of the Commission is ensuring the application of risk frameworks within the Commission approved risk appetite. The Committee is empowered to take decisions on the basis of any delegated authority from the Commission.

Major Projects Committee

The Major Projects Committee is comprised of four members, including two non-executive members of the Commission. The membership of the Major Projects Committee, as at 31 December 2024, was as follows: Sarah Keane (Chair), Sharon Donnery, Marcella Flood and Niamh Moloney.

The Commission established the Committee to provide support to the Commission in meeting its responsibilities for matters in relation to the effective execution of the Central Bank's Strategy. This includes oversight and consideration of major projects, and related budget, including the Investment Envelope. The Committee seeks to achieve alignment with the Central Bank's risk profile by providing oversight of the Central Bank's overall Project and Programme Portfolio, including benefits realisation. The Committee is empowered to take decisions on the basis of any delegated authority from the Commission.

Remuneration Committee

The Remuneration Committee is comprised of three non-executive members. The membership of the Remuneration Committee, as at 31 December 2024, was as follows: Niamh Moloney (Chair), Sarah Keane and David Miles.

The Commission established the Committee to provide support to the Commission in meeting its responsibilities for issues relating to remuneration policy and remuneration of members of the executive. The Committee is empowered to take decisions on the basis of any delegated authority from the Commission.

Schedule of Attendance

A schedule of attendance at the Commission and Committee meetings for 2024 is set out below.

Commission Member	Commission	Audit Committee	Risk Committee	Major Projects Committee	Remuneration Committee	Joint meetings of Audit and Risk Committees
Gabriel Makhoulf	8/8	-	-	-	-	-
Shay Cody	8/8	4/4	3/4 ²²	1/3 ²³	-	1/1
Mary Condon	8/8	4/4	-	-	-	0/1
Sharon Donnery	8/8	-	1/4 ²⁴	2/3	-	1/1
Marcella Flood	-	-	3/4	3/3	-	1/1
John Hogan	7/8	-	-	-	-	-
Sarah Keane	8/8	-	-	3/3	2/2	-
Vasileios Madouros	8/8	-	4/4	-	-	1/1
David Miles	7/8	-	4/4	-	2/2	1/1
Niamh Moloney	8/8	-	1/4 ⁸	1/3 ²⁵	2/2	0/1
John Trethowan	7/8	4/4	4/4	-	-	1/1

Governance Framework

The Central Bank's Governance Framework takes account of the requirements of the Central Bank Acts and the EU Treaties, the Code, and other internal governance arrangements.

Responsibilities of Senior Leaders at the Central Bank

The Central Bank's Responsibilities of Senior Leaders document provides an overview of the responsibilities of those holding senior leadership positions within the Central Bank, together with the relevant governance arrangements in place that support decision-making.

²² Shay Cody became a member of the Risk Committee on 14 March 2024 and therefore was only eligible to join meetings from that date.

²³ Shay Cody's membership of the Major Projects Committee ended after the meeting of 4 March 2024 therefore he was only eligible to attend that meeting.

²⁴ Niamh Moloney and Sharon Donnery's membership of the Risk Committee ended after the meeting of 29 February 2024 therefore they were only eligible to attend that meeting.

²⁵ Niamh Moloney became a member of the Major Projects Committee on the 14 March 2024 and therefore was only eligible to join meetings from that date.

Internal Governance Structures

There are a number of internal cross-organisational committees with responsibility for coordinating the development and implementation of policies and advising on major issues. The Central Bank's committee structure comprises both operational and mandate-related committees which contribute, among other things, towards the development and execution of the Central Bank's strategy, risk appetite and organisational culture.

Annual Report and Annual Performance Statement

In accordance with Section 32K of the Act, the Central Bank prepares a report of its operations during the year and presents this to the Minister for Finance within six months after the end of each financial year. Section 32J (3) of the Act requires the Central Bank to prepare and transmit to the Comptroller & Auditor General (C&AG) a Statement of Accounts for the financial year concerned. The C&AG audits, certifies and reports on the Statement of Accounts and remits his report and the Statement of Accounts to the Minister. The Central Bank's financial accounts are also audited by independent external auditors as required by Article 27 of the ESCB Statute.

Appearances before Oireachtas Committees

The Governor, a Deputy Governor or the Registrar of Credit Unions may be obliged to attend before a Joint Committee of the Oireachtas responsible for examining matters relating to the Central Bank, including relating to the Annual Performance Statement, and to provide that Committee with information as it requires, subject to the Treaty on the Functioning of the EU and the ESCB Statute and to the Central Bank's professional secrecy and confidentiality obligations.

In 2024, personnel from the Central Bank made three appearances before the Joint Oireachtas Committees on Finance, Public Expenditure and Reform. Personnel from the Central Bank also appeared twice before the Dáil Committee on Budgetary Oversight during 2024.

Statutory Inquiries

The Central Bank, its officers and employees, are called as required to provide evidence to inquiries established under Statute. In its dealings with any such inquiry, the Central Bank must comply with the confidentiality obligations imposed under Section 33AK of the Act.

Peer Reviews

The Central Bank must arrange, at least every four years, for the performance of its regulatory functions to be reviewed by another national central bank, or another person or body whom the Governor has certified as appropriate, following consultation with the Minister.

Public Sector Duty

As a public service organisation, the Central Bank is committed to taking actions to avoid discrimination, promote equality and protect human rights. Fulfilling our public sector duty obligations is integral to this wider commitment.

As part of conducting the midpoint review of our five-year Strategy in 2024, the Central Bank considered its role under the Public Sector Human Rights and Equality Duty, and conducted an assessment of the equality and human rights issues relevant to its purpose and functions. Details of this assessment and associated action plan are set out in [Fulfilling our Public Sector Duty Assessment & Action Plan](#) available on the Central Bank website.

In 2024, the Central Bank also conducted an annual assessment of its fulfilment of its public sector duty obligations. This assessment concluded that, across the relevant functions identified, there continues to be a range of policies and procedures in place to ensure the Central Bank is addressing the human rights and equality issues relevant to its public sector duty and that the Central Bank is fulfilling its obligations under the relevant legislation. Achievements in this regard included making accessibility enhancements to centralbank.ie, revision of the Central Bank's Customer Charter and Action Plan and review and update of the specific Complaints Procedure in place under Section 38 of the Disability Act 2005.

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

The following disclosures are included in Note 8 – “Total Expenses”:

- Employee Short-Term Benefits Breakdown
- Consultancy Costs
- Legal Costs and Settlements
- Travel and Subsistence Expenditure
- Hospitality Expenditure
- Remuneration and expenses paid to Commission members in 2024.

Statement of Compliance

The Commission has adopted the Code of Practice for the Governance of State Bodies (the Code), adapted in some instances to take account of the Central Bank's particular governance framework and the statutory requirements of the Central Bank Acts and the ESCB Treaties, including the requirement for the Central Bank to be independent. The Commission has implemented procedures to ensure the application of relevant provisions within the Code. In that context, each provision has been

assessed, and the Central Bank is either currently applying the provision, adopting the provision, or adapting the provision to take account of the Central Bank's statutory requirements. Certain provisions have been assessed as not applicable to the Central Bank.

Where certain provisions are adapted or not applicable, this is to recognise the statutory regime that the Central Bank is subject to. The 1942 Act provides the statutory regime for the Central Bank, including how it is to interact with the Minister for Finance taking into account the Central Bank's independence requirements.

A copy of the Central Bank's implementation of the Code is available on the Central Bank's website.

Vasileios Madouros
Deputy Governor
Monetary and Financial Stability

Shay Cody
Member of the Commission

29 April 2025

Statement on Internal Control

The Central Bank adopts relevant provisions of the Code of Practice for the Governance of State Bodies 2016 (the Code). In some instances, the provisions of the Code have been adapted to take account of the Central Bank's particular governance framework and the statutory requirements of the Central Bank Acts and the ESCB Treaties, including the requirement for the Central Bank to be independent. The Central Bank's application of the Code is reviewed annually.

In accordance with the Code, the Commission is required to prepare a statement on the operation of the Central Bank's System of Internal Controls for each annual reporting period. Underpinning this statement is an annual review that seeks to provide reasonable (as opposed to absolute) assurance of the adequacy, effectiveness and integrity of the System of Internal Controls.

The Central Bank's System of Internal Controls comprises an extensive set of policies, procedures, and management and oversight activities. The System of Internal Controls has been developed and matured with the aim of ensuring proportionate measures are in place to manage the risks that inevitably arise in the fulfilment of the Central Bank's statutory mandate and the objectives under its current Strategy. These control measures do not, nor can they, eliminate all risk exposures, or anticipate all potential sources of disruption, error, failure or loss. Instead, their aim is to ensure that, within risk tolerances deemed acceptable by the Commission, adverse or unexpected impacts on the delivery of the Central Bank's mandate and strategic objectives have been minimised.

This statement sets out information regarding the Central Bank's System of Internal Controls including the main features of the control environment, risk identification and assessment, key control activities, risk and controls monitoring and the annual review of the System of Internal Controls. On behalf of the Commission, we confirm our overall responsibility for the Central Bank's Systems of Internal Controls, its intended alignment with our approved risk tolerances and the assurance processes established to maintain and assess its adequacy and integrity for the annual reporting period ended on 31 December 2024.

Key Internal Control Activities

In the reporting period, the Commission has overseen the implementation of a range of control activities to ensure that risks to the achievement of objectives are effectively mitigated, in so far as is operationally and economically feasible. These control activities are performed at all levels of the Central Bank encompassing control of its financial and operational processes and compliance with various legal and regulatory obligations. While control activities can take a number of different forms,

our annual review of each type aims to provide reasonable assurance that a particular control objective is achieved. The key control activities include:

- **Governance Framework:** The Central Bank maintains a Governance Framework that consolidates and clearly articulates the governance arrangements within the Central Bank, including: a Plan of the Assignment of Responsibilities that articulates the assignment of specified powers and functions of the Central Bank, including its delegation framework; a formally defined organisation and committee structure that is aligned to the Central Bank's statutory functions, with clearly defined lines of responsibility and authority levels; a Corporate Policy Framework to define what constitutes a Corporate Policy and a register of Corporate Policies identifying the relevant approval authority; and a document to detail the roles and responsibilities of Senior Leaders together with the relevant governance arrangements in place that support decision-making across the Central Bank. In addition, the Commission approves the Central Bank's Strategy and oversees and monitors the Annual Business Plans produced by the Executive and senior management to deliver business objectives and implement the Strategy.
- **Principal Statutory Obligations of the Central Bank:** In accordance with the Code, the Commission is provided with a schedule of the Central Bank's most pertinent statutory and governance obligations, together with a report identifying, at a high level, the applicable legislation, assignment of responsibility and how adherence is monitored.
- **People Management:** A designated human resource management function and people management framework is in place, which includes a Commission approved resourcing plan, a talent acquisition policy, formal training programmes for staff, annual performance appraisals, and other relevant procedures are in place to ensure that staff are competent and adequately trained in carrying out their responsibilities.
- **Planning and Financial Management:** An Annual Business Plan and Budget are prepared and approved by the Commission. This includes a comprehensive financial and budget management information system, incorporating accounts payable controls, and regular management and reporting on various aspects of the Central Bank's expenditure framework to the Commission. The Commission receives twice yearly reports on the status of actions set out in the Annual Business Plan at mid-year and again at year-end, incorporating any exceptions to the approved Annual Business Plan and Budget.
- **Risk Management:** Frameworks for risk management include organisation-wide operational risk and incident management, financial risk management relating to

the Central Bank's investment assets, monetary policy operations and overall Balance Sheet management.

- **Fraud Management:** A fraud risk management policy is defined which outlines responsibilities for the identification and mitigation of fraud related risks, and the approach in relation to the reporting and investigation of fraud or suspected fraud incidents within the Central Bank.
- **Business Continuity:** Business continuity and incident management policies and supporting processes to ensure the Central Bank is prepared to respond to disruptive scenarios, provide contingency arrangements, recover technologies, maintain in so far as possible the continuity of critical operations and resume normal business operations in a timely manner.
- **Programme and Project Management:** Control activities including a defined governance framework to manage material change and the delivery of new capabilities within the Central Bank incorporating procedures for change and project management, investment approval and prioritisation.
- **Data Protection:** Control measures designed to ensure that the privacy rights of individuals are protected in accordance with relevant regulatory requirements.
- **Physical and Information Security:** Control activities designed to protect staff, premises and physical assets and the confidentiality, integrity and accessibility of information assets from unauthorised alteration, loss or compromise due to accidents, negligence or criminal acts.
- **Procurement:** A centralised procurement function responsible for maintaining effective procedures for the tendering and approval of vendors in accordance with Public Procurement requirements, incorporating regular reporting to the Performance and Resourcing Committee and Audit Committee of the Commission.
- **Internal Audit:** An independent and objective Internal Audit function which uses a risk-based internal audit plan, prepared annually and approved by the Audit Committee. The Internal Audit Function also oversees the management of internal disclosures (e.g. protected disclosures).

Control Environment

The internal control activities aim to support the maintenance of an effective control environment, the main features of which include: a comprehensive governance structure, an embedded code of ethical conduct, clear management and staff roles and responsibilities and a continuous performance management system aligned to the achievement of the objectives set out in the Central Bank's Strategic Plan.

As noted, the Central Bank has, in some instances, identified the need to adapt its application of the Code to take account of certain unique institutional aspects of its role and mandate. This has given rise to the Central Bank providing a limited number of explanations where it has had to adapt a particular provision of the Code, due to the governance framework and the statutory requirements of the Central Bank Acts and the ESCB Treaties. Notwithstanding the foregoing, the Commission believes that the Central Bank has materially achieved the objectives of the Code in maintaining a robust control environment via specific statutory and governance measures.

Governance

In accordance with the Central Bank Reform Act 2010, the Central Bank maintains a single, integrated structure with a unitary board, the Commission, chaired by the Governor. The Act provides that the functions of the Commission are to:

- Manage and control the affairs and activities of the Central Bank (other than European System of Central Bank (ESCB) functions).
- Ensure that the Central Bank's central banking functions and financial regulation functions are integrated and coordinated.
- Ensure that the statutory powers and functions conferred on the Central Bank are properly exercised and discharged.

The Act provides the Commission with a power to delegate functions and powers of the Central Bank to the Governor, a Deputy Governor, committee or an employee of the Central Bank. The Commission cannot delegate to a committee any function of the Central Bank that a provision of the Act requires the Governor to perform. Such delegations are made in the interests of the efficient and effective management of the Central Bank, and to ensure the proper exercise and discharge of the Central Bank's functions and powers. The exercise, therefore, of most of the Central Bank's statutory functions and powers has been delegated by the Commission. Each of the above persons are empowered to act on behalf of the Central Bank in the discharge of the functions, powers and responsibilities from time to time assigned to them, including forming opinions, making decisions, taking action, exercising powers and carrying out the performance of functions of the Central Bank delegated from time to time. A person to whom the responsibility for the performance of a function has been assigned is accountable for the performance of that function to the Governor. The Commission, including through its four committees (Audit, Risk, Major Projects and Remuneration), monitors and reviews the performance of these delegations, including the operation of the Central Bank's System of Internal Controls. The functions of the Commission and its committees are set out in separate Terms of Reference.

The purpose of the Audit Committee is to provide support to the Commission in meeting its responsibilities for issues relating to risk, control and governance. The Audit Committee achieves this through reviewing the comprehensiveness, reliability and integrity of assurances provided to the Commission. The Audit Committee is empowered to take decisions on the basis of any delegated authority from the Commission.

The purpose of the Risk Committee is to review and advise the Commission on key risk frameworks for the management of the Central Bank's principal internal risk exposures. A key objective of the Commission is ensuring the application of risk frameworks within the Commission approved risk appetite. The Risk Committee is empowered to take decisions on the basis of any delegated authority from the Commission.

The purpose of the Remuneration Committee is to provide support to the Commission in meeting its responsibilities for issues relating to remuneration policy and remuneration.

The purpose of the Major Projects Committee is to provide support to the Commission in meeting its responsibilities in relation to the effective execution of the Central Bank's Strategy. This includes oversight and consideration of major projects and related budget, including the related Investment Envelope. The Major Projects Committee also seeks to achieve alignment with the Central Bank's risk profile by providing oversight of the Central Bank's full Project and Programme Portfolio, including benefits realisation. The Major Projects Committee is empowered to take decisions on the basis of any delegated authority from the Commission.

The Central Bank's Governance Framework establishes a centralised framework that sets out organisational governance structures. The Governance Framework documents these and outlines the relevant governance arrangements in place that support decision-making across the Central Bank, including the role of cross-organisational committees. The Governance Framework also includes a register of Corporate Policies supported by relevant templates and guidance, and similarly a register and guidance for Memoranda of Understanding.

The Governance Framework includes an internal committee structure and an internal executive management structure, which provides oversight of all material organisational matters. An executive-level Risk Management Committee is tasked with maintaining oversight and providing challenge across all risk categories and internal compliance and conduct related matters. Other executive-level committees, as set out in the Governance Framework also support the Central Bank's control environment.

The Commission continues to oversee procedures for the assignment of management responsibilities and annual objectives within the Central Bank. Management and staff responsibilities and objectives are defined via a comprehensive database of role profiles and a performance management and development programme.

Executive management, in conjunction with the Commission, specify the Central Bank's overarching (entity level) objectives within a three-year Strategy. The Central Bank's current Strategy was approved by the Commission and submitted to the Minister for Finance. It took effect from 1 January 2022. A midpoint review of this Strategy was completed in 2024 and an updated three year Strategy was approved by the Commission and submitted to the Minister for Finance in September 2024, extending the Strategic period to end-2027, in line with statutory requirements. Implementation, monitoring and reporting of this Strategy continues via the Central Bank's Annual Business Planning process which includes regular formal review by senior management and biannually by the Commission.

The organisational level Annual Business Planning process was further enhanced in 2024. This process translates the Central Bank's longer-term strategic direction and medium-term Strategic Delivery Roadmap into tangible objectives for delivery over a one-year delivery horizon, aligned to the Central Bank's annual budget. It captures material operational and strategic objectives across all business areas. The Annual Business Plan for 2025 was approved by the Commission in November 2024.

In addition, the Commission continues to oversee the implementation of, and adherence to the Central Bank's Code of Ethics, which seeks to ensure the highest standards of ethical conduct amongst staff and officers of the Central Bank. The Commission has also adopted its own Code of Conduct and Ethics. The Commission has established an Internal Disclosures Policy which it reviews annually. This Policy provides employees with a set of channels to confidentially disclose information regarding possible wrongdoing within the Central Bank without fear of any personal repercussions.

Risk Management

The Commission has defined its appetite for the principal categories of organisational risk to which the Central Bank is exposed in the Risk Appetite Framework.²⁶ This Framework specifies the amounts and types of risk that the Central Bank is willing to

²⁶ In September 2024, the Commission approved a new Risk Tolerance Framework, which will supersede the Risk Appetite Framework when it is implemented in 2025. The new Risk Tolerance Framework is designed to enable a better understanding of the key risk exposures that are relevant to the fulfilment of the Central Bank's mandate, whilst recognising that it is neither possible nor necessarily desirable to attempt to eliminate all of the risks that may arise. The Risk Tolerance Framework aims to support understanding of the effort that should be applied to manage and mitigate those exposures, and the associated trade-offs, thereby supporting effective and consistent risk management across the organisation and assisting with prioritisation decisions that need to be taken.

accept while delivering on its strategic plan and fulfilling its mandate, and specifies the approach to monitoring and on-going oversight of those risks, while also supporting risk-informed decision-making. An Integrated Risk Report on the risk profile versus risk appetite across key risk categories is presented at regular periods to the Risk Management Committee, Executive Leadership Committee and the Risk Committee.

Central to the effective operation of the Central Bank's System of Internal Controls are procedures to identify, assess and manage risks that may adversely impact the achievement of the Central Bank's objectives at both an overall organisational level and within each of its divisions. The Commission has established an Operational Risk Management Framework, to ensure a consistent risk identification and assessment process, which considers the likelihood of risks materialising and their potential operational, financial and reputational implications.

The Operational Risk Management Framework comprises a divisional risk and control assessment process which establishes and maintains standardised divisional registers of material operational risk exposures and incidents. Details of the divisional risk and incident registers are reviewed and reported on to the Risk Management Committee and Risk Committee throughout the year with a focus on ensuring that remedial actions are underway to address known exposures deemed to be outside of approved risk tolerances.

The Operational Risk Management Framework also includes ongoing risk-based quality assurance, to validate the risks identified. For the purpose of this procedure, risks are reviewed and where corrective remedial actions are required these form part of each division's risk management plan. All divisional management are required to attest on a quarterly basis that their risk registers have been reviewed and updated as required.

The Risk Committee also oversees a dedicated Financial Risk Management Framework. This principally focuses on current and emerging financial risks impacting the Central Bank's Balance Sheet arising from the implementation of monetary policy and discretionary investment activities. In the reporting period, the Commission has reviewed reports on the status of these financial risks and considered proposals on the effective control and management of these risks in accordance with the tolerances set out in its approved Risk Appetite Framework.

The Central Bank took a number of actions in recent years in response to the risk of financial risk losses arising from interest rate mismatch on its balance sheet relating to the implementation of monetary policy as part of the Central Bank's Eurosystem mandate. These measures include carrying a General Risk Provision of €2,867.9m into 2024 to cover anticipated losses. This provision decreased at the end of 2024 (to €2,072.5m) due to its utilisation to cover the realisation of the anticipated financial

losses.²⁷ Given the use of the provision to cover a portion of these financial risk losses, a zero net profit position was recorded at year end 2024.

Throughout 2024, the Commission and its committees received reports outlining the Central Bank's financial and operational risk exposures and various aspects of the System of Internal Controls, and considered the effectiveness of the System as a whole via an annual review procedure. These reports were prepared by the Central Bank's Internal Governance Division, Internal Audit Division and Organisational Risk Division. Having reviewed these reports, the Commission is satisfied that the overview provided accurately reflects the status of the System of Internal Controls in operation during the reporting period.

Furthermore, in accordance with the Three Lines of Defence Model for assigning risk and control management responsibilities, the operation of the System of Internal Controls is supported by the Organisational Risk Division and Internal Audit Division, to ensure the systematic application of the Commission approved risk management frameworks, including assessment and review of risks and controls.

Data Protection

The Central Bank processes personal data in the course of carrying out a number of its statutory functions, and in relation to the employment of staff and in its engagement with third party service providers. The Data Protection Acts 1998 to 2018 and the General Data Protection Regulation (the GDPR) outline the various obligations that apply when processing personal data. The Central Bank has developed a Data Protection Policy, Personal Data Operating Framework and associated operating procedures to fulfil these requirements. These define the internal roles and responsibilities in relation to the management of data protection, and outline how the key principles of data protection are implemented in the Central Bank. In accordance with the GDPR requirements, the Central Bank has appointed a Data Protection Officer, whose role includes: provision of data advice, monitoring and assessing compliance with the data protection obligations, coordinating data protection related incidents, responding to access requests and regularly reporting to oversight committees.

In the period under review, progress was made with the implementation of remediation plans in addressing a number of data protection risks which the Central Bank faces and which have the greatest potential to cause reputational and/or financial damage. The Risk Management Committee and Risk Committee have been updated on the progress in respect of these actions.

²⁷ In 2024, the Central Bank recorded a loss of €795.4m prior to the utilisation of the General Risk Provision. This loss arose primarily as a result of the Central Bank's cost of liabilities exceeding the income received on bonds that were previously purchased for monetary policy purposes.

In August 2023, the Central Bank identified an archiving error that affected the retention period of certain borrower information held on the Central Credit Register. The error resulted in certain borrower information being retained on the Central Credit Register (CCR) for up to an additional three months, and this additional data was incorrectly included in credit reports. The error constituted a data breach under data protection legislation. In line with the Central Bank's obligations under data protection legislation, the Central Bank notified the Data Protection Commission (DPC). The DPC notified the Central Bank in 2023 of the commencement of an Inquiry into the incident which is ongoing, and pending the outcome of the inquiry, the Central Bank may be liable to pay a fine to the DPC. Beyond the immediate resolution of the incident, the Central Bank initiated an independent review of broader data protection safeguards, management, controls and oversight measures in place with respect to the operation of the CCR. This review, which was completed in October 2024, contained a number of findings and recommendations. The Central Bank is working to implement these recommendations and progress on their implementation is reported to the Commission. An executive summary of the independent review was published by the Central Bank in November 2024.

Procurement

The Central Bank operates a Corporate Procurement Policy that is approved by the Commission. The procurement requirements of the Central Bank are conducted in line with the Policy and the internal governance framework it establishes.

The Policy seeks to comply with all European and national law and guidelines as set out by the Office of Government Procurement except in respect of the publication of contract award data for all procurements over €25,000 on the national tendering website (eTenders). The Central Bank has decided to meet this transparency requirement by continuing to publish award notices for contracts advertised on eTenders at the National Tender threshold entry point of €50,000 and in addition to publish contracts valued at over €25,000 on the Central Bank's website by amending the Freedom of Information threshold from €50,000 to €25,000 for the reasons of operating efficiency and effectiveness.

In certain limited circumstances, contracts may be awarded without recourse to a competitive tendering process:

- Where the procurement rules provide for an applicable exemption/exception
- Where there is no legal obligation to tender (e.g. as the contract value is below the EU Threshold and there is no cross-border interest) and exceptional circumstances exist.

Any other contracts awarded without recourse to a competitive tendering process are regarded as 'non-compliant contracts' and are overseen by both the Performance and Resourcing Committee and the Audit Committee. The Central Bank did not award any 'non-compliant contracts' in 2024 and no expenditure was incurred on the one pre-existing non-compliant contract. This contract will run to term on completion of services and a breakdown of the non-compliant contract is provided in the table below.

In April 2020, based on the significant importance of the nature of services, the Central Bank decided to award the contract for Data Centre Hosting and Managed Services without a competitive procedure on grounds of 'extreme urgency' conditions (pursuant to Regulation 32(2)(c) of S.I. 284 of 2016) owing to the COVID-19 emergency. The Central Bank published a Voluntary Ex-Ante Transparency Notice (VEAT) on 3 August 2020, clearly indicating the intention to award a new contract. Spend on this contract was €13,449,191 (ex VAT) in 2024 and €12,456,560 (ex VAT) in 2023.

Table 1.1 Breakdown of Non-Compliant Contracts

Reason for direct award	Number of contracts 2024	Spend (€) 2024	Number of contracts 2023	Spend (€) 2023
Sensitive or confidential nature of work prohibited a competitive tender process	1 ²⁸	0	1	0
Rollover of existing contract pending conclusion of tender process	0	0	0	0
Rollover of existing contract which will run to term	0	0	0	0
Total	1	0	1	0

Review and Monitoring of the System of Internal Controls

To ensure that the System of Internal Controls is operating in accordance with its expectations, the Commission has established an Internal Audit Division to review and monitor the performance and effectiveness of the Central Bank's risk management and control activities.

The Head of Internal Audit Division reports directly to the Governor, with unrestricted access to Management and members of the Commission. The activities of Internal Audit Division are guided by its Internal Audit Charter and Annual Audit Plan, which are approved by the Audit Committee. Internal Audit Division evaluates compliance with the Central Bank's policies, procedures, and applicable laws and

²⁸ At the end of 2024, this is the sole remaining direct award contract (awarded without recourse to a tendering process).

regulations, and provides independent and objective assurance on the adequacy and effectiveness of risk management, internal controls and governance processes by conducting regular reviews.

Internal Audit Division reports its findings directly to the Audit Committee. These reports highlight deficiencies, if any, in the System of Internal Controls and document the agreed corrective actions to be taken by management where deemed necessary. Internal Audit Division monitors the implementation of actions to ensure the control environment remains effective. The Audit Committee receives updates, on a regular basis, on the status of issues raised by the internal and external auditors and follows up to ensure appropriate and timely action is being taken in respect of the issues raised.

Annual Review of the System of Internal Controls

The Commission reviewed the effectiveness of the Central Bank's System of Internal Controls for the financial year ending 31 December 2024. A detailed review of the effectiveness of the System of Internal Controls was performed by the Audit Committee, which reported its findings to the Commission in April 2025. This review of the effectiveness of the System of Internal Controls included:

- Consideration of reports outlining the Central Bank's strategic, financial and operational risk exposures provided by the Organisational Risk Division and other aspects of the System of Internal Controls provided by the Internal Governance Division.
- Consideration of the work of the Internal Audit Division and consideration of its reports and findings.
- Overview of regular reports from the Internal Audit Division on the status of the Central Bank's internal control environment and the status of issues raised previously from their own reports and matters raised by the external auditors.
- Overview of notable changes to the System of Internal Controls in the reporting period.
- Consideration of internal financial control issues identified by the external auditors.
- Consideration of the Central Bank's incident management policy which sets out the process and requirements for incident identification, assessment, reporting, monitoring control enhancements and governance. An incident register is in place which records reported incidents, which are evaluated and assigned a grade according to their impact.

Based on the above, the Commission considers that the System of Internal Controls in operation within the Central Bank for the financial year ending 31 December 2024 remains effective.

Vasileios Madouros
Deputy Governor
Monetary and Financial Stability

Shay Cody
Member of the Commission

29 April 2025

PROFIT AND LOSS AND APPROPRIATION ACCOUNT FOR YEAR ENDED 31 DECEMBER 2024

	Note	2024 €000	2023 €000
Interest income	2	4,726,620	4,323,150
Interest expense	2	(4,710,068)	(4,535,740)
Net interest income/(expense)	2	16,552	(212,590)
Net realised gains arising from financial operations	3	75,830	1,043,356
Write-downs on financial assets and positions	3	(33,498)	(41,393)
Transfer from provisions	3	795,384	131,934
Net result of financial operations, write-downs and provisions	3	837,716	1,133,897
Income from fees and commissions	4	2,109	4,488
Income from equity instruments and participating interests	5	2,668	2,978
Net result of pooling monetary income	6	(724,724)	(640,449)
Other net income	7	253,926	222,662
<i>Funding levy income</i>		237,672	205,017
<i>Other</i>		16,254	17,645
TOTAL NET INCOME		388,247	510,986
Net staff expenses	8	(239,921)	(213,809)
Other operating expenses	8	(107,693)	(96,920)
Unrealised loss on investment property	8	(7,000)	(18,229)
Impairment charge on property, plant, equipment	8	-	(156,858)
Depreciation	8	(28,761)	(20,890)
Currency production raw materials	8	(4,872)	(4,280)
TOTAL EXPENSES	8	(388,247)	(510,986)
PROFIT FOR THE YEAR BEFORE UNREALISED GAIN MOVEMENTS, ACTUARIAL GAIN AND APPROPRIATION OF PROFIT		-	-
Net movement in unrealised gains	35	598,843	(1,013,161)
Transfers (to)/from revaluation accounts	35	(598,843)	1,013,161
Actuarial gain/(loss) on pension scheme	33	66,710	(13,835)
Transfer (to)/from reserves	36	(66,710)	13,835
SURPLUS INCOME PAYABLE TO THE EXCHEQUER	9	-	-

The accounting policies together with Notes 1 to 44 form part of these accounts.

Vasileios Madouros
Deputy Governor
Monetary and Financial Stability
29 April 2025

Shay Cody
Member of the Commission

BALANCE SHEET AS AT 31 DECEMBER 2024

ASSETS	Note	2024 €000	2023 €000
Gold and gold receivables	10	970,766	722,100
Claims on non-euro area residents in foreign currency	11	10,878,680	10,603,173
Claims on euro area residents in foreign currency	12	219,455	14,294
Claims on non-euro area residents in euro	13	1,650,452	2,109,292
Lending to euro area credit institutions related to monetary policy operations in euro	14	-	84,500
Other claims on euro area credit institutions in euro	15	1,616,936	1,736,502
Securities of euro area residents in euro	16	65,015,046	67,946,101
<i>Securities Held for Monetary Policy Purposes</i>		56,318,429	60,016,155
<i>Other Securities</i>		8,696,617	7,929,946
Intra-Eurosystem claims		95,847,124	98,515,149
<i>Participating interest in ECB</i>	17	459,609	237,271
<i>Claims equivalent to the transfer of foreign reserves</i>	18	883,534	683,175
<i>Claims related to TARGET</i>	19	94,503,981	97,594,703
Other assets	20	2,884,279	2,833,653
Pension asset	33	11,584	-
Total Assets		179,094,322	184,564,764

The accounting policies together with Notes 1 to 44 form part of these accounts.

Vasileios Madouros
Deputy Governor
Monetary and Financial Stability

Shay Cody
Member of the Commission

29 April 2025

BALANCE SHEET AS AT 31 DECEMBER 2024

LIABILITIES	Note	2024 €000	2023 €000
Banknotes in circulation	22	31,830,414	24,221,493
Liabilities to euro area credit institutions related to monetary policy operations in euro	23	87,727,998	94,040,334
Other liabilities to euro area credit institutions in euro	24	505,764	751,848
Liabilities to other euro area residents in euro	25	21,014,616	22,557,483
Liabilities to non-euro area residents in euro	26	889,211	1,030,899
Liabilities to euro area residents in foreign currency	27	115,119	-
Liabilities to non-euro area residents in foreign currency	28	-	45,776
Counterpart of special drawing rights allocated by the IMF	29	5,120,481	4,962,491
Intra-Eurosystem liabilities		20,315,130	25,052,149
<i>Net Liabilities related to the allocation of euro banknotes within the Eurosystem</i>	30	19,592,087	24,413,094
<i>Other Liabilities within the Eurosystem (net)</i>	31	723,043	639,055
Other liabilities	32	1,753,962	1,885,914
Retirement benefits	33	-	63,751
Provisions	34	2,075,174	2,871,726
Revaluation accounts	35	1,475,245	876,402
Capital and reserves	36	6,271,208	6,204,498
Total Liabilities		179,094,322	184,564,764

The accounting policies together with Notes 1 to 44 form part of these accounts.

Vasileios Madouros
Deputy Governor
Monetary and Financial Stability

Shay Cody
Member of the Commission

29 April 2025

NOTES TO THE ACCOUNTS

Note 1: Accounting Policies and Related Information

(a) Legal Framework

Throughout the Statement of Accounts, the term “Central Bank”, where used, refers to the Central Bank of Ireland.

The accounts have been prepared pursuant to Section 32J of the Central Bank Act, 1942 (as amended) which provides that within six months after the end of each financial year, the Central Bank shall prepare and present to the Comptroller and Auditor General a statement of accounts for the financial year concerned. The statement is in the form approved by the Minister for Finance. The form of the accounts reflects the specific nature of the tasks carried out by the Central Bank within the framework of the ESCB and its diverse range of activities²⁹. Article 27.1 of the Statute of ESCB and of the ECB requires the appointment of independent external auditors.

(b) Accounting Principles

The Central Bank, as a participating member of the ESCB, complies with the accounting policies laid down by the Governing Council of the ECB³⁰ in Guideline ECB/2016/34 (the ‘Guideline’)³¹. The Central Bank’s Statement of Accounts are prepared in line with the provisions set out in the Guideline, which includes preparation on a going concern basis. In cases where the Guideline does not provide specific direction, accounting standards generally accepted in Ireland and relevant statutory provisions which apply to the Central Bank are followed³². The Financial Reporting Standard applicable in the UK and Republic of Ireland is Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

²⁹ The use of the term European System of Central Banks (ESCB) refers to the 27 National Central Banks (NCBs) of the Member States of the European Union as at 31 December 2024 together with the European Central Bank (ECB). The term “Eurosystem” refers to the 20 NCBs of the Member States participating in the Monetary Union, plus the ECB, on the same date.

³⁰ The Governing Council is the main decision-making body of the ECB. It consists of the six members of the Executive Board plus the governors of the national central banks of the 20 euro area countries.

³¹ The Guideline refers to Guideline (EU) 2016/2249 of the European Central Bank of 3 November 2016 on the legal framework for accounting and financial reporting in the ESCB (ECB/2016/34) as amended.

³² These include the Central Bank Acts 1942-2023, the Central Bank of Ireland (Surplus Income) Regulations 1943 (these Regulations provide for the calculation of the Central Bank’s surplus income for each year which, in accordance with section 32H of the Central Bank Act 1942, is paid into the Exchequer), the Coinage Act 1950, the Decimal Currency Acts 1969-1990 and the Economic and Monetary Union Act 1998. The Central Bank is also subject to the Treaty on the Functioning of the European Union, incorporating the Statute of the ESCB and of the ECB, and to any laws made thereunder that apply to the national central banks of the ESCB.

The principles and policies laid out in the Guideline are broadly in line with Irish generally accepted accounting principles. The principal differences of relevance to the Central Bank between the Guideline (mandatory and recommended provisions) and FRS 102 are:

- a. Unrealised gains, from assets and liabilities measured at market value, are accounted for through the Profit and Loss and Appropriation Account and transferred to the revaluation account in the Balance Sheet.
- b. No statement of cashflows is required.
- c. A provision for financial risks is included under liability item “Provisions”.

The preparation of the Central Bank’s Statement of Accounts in conformity with the Guideline and FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Central Bank’s accounting policies. Where the Guideline is silent with regard to financial instruments, the Central Bank follows the requirements from FRS 102, of both sections 11 and 12 in full. The areas involving a higher degree of judgement or estimation are disclosed in Note 1(n) “Critical Accounting Estimates and Judgements”. Financial assets and liabilities are offset and the net amounts presented in the Statement of Accounts when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously (Note 11(i)(a), Note 19, Note 30, Note 31). There were no changes to the accounting policies applied by the Bank during the year.

(c) Eurosystem Accounting Guideline

As a member of the ESCB/Eurosystem, the Central Bank has adopted the ECB’s Accounting Guideline. The following is a summary of the main provisions of the Guideline.

(i) Trade Date Accounting³³

The Guideline states that trade date accounting may be implemented either by the “regular approach” or the “alternative approach”. The Central Bank uses the alternative approach and as such, transactions in assets and liabilities are booked at the settlement date (usually the trade date plus two business days), as opposed to the regular approach whereby transactions are booked on the trade date³⁴ (Note 1(h)).

³³ Defined in the Guideline of the European Central Bank (3 November 2016) on the legal framework for accounting and financial reporting in the ESCB (ECB/2016/34).

³⁴ NCBs who use the regular approach book securities off Balance Sheet on the trade date. At settlement date the off Balance Sheet entries are reversed and on Balance Sheet entries are booked.

(ii) Intra-ESCB balances

Intra-ESCB balances result primarily from cross-border payments in the EU that are settled in central bank money in euro. These transactions are for the most part initiated by private entities (i.e. credit institutions, corporations and individuals). They are settled in TARGET – the Trans-European Automated Real-time Gross Settlement Express Transfer system (Note 19), and give rise to bilateral balances in the TARGET accounts of EU central banks.

Payments conducted by the ECB and the NCBs also affect these accounts. All settlements are automatically aggregated and adjusted to form part of a single position for each NCB vis-à-vis the ECB. The movements in TARGET accounts are reflected in the accounting records of the ECB and the NCBs on a daily basis.

The Intra-Eurosystem balance of the Central Bank vis-à-vis the ECB arising from TARGET is presented on the Balance Sheet of the Central Bank as an asset or liability position under either “Claims Related to TARGET” (Note 19) or “Liabilities Related to TARGET”.

Intra-ESCB balances vis-à-vis non-euro area NCBs not arising from TARGET are disclosed under either “Claims on Non-Euro Area Residents in Euro” (Note 13) or “Liabilities to Non-Euro Area Residents in Euro” (Note 26).

Intra-Eurosystem balances arising from the allocation of euro banknotes within the Eurosystem are included as a single net liability under “Net Liabilities Related to the Allocation of Euro Banknotes within the Eurosystem” (Note 1(c)(iii), Note 1(c)(iv), Note 22, Note 30).

Other Intra-Eurosystem balances denominated in euro (e.g. interim profit distributions to NCBs, if any, monetary income results, administration of borrowing and lending operations with the Eurosystem including repayments in connection with the Support to mitigate Unemployment Risks in an Emergency Programme (SURE)) are presented on the Balance Sheet of the Central Bank as a single net asset or liability position and disclosed under “Other Claims within the Eurosystem (net)/Other Liabilities within the Eurosystem (net)” (Note 31).

Intra-Eurosystem claims arising from the Central Bank’s participating interest in the ECB are reported under “Participating Interest in ECB” (Note 1(c)(iii), Note 1(c)(xiv), Note 17).

Intra-Eurosystem balances arising from the transfer of foreign reserve assets to the ECB by the NCBs joining the Eurosystem are denominated in euro and reported

under “Claims Equivalent to the Transfer of Foreign Reserves” (Note 1(c)(iii), Note 1(c)(vii), Note 18, Note 40(ii)).

(iii) Capital Key

The ESCB capital key is the percentage of the subscribed share capital of the ECB held by the respective ESCB NCBs. It is a measure of the relative national size of EU Member States and is a 50:50 composite of Gross Domestic Product and population size. Pursuant to Article 28 of the ESCB Statute, the ESCB NCBs are the sole subscribers to the capital of the ECB. Subscriptions depend on shares which are fixed in accordance with Article 29.3 of the ESCB Statute and which must be adjusted every five years. The most recent such adjustment took effect on 1 January 2024. The Central Bank’s share of the ECB’s subscribed capital increased from 1.3772% to 1.7811%.

A second key, the “Eurosystème key”, which is derived from the ESCB capital key outlined above, is used as the basis of allocation for a series of important items including monetary income, banknotes in circulation and the sharing of the ECB’s profit/loss among Eurosystem NCBs. The Central Bank’s share in the Eurosystem key increased from 1.6798% to 2.1782% following the review in 2024 (Note 1(c)(ii)).

(iv) Banknotes in Circulation

The ECB and the euro area NCBs, which together constitute the Eurosystem, issue euro banknotes³⁵. The total value of euro banknotes in circulation is allocated to the Eurosystem central banks on the last working day of each month in accordance with each NCB’s banknote allocation key³⁶.

The ECB has been allocated an 8% share of the total value of euro banknotes in circulation, whereas the remaining 92% has been allocated to NCBs according to their weightings in the capital key of the ECB. The share of banknotes allocated to each NCB is presented on the Balance Sheet under the liability item “Banknotes in Circulation” (Note 22).

The difference between the values of euro banknotes allocated to each NCB in accordance with the banknote allocation key and the value of the euro banknotes that it actually puts into circulation gives rise to remunerated Intra-Eurosystem balances. These claims, in the case of a shortfall of issuance relevant to the banknotes allocation key, are presented on the Balance Sheet under “Net Claims Related to the Allocation of Euro Banknotes within the Eurosystem” (Note 1(c)(ii)). The liabilities, in the case of excess issuance relevant to the banknote allocation key, are presented on the Balance

³⁵ ECB decision of 13 December 2010 on the issue of euro banknotes (recast) (ECB/2010/29), OJ L 35, 9.2.2011, p. 26 as amended.

³⁶ The banknote allocation key refers to the percentages that result from taking into account the ECB’s share of the total euro banknote issue (8%) and applying the Eurosystem key to the participating NCBs’ share (92 %).

Sheet under “Net Liabilities Related to the Allocation of Euro Banknotes within the Eurosystem” (Note 1(c)(ii), Note 30). Interest is received on the shortfall and paid on the excess issuance on a quarterly basis³⁷. This is cleared through the accounts of the ECB and included in “Net Interest Income/(Expense)” (Note 2(xii)) in the Profit and Loss and Appropriation Account.

(v) Distributions by ECB

The Governing Council has decided that the seigniorage income of the ECB, which arises from the 8% share of euro banknotes allocated to the ECB, as well as the income arising from the securities held under (a) the Securities Markets Programme (SMP), (b) the third Covered Bond Purchase Programme (CBPP3), (c) the Asset-Backed Securities Purchase Programme (ABSPP), (d) the Public Sector Purchase Programme (PSPP), and (e) the Pandemic Emergency Purchase Programme (PEPP) is due to the euro area NCBs in the financial year it accrues. Unless otherwise decided by the Governing Council, the ECB distributes this income in January of the following year by means of an interim distribution of profit³⁸. Any such decision shall be taken where, on the basis of a reasoned estimate prepared by the Executive Board, the Governing Council expects that the ECB will have an overall annual loss or will make an annual net profit that is less than this income. The Governing Council may also decide to transfer all or part of this income to a provision for financial risks. The Governing Council may also decide to charge costs incurred by the ECB in connection with the issue and handling of euro banknotes against income earned on euro banknotes in circulation.

The amount distributed to NCBs is disclosed in the Profit and Loss and Appropriation Account under “Income from Equity Instruments and Participating Interests” (Note 5).

(vi) Net Result of Pooling Monetary Income

The amount of each Eurosystem NCB’s monetary income, i.e. net income earned on Eurosystem monetary policy operations, is determined by measuring the actual annual income that derives from the earmarkable assets held against its liability base.

The liability base consists of the following items: banknotes in circulation; liabilities to euro area credit institutions related to monetary policy operations denominated in euro; net intra-Eurosystem liabilities resulting from TARGET transactions; and net intra-Eurosystem liabilities related to the allocation of euro banknotes within the Eurosystem. Any interest paid on liabilities included within the liability base is deducted from the monetary income to be pooled.

³⁷ ECB decision of 3 November 2016 on the allocation of monetary income of the NCBs of Member States whose currency is the euro (recast) (ECB/2016/36), OJ L 347, 20.12.2016, p. 26.

³⁸ ECB Decision (EU) 2015/1195 of 2 July 2015 amending Decision (EU) 2015/298 on the interim distribution of the income of the ECB (ECB/2015/25).

The earmarkable assets consist of the following items: lending to euro area credit institutions related to monetary policy operations denominated in euro; securities held for monetary policy purposes; intra-Eurosystem claims equivalent to the transfer of foreign reserve assets to the ECB; net intra-Eurosystem claims resulting from TARGET transactions; intra-Eurosystem claims related to the allocation of euro banknotes within the Eurosystem; and a limited amount of each NCB's gold holdings in proportion to each NCB's capital key.

Gold is considered to generate no income. Securities held for monetary policy purposes under relevant ECB Decisions³⁹ are considered to generate income at the latest available marginal interest rate⁴⁰ used by the Eurosystem in its tenders for main refinancing operations.

Where the value of an NCB's earmarkable assets exceeds or falls short of the value of its liability base, the difference shall be offset by applying, to the value of the difference, the latest available marginal rate for the Eurosystem's main refinancing operations. This amount is added or deducted, as appropriate from the monetary income to be pooled.

The net monetary income pooled by the Eurosystem is allocated between NCBs according to the subscribed Eurosystem key. The difference between the monetary income pooled by the Central Bank and that reallocated to the Central Bank constitutes the "Net Result of Pooling Monetary Income" recorded in the Profit and Loss and Appropriation Account (Note 6).

In the event of the ECB incurring a loss, the loss can be offset against the ECB's general reserve fund and, if necessary, by a decision of the Governing Council, against the monetary income of the relevant financial year in proportion to and up to the amount allocated to the NCBs.

(vii) Claims Equivalent to the Transfer of Foreign Reserves

The Treaty on the Functioning of the European Union, 1992 and Section 5B of the Central Bank Act, 1942 (as amended) provides that the Central Bank has the power to "transfer assets, income or liabilities to the European Central Bank where required under the ESCB Statute". Accordingly, the Central Bank transferred an amount

³⁹ ECB Decision (EU) 2009/522 of 2 July 2009 on the implementation of the covered bond purchase programme (ECB/2009/16), OJ L 175, 4.7.2009

ECB Decision (EU) 2011/17 of 3 November 2011 on the implementation of the second covered bond purchase programme (ECB/2011/17), OJ L 297, 16.11.2011

ECB Decision (EU) 2015/774 of 4 March 2015 on a secondary markets public sector asset purchase programme of the ECB (ECB/2015/10), OJ L 121, 14.5.2015, p. 20–24

⁴⁰ The Main Refinancing Operations (MRO) rate is applied to the daily balances of central government/agency/non-financial corporate bonds purchased under the programme, while it is the actual return earned on international and supranational institution bonds purchased under the programme that is pooled.

equivalent to €424.8m to the ECB in January 1999, at the commencement of the European Monetary Union, and received in turn a corresponding claim on the ECB equivalent to this amount. A total amount of €883.5m has been transferred since 1 January 1999. The resulting claim on the ECB is remunerated at the latest available interest rate for the main refinancing operations adjusted to reflect a zero return on the gold component (Note 1(c)(ii), Note 2(viii), Note 18).

(viii) Off-Balance Sheet Items

Gains and losses arising from off-Balance Sheet instruments are recognised and treated in a similar manner to on-Balance Sheet instruments (Note 1(k)). Unrealised valuation gains are not recognised as income but are accounted for through the Profit and Loss and Appropriation Account and transferred to the revaluation accounts. Unrealised valuation losses are taken to the Profit and Loss and Appropriation Account at year-end where losses exceed previous revaluation gains on a security-by-security basis.

Unrealised trade date gains/losses on foreign exchange forward contracts are recorded under “Revaluation Accounts” (Note 35) or “Other Liabilities” (Note 32) in accordance with the Guideline having been accounted for through the Profit and Loss and Appropriation Account as outlined above. This method is used for foreign exchange forward contracts and the techniques covering the most significant off-Balance Sheet financial instruments, which have been identified for possible use by the ESCB as set out in the Guideline, i.e. foreign exchange forwards, foreign exchange swaps, interest rate swaps, forward rate agreements, forward transactions in securities and options.

The Central Bank’s portfolios are predominantly denominated in euro, in addition to an exposure to certain foreign currency fixed income assets on a hedged basis, an exposure to foreign currency fixed income assets on an unhedged basis, and gold holdings. The Central Bank hedges against currency exposure using foreign exchange swap agreements, whereby the Bank holds foreign currency and uses foreign exchange swaps to limit the exposure to foreign currency risk. In accordance with the Guideline, forward legs of foreign exchange swap agreements involving an exchange of one currency for another at a future date shall be included in the net foreign currency positions for calculating average costs and foreign exchange gains and losses, and so the Bank uses an off-Balance Sheet account on the spot date. The Central Bank is exposed to currency risk through a net-asset position in International Monetary Fund (IMF) Special Drawing Rights (SDR). This exposure is held on a partially hedged basis in 2024 (Note 2(xix), Note 39(i)). Interest rate exposure is hedged against by the utilisation of interest rate futures contracts which are recorded off-Balance Sheet (Note 2(xv), Note 39(ii)).

Future contracts traded on organised markets are recorded off-Balance Sheet at the notional amount, while daily margin calls paid or received are recognised as net interest income and expenses, under “Net Interest Income/(Expense)” (Note 2).

(ix) Securities Held for Monetary Policy Purposes

These securities were acquired by the Central Bank within the scope of the purchase programme for CBPP3⁴¹, debt securities acquired in the scope of the SMP⁴², the PSPP⁴³, and the PEPP⁴⁴. The securities are measured at amortised cost and are subject to impairment (Note 2(ii), Note 16(i)). The Governing Council decided on 15 December 2014 that securities held for monetary policy purposes shall be accounted for at amortised cost (subject to impairment), regardless of the holding intention. The Guideline supports this accounting treatment.

(x) Special Drawing Rights and the International Monetary Fund

SDR is treated as a currency for accounting purposes and are disclosed under “Claims on Non-Euro Area Residents in Foreign Currency” (Note 11(i)(b)).

The SDR is international reserve assets, created by the IMF, to which Ireland is a member. SDR is defined in terms of a basket of currencies and its value is determined by the weighted sum of the exchange rates of five major currencies (US Dollar, Euro, Chinese Renminbi, Japanese Yen and Pound Sterling).

The holdings of SDR currency position are converted into Euro using the exchange rate of Euro against the SDR as at the last day of the reporting period.

The liability of the Central Bank to the IMF in respect of the allocation of SDR to Ireland is disclosed as “Counterpart of SDR Allocated by the IMF” (Note 29). The Central Bank’s SDR assets can change as a result of IMF lending operations or exchanges of SDR for foreign currency with the IMF itself, other IMF members and other official holders of SDR. SDR holdings may also change as a result of interest payments made by the IMF on the Central Bank’s Reserve Position in the IMF and on the Central Bank’s SDR holdings net of SDR allocations.

(xi) Marketable investment funds

Marketable investment funds held for investment purposes, without the Central Bank intervening in the decisions on the purchase or sale of the underlying assets, are valued at market prices on a net fund basis (Note 1(j)(ii)). These funds denominated in

⁴¹ ECB Decision of 15 October 2014 on the implementation of the third Covered Bond Purchase Programme (ECB/2014/40), OJ L 335 22.10.2014, p.22.

⁴² ECB Decision of 14 May 2010 establishing a Securities Markets Programme (ECB/2010/5), OJ L 124, 20.5.2010, p. 8.

⁴³ ECB Decision of 4 March 2015 establishing a secondary markets public sector asset purchase programme (ECB/2015/10), OJ L 121 14.5.2015, p.20.

⁴⁴ ECB Decision of 18 March 2020 establishing a pandemic emergency purchase programme (ECB/2020/17), OJ L 91 25.03.2020, p.1.

foreign currencies do not form part of the overall currency position but form part of a separate currency holding. They are disclosed in “Other Assets” (Note 20(ii), Note 20(iii)). There is no netting between the revaluation results of different marketable investment funds.

(xii) Targeted longer-term refinancing operations ('TLTRO')

TLTROs are open market operations executed by the Eurosystem. They aim to provide liquidity, of a longer duration than other refinancing operations, to credit institutions (Note 14).

All TLTRO advances are fully secured by collateral approved by the Eurosystem⁴⁵. In accordance with Article 32.4 of the ESCB Statute, any losses from lending to euro area credit institutions related to monetary policy operations, if they were to materialise, should eventually be shared in full by the Eurosystem NCBs, in proportion to the prevailing Eurosystem key shares (Note 1 (c)(iii)). For specific collateral which can be accepted by NCBs at their own discretion, risk sharing has been excluded by the Governing Council of the ECB.

Losses can only materialise if both the counterparty fails and the recovery of funds received from the resolution of the collateral provided by the counterparty is not sufficient.

Initial recognition

TLTROs are recorded at the nominal value of the transaction. Transactions are reported on the settlement date of the respective transaction under “Lending to Euro Area Credit Institutions related to Monetary Policy Operations in Euro” (Note 14).

Subsequent measurement

These loans are not subject to revaluation and are assessed for impairment when such indicators are identified. In the event that some individual loans or deposits were assessed as impaired, they would be accounted for in accordance with Article 32.4 of the ESCB Statute, as described above.

Interest receivable and payable

Interest is accrued at the agreed interest rate of the transaction. Accruals are included in “Other Assets” (Note 20(i)) or “Other Liabilities” (Note 32(ii)). For collateralised loans, the coupon of the underlying collateral is not accrued, as it belongs to the owner of the security, who records it on their Balance Sheet (an exception may apply in the case of repurchase/reverse repurchase transactions). Accruals are calculated on the basis used in the market in which the transaction was

⁴⁵ The approved collaterals are listed on the ECB website at: <http://www.ecb.europa.eu/mopo/assets/html/index.en.html>.

conducted. The first day or the last day accruals method is allowed. The Central Bank applies the last day accruals method.

(xiii) Shares in the Bank for International Settlements (the 'BIS')

Shares in the BIS are disclosed under "Other Assets" (Note 20(vii)) and are valued at acquisition cost using mid-market closing exchange rates at year-end (Note 1(j)(i)).

A dividend received on shares held is recorded as "Income from Equity Instruments and Participating Interests" (Note 5(i)).

(xiv) Participating Interest in the ECB

This represents the Central Bank's contribution to the capital of the ECB. Pursuant to Article 28 of the ESCB Statute, the ESCB NCBs are the sole subscribers to the capital of the ECB. The level of subscriptions is dependent on shares which are fixed in accordance with Article 29.3 of the ESCB Statute and which are adjusted every five years or whenever there is a change in composition of the ESCB national central banks (Note 17).

The participating interest includes the Central Bank's key for subscription of the ECB's capital, and the net amounts paid or received by the Central Bank due to the increase or decrease in its share in the ECB's equity value resulting from all previous ECB capital key adjustments.

(xv) Balances held with banks and balances held on behalf of other parties

Balances held with banks and balances held on behalf of other parties represent assets and liabilities disclosed at nominal value converted at the foreign exchange market rate (Note 11 (ii), Note 12, Note 13(ii), Note 15, Note 23, Note 25(i), Note 32(i), (iii), (iv), (vii), (viii)).

(d) Income and Expense Recognition

Income and expenses are recognised on an accruals basis.

(e) Property, Plant, Equipment, Intangible Assets and Heritage Assets

Property, Plant, Equipment and Intangible Assets

(i) Measurement

Property, Plant, Equipment (PPE) and Intangible Assets are stated at cost less accumulated depreciation, are not revalued and are subject to impairment.

(ii) Depreciation

All PPE and Intangible Assets (except for PPE under construction) are depreciated on a straight-line basis over their anticipated useful lives. The Central Bank applies judgement in determining the depreciation rates to be utilised and applies these rates on the basis that they provide an accurate assessment of the anticipated useful lives.

In doing so, the estimated useful lives may deviate from the Guideline's recommended depreciation rates. These depreciation rates are as follows:

Property, Plant and Equipment

Premises	-	20 - 50 years
Plant and Machinery	-	5 - 15 years
Computer Equipment	-	3 - 5 years
Other Equipment	-	5 years
Furniture, Fixtures and Fittings	-	5 years

Intangible Assets

Computer Software	-	3 - 5 years
-------------------	---	-------------

(iii) Impairment

FRS 102 requires PPE and Intangible Assets be reviewed for impairment if events or changes in circumstances indicate their carrying amount may not be recoverable. If the recoverable amount of an asset is less than its carrying amount, the Bank will reduce the carrying amount of the asset to its recoverable amount. That reduction is an impairment loss.

The Bank assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the Bank will estimate the recoverable amount of the asset. If there is no indication of impairment, it is not necessary to estimate the recoverable amount.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use (Note 21(i)(c)).

(iv) Derecognition

PPE or Intangible Assets are derecognised when they have been disposed of or permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset would result in either gains or losses at its retirement or disposal. Any gains or losses are recognised in the Profit and Loss and Appropriation Account in the year of retirement or disposal. Gains or losses on the disposal of the asset are determined as the difference between net disposal proceeds and the carrying value of the asset as at the date of the transaction.

(v) Assets Under Construction or Development

Fixed assets that comply with capitalisation criteria, but are still under construction or development, are recorded under the heading 'Assets Under Construction' if tangible, or 'Assets Under Development' if intangible. The related costs are

transferred to the relevant fixed asset heading once the assets are available for use (Note 21(i), Note 21(ii)(a)).

Heritage Assets

The Central Bank currently holds an art collection which is not recognised in its annual accounts on the grounds of materiality in either the current or preceding financial years (Note 21(i)(d)).

(vi) Basis for capitalisation of internal labour

Property Plant & Equipment: Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management can be capitalised. These can include the costs of site preparation, initial delivery and handling, installation and assembly, and testing of functionality.

Intangible Assets: Costs of employee benefits (as defined in Section 28 Employee Benefits FRS 102) arising from the generation of the intangible asset can be capitalised (Note 8).

(f) Retirement Benefits

Under the Central Bank's superannuation scheme, Central Bank staff obtain the same superannuation benefits as established civil servants. Up to 30 September 2008, the Central Bank paid these benefits out of current income as they fell due. On 1 October 2008, a funded pension scheme was established under the Central Bank and Financial Services Authority of Ireland Act, 2003. An amount of €400m, on the advice of the Central Bank's actuaries at that time (Willis), was transferred from the Central Bank's resources to the fund to purchase pension fund assets. The Pension scheme is operated on a non-contributory basis for staff employed before 6 April 1995, with the exception of contributions made to the Spouses' and Childrens' Pension Scheme and payments received from eligible staff for the purchase and transfer of notional added service. In the case of staff employed on or after 6 April 1995, contributions are also payable in respect of the main scheme. All pension benefits are paid out of this fund. In accordance with the Guideline, the Central Bank has reverted to local GAAP and discloses the cost of providing benefits in accordance with FRS 102.

Pension scheme assets are measured at fair value. Pension scheme liabilities are measured using the projected unit method, which takes account of projected earnings increases, using actuarial assumptions that give the best estimate of the future cash flows that will arise under the scheme liabilities (Note 33). These cash flows are discounted at interest rates applicable to high-quality corporate bonds of the same currency and term as the liabilities. The pension related charge in the Profit and Loss and Appropriation Account comprises the sum of the current service cost and past service cost (Note 8, Note 33(i)) and the difference between the expected return on

scheme assets and the interest cost of scheme liabilities (Note 7, Note 33(i)). The current service cost, any past service costs and interest cost of scheme liabilities for the general body of staff are charged to the Profit and Loss and Appropriation Account and to the Currency Reserve in respect of Mint staff⁴⁶. Actuarial gains and losses are recognised in the Profit and Loss and Appropriation Account (Note 33(ii)).

In determining the value of scheme liabilities, assumptions are made as to price inflation, pension increases, earnings growth and demographics. The assumptions underlying the 2024 liabilities and pension costs are set out in Note 33. If the present value of the defined benefit obligation is less than the fair value of plan assets, the plan has a surplus. The Central Bank recognises a plan surplus as a defined benefit plan asset as the Central Bank is able to recover this surplus through reduced contributions in the future (Note 33(iii)).

(g) Coin Provision and Issue

The Central Bank is involved in the production and issuance of coin on behalf of the Minister for Finance. Proceeds and expenses (including local overhead expenses) relating to the provision and issue of coin are transferred directly to the Currency Reserve under the provisions of the Coinage Act, 1950, the Decimal Currency Acts, 1969-1990 and the Economic and Monetary Union Act, 1998. The cost of production of coin is charged to the Currency Reserve in the year in which it is incurred. Proceeds from the issue of coin are credited to the Currency Reserve in the year they are received (Note 25(ii)). Section 14A of the Economic and Monetary Union Act, 1998 (as inserted by Section 137 of the Finance Act, 2002) which came into operation on 25 March 2002 provides for the net proceeds from the issue of coin, from 1 January 2002, to be passed directly to the Exchequer as directed by the Minister for Finance. Where the net proceeds of coin issue, together with expenses, result in a net cost to the Central Bank, the Minister for Finance reimburses the difference to the Central Bank.

(h) Functional and Presentational Currency

The functional and presentational currency of the Central Bank is euro. Accounting transactions denominated in foreign currency are converted to euro equivalents at exchange rates prevailing at the date of settlement. Monetary assets and liabilities denominated in foreign currency are converted at the spot rate on the Balance Sheet date (Note 1(c)(i), Note 3(ii)(i), Note 35).

⁴⁶ The Central Bank acts as an agent of the Minister for Finance in the production and issue of euro coins. All seigniorage received is returned to the Irish Exchequer. Expenses incurred at the Mint relating to the provision and issue of coin are charged directly to the Currency Reserve.

(i) Amortised Income

In February 2024, the Central Bank moved to a new treasury management system. As a result of this transition in February 2024, the method for amortising premiums and/or discounts arising on securities changed from a straight-line basis over the period to their maturity to the Internal Rate of Return (IRR) method and are included in "Net Interest Income/(Expense)" (Note 2). The Central Bank has assessed that this change in accounting estimate has had an immaterial impact on the net interest income for the period. This change in accounting estimate has been accounted for prospectively and does not affect the premium or discounts over the full term of the fixed-income securities.

(j) Valuation Policy

- (i) Assets and liabilities denominated in foreign currency, unmatured investments, foreign currency contracts outstanding and shares in the Bank for International Settlements are valued at mid-market closing exchange rates at year-end (Note 1(c)(xiii), Note 35(ii)). The exchange rate valuation of assets and liabilities is performed on a currency-by-currency basis.
- (ii) In accordance with the Guideline, the valuation of securities is performed on a security-by-security basis unless these securities are, in substance, investments in equity funds which are valued on a net basis. Marketable securities not held for monetary policy purposes and classified as mark-to-market (MTM) are valued at mid-market closing prices at year-end where an active market exists. Where market prices are not available or are considered unreliable, fair values are determined using mark-to-model valuation techniques including discounted cash flow models, which to the extent possible, use observable market inputs in accordance with FRS 102. A mark-to-model valuation approach inevitably incorporates a high level of management judgement in the absence of observable market data or when observable market data is judged to be unreliable. This judgement includes but is not limited to: evaluating available market information for comparator instruments; determining the cash flows for the instruments; identifying a risk free discount rate and applying an appropriate credit spread; adjusting the methodology when observable market inputs become unavailable or are unreliable (Note 11(ii)(a), Note 12(i), Note 13(i), Note 16(ii)(b)).

In accordance with the Guideline applicable to marketable equity instruments, the revaluation of investments in equity funds is performed on a net basis, and not on an individual share basis. Unrealised valuation gains are not recognised as income but are accounted for through the Profit and Loss and Appropriation Account and transferred to revaluation accounts (Note 1(c)(xi), (k), Note 20(ii), (iii), Note 35(iii), (iv)).

Unrealised valuation losses are taken to the Profit and Loss and Appropriation Account at year-end where they exceed previous revaluation gains in the revaluation account (Note 3(ii)).

- (iii) Marketable securities not held for monetary policy purposes and classified as held-to-maturity (HTM) are carried at amortised cost and are subject to impairment. An impairment review is completed on an annual basis (Note 13(i), Note 16(ii)(a)).
- (iv) Gold is valued at the closing mid-market price (Note 10, Note 35(i)).
- (v) The financial assets and liabilities of the Central Bank are classified as prescribed in FRS 102. Under the fair value hierarchy, for classification of financial assets and liabilities, Level 1 applies where quoted prices (unadjusted) in active markets for identical assets and liabilities are available; Level 2 applies where inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. developed using market data) are available and Level 3 applies where inputs for the asset or liability that are not based on observable market data (unobservable inputs) are used. All mark-to-market investments are classed as Level 1 financial instruments unless otherwise stated (Note 11(ii)(a), Note 12(i), Note 13(i), Note 16(ii)(b)).

(k) Recognition of Gains and Losses

Realised gains and losses arising from sales of foreign exchange, gold and securities are accounted for through the Profit and Loss and Appropriation Account. All realised gains and losses are calculated by reference to average cost.

The movement in unrealised gains identified at the end of every financial year in accordance with the Central Bank's valuation policy (Note 1(j)) is accounted for through the Profit and Loss and Appropriation Account and transferred to the revaluation accounts.

Unrealised losses at year-end are accounted for through the Profit and Loss and Appropriation Account to the extent that they exceed previous revaluation gains on a security-by-security basis, or on a net basis in respect of equity funds.

Unrealised losses accounted for through the Profit and Loss and Appropriation Account in this manner may not be reversed in subsequent years against future unrealised gains.

(l) Reverse Transactions

Reverse transactions are operations whereby the Central Bank buys or sells assets for cash under a repurchase/reverse repurchase agreement.

Under a repurchase agreement, securities are sold for cash with a simultaneous agreement to repurchase them from the counterparty at an agreed price on a set future date, including accrued interest. Repurchase agreements are recorded on the liability side of the Balance Sheet as there is a corresponding obligation to return the consideration (Note 24, Note 27, Note 28). Securities sold under such an agreement remain on the Balance Sheet of the Central Bank, reflecting the transaction's economic substance as a loan to the Central Bank. The Central Bank retains substantially all of the risks and rewards of ownership.

Under a reverse repurchase agreement, securities are bought for cash with a simultaneous agreement to sell them back to the counterparty at an agreed price on a set future date, including accrued interest. Reverse repurchase agreements are recorded on the asset side of the Balance Sheet as there is a corresponding obligation on the seller to return the consideration (Note 11 (ii)(b), Note 12(ii), Note 15(i)) but are not included in the Central Bank's securities holdings, reflecting the transaction's economic substance as a loan made by the Central Bank.

Repurchase and reverse repurchase agreements give rise to interest income or interest expense in the Profit and Loss and Appropriation Account. The difference between the sale and repurchase price or the purchase and resale price is treated as interest income or interest expense and is accrued over the life of the agreement (Note 2(v)).

(m) Provisions

(i) Impairment

All provisions are reviewed annually (Note 34). Where created, in respect of investment assets, allowances for credit risks are recorded in separate liability accounts (i.e. there is no direct write-down of the carrying amount of individual assets).

In respect of provisions relating to securities, the Central Bank assesses at each Balance Sheet date whether there is objective evidence that a security or group of securities is impaired. A security or a group of securities is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the security (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the security or group of securities that can be reliably estimated.

Objective evidence of impairment includes observable data about the following loss events, which are not exhaustive:

- (i) delinquency in contractual payments of principal or interest

- (ii) cash flow difficulties of the debtor
- (iii) the initiation of a debt restructuring arrangement
- (iv) significant deterioration in the sustainability of sovereign debt
- (v) external rating downgrade below an acceptable level
- (vi) adverse national or local economic conditions or adverse changes in industry conditions.

The Central Bank first assesses whether objective evidence of impairment exists individually for securities that are individually significant, and individually or collectively for securities that are not individually significant. If the Central Bank determines that no objective evidence of impairment exists for individually assessed securities, whether significant or not, it includes the securities in a group of securities with similar credit risk characteristics and collectively assesses them for impairment.

Securities that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on a security has been incurred, the amount of the loss is measured as the difference between the assets carrying amount and the present value of estimated future cash flows discounted at the security's original effective interest rate.

Future cash flows in a group of securities that are collectively evaluated for impairment are estimated on the basis of the contractual cash flows of the assets in the group suitably adjusted on the basis of current observable data. Where observable data is not available, specific formulae are applied to the calculation using management's expert judgement.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed (Note 3(iii), Note 34(iii)).

(ii) Provision for Financial Risks

Given the nature of the operations of a central bank, the Central Bank, in accordance with the Guideline, may recognise a provision on the Balance Sheet for financial risks.

This provision is based on a comprehensive assessment of financial risks facing the Central Bank, with due consideration given to the expected impact on the Central Bank's Balance Sheet. The size of and continuing requirement for this provision is reviewed annually, based on the Central Bank's assessment of its exposure to this risk, and taking a range of factors into account. In the event that a provision release is

identified from the comprehensive assessment it will be released in the financial year identified (Note 3(iii), Note 34(i)).

(iii) Provision for Eurosystem Monetary Policy Operations Counterparty Risk

In accordance with the decision of the Governing Council taken under Article 32.4 of the ESCB Statute, the provision against credit risks in monetary policy operations is allocated between the NCBs of participating Member States in proportion to their subscribed capital key shares in the ECB prevailing in the year when the initial impairment occurred.

(iv) Restructuring Provision

Restructuring is a programme that is planned and controlled by management, and materially changes either the scope of a business undertaken by an entity or the manner in which that business is conducted.

A provision for restructuring costs is recognised when the general recognition criteria for provisions are met.

The Central Bank accounts for restructuring costs in accordance with FRS 102 (Note 3(iii), Note 34(iv)).

(n) Critical Accounting Estimates and Judgements

The preparation of the Statement of Accounts in conformity with the Guideline and FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Central Bank's accounting policies. The areas involving a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the Statement of Accounts are as follows:

- Impairment: (Note 1(e)(iii), (j)(iii), (m)(i), Note 21(i)(c), Note 34(iii))
- Provisions: (Note 1(m)(ii), (iii), (iv), Note 34)
- Depreciation rates: (Note 1(e)(ii), Note 21)
- Defined Benefit Pension Scheme valuation: (Note 33)
- Levy Income: (Note 42(ii))
- Valuation of Investment Properties: (Note 1(p), Note 8(iii), Note 20(vi))

(o) Surplus Income

The Central Bank complies with Statutory Instrument 93/1943 - Central Bank of Ireland (Surplus Income) Regulations, 1943. The Central Bank may retain up to a maximum of 20% of profit in each year. The amount retained is appropriated to reserves and is subject to the approval of the Commission each year (Note 9).

(p) Investment Property

Property held for long term rental yields and capital appreciation is classified as investment property.

Initial Measurement

Investment properties are initially recognised at cost which includes the purchase cost and any directly attributable expenditure and are recorded in “Other Assets” (Note 20(vi)).

Subsequent Measurement

Investment properties whose fair value can be measured reliably are measured at fair value. In accordance with the Central Bank’s accounting policies, management undertake an annual review to determine the fair value of the Central Bank’s investment property.

In accordance with the Guideline, unrealised gains on revaluations are posted to revaluation accounts and unrealised losses are posted to the Profit and Loss and Appropriation Account at the end of the year (Note 8(iii)). Falls in fair value are offset against revaluation accounts, but only to the extent that they reverse previously recognised unrealised gains.

Rental Income

Rental income is accounted for on a straight-line basis over the lease term and is recognised within “Other Net Income” (Note 7(iii)).

The aggregate benefit of lease incentives is recognised as a reduction to the expense recognised over the lease term on a straight-line basis.

(q) Central Credit Register

The Central Credit Register (CCR), a national mandatory database of personal and credit information, is maintained and operated by the Central Bank under the Credit Reporting Act 2013 and associated regulations. The operation of the CCR by the Central Bank should not give rise to a profit or loss and as such all costs associated with it are recouped through fees charged to the Credit Information Providers (CIPs). Fees charged to CIPs for credit reports issued are recorded in “Other Net Income” (Note 7(ii)). Staff and all other costs (including an allocation of indirect costs) are included within the relevant cost categories in the Profit and Loss and Appropriation Account.

The Central Bank revised its accounting treatment of CCR Income & Expenditure in 2024. In prior years, the Central Bank recorded the cumulative net fee income or expense position on the Balance Sheet at year-end. The CCR liability of €3.6m held at 31 December 2023 (Note 32(viii)) was released to other net income during the year (Note 7(ii)).

The Central Bank continues to ring-fence and manage CCR related fee income and costs on a cumulative basis and ensure that no profit or loss arises on the operation of CCR.

(r) Recognition of Contingent Liabilities

A contingent liability is either a possible but uncertain obligation or a present obligation that is not recognised because as at the reporting date the payment is not deemed probable or the amount cannot be estimated reliably. Contingent liabilities are not recognised by the Central Bank but are disclosed unless the probability of their occurrence is remote (Note 37).

Note 2: Net Interest Income/(Expense)

	2024 €000	2023 €000
TARGET (i)	3,777,949	3,421,873
Securities for Monetary Policy Purposes (ii)	403,948	379,036
Securities - MTM (iii)	239,302	245,664
Securities - HTM (iv)	128,234	81,970
Reverse Repurchase Agreements (v)	55,492	52,647
SDR (vi)	47,722	47,237
Deposits (vii)	39,756	52,702
Transfer of Foreign Reserve Assets to ECB (viii)	31,547	22,417
Other (ix)	1,387	15,250
Open Market Operations (x)	1,283	4,354
Interest Income	4,726,620	4,323,150
Credit Institutions Deposits (xi)	(3,194,906)	(2,839,902)
Allocation of Euro Banknotes within the Eurosystem (xii)	(757,878)	(889,305)
Government Deposits (xiii)	(683,098)	(747,947)
DGS Contributory Fund (xiv)	(40,176)	(27,537)
Reverse Repurchase Agreements (v)	(18,484)	(22,798)
Other (xv)	(8,389)	(921)
Credit Institutions Resolution Fund (xvi)	(2,492)	(2,043)
Bank and Investment Firm Resolution Fund (xvii)	(2,331)	(1,837)
Insurance Compensation Fund (xviii)	(1,057)	(1,474)
Repurchase Agreements (v)	(1,215)	(1,188)
Swaps (xix)	(42)	(788)
Interest Expense	(4,710,068)	(4,535,740)
Total	16,552	(212,590)

- (i) This item relates to interest income earned as a result of euro-cross border payments transacted over the TARGET system. The interest income on these balances, which are remunerated at the short-term refinancing rates of the Eurosystem, is calculated by the ECB at the end of each day. The increase in interest income in 2024 reflects a rise in the average Main Refinancing Operations (MRO) interest rate to 4.13% (2023: 3.81%) (Note 1(c)(ii), Note 41(i)).
- (ii) This item incorporates income on securities held for monetary policy purposes broken down as follows (Note 1(c)(ix), Note 16(i)):

Securities Held for Monetary Policy Purposes

	2024 €000	2023 €000
PSPP	319,783	330,441
PEPP	74,470	38,302
SMP	6,317	6,347
CBPP3	3,378	3,946
Total	403,948	379,036

The reduction in PSPP, SMP and CBPP3 income relates to lower holdings in these portfolios over the period. The increase in PEPP income reflects a move from negative to positive yields during 2023 and positive yields throughout 2024 despite reduced holdings (Note 16(i)).

Income on securities held for monetary policy purposes includes coupon income and amortisation of any premiums/discounts arising on the securities.

- (iii) This item relates to interest income on securities classified as MTM in the Central Bank's investment portfolio.

Interest income earned on securities (other than the special portfolio) in the MTM portfolios increased to €239.3m (2023: €192.4m). This increase is due to a combination of increased holdings and higher yields on the Central Bank's euro and foreign currency investments which includes the US Dollar (USD), Australian Dollar (AUD) and Singapore Dollar (SGD) portfolios (Note 11(ii)(a), Note 12(i), Note 13(i) and Note 16(ii)(b)).

Interest income earned on securities held in the Special Portfolio amounted to Nil (2023: €53.3m). This portfolio of securities comprised floating rate notes acquired following the Irish Bank Resolution Corporation (IBRC) liquidation in February 2013. The decrease in interest earned on the Special Portfolio reflects the sale of all remaining floating rate notes in 2023.

Income on MTM securities includes coupon income and amortisation of any premiums/discounts arising on the securities.

- (iv) This relates to income earned on bonds classified as HTM in the Central Bank's investment portfolio. Despite a decrease in average holdings, interest earned on these securities has increased to €128.2m (2023: €82.0m) as a result of reinvestment of matured bonds into higher yielding bonds (Note 13(i), Note 16(ii)(a)).

Income on HTM securities includes coupon income and amortisation of any premiums/discounts arising on the securities.

- (v) This relates to income earned or interest incurred by the Central Bank as part of the management of its investment assets. The Central Bank uses repurchase/reverse repurchase transactions with approved counterparties under Global Master Repurchase Agreement (GMRA) legal agreements. Income or expense generated represents the difference between the sale and repurchase/purchase and subsequent sell prices. Net interest income on repurchase and reverse repurchase transactions has increased due to improving yields (Note 1(l), Note 11(ii)(b), Note 12(ii), Note 15(i), Note 24, Note 27, Note 28).
- (vi) This relates to interest on Ireland's Quota in the IMF and Ireland's SDR holdings along with charges on allocation of SDR to Ireland (Note 11(i), Note 29). The IMF pays interest every quarter at the SDR interest rate.
- (vii) Deposit income primarily relates to income earned on foreign currency deposits. The decrease in income to €39.8m (2023: €52.7m) is largely due to a decrease in average holdings of USD deposits throughout the year (Note 11(ii)).
- (viii) This relates to the remuneration of Foreign Reserve Assets transferred to the ECB. The increase in income to €31.5m (2023: €22.4m) reflects a higher asset balance combined with a higher average MRO interest rate in 2024 (Note 1(c)(vii), Note 18, Note 41(i)).
- (ix) The decrease in Other income to €1.4m (2023: €15.3m) is mainly due to a decrease in interest income relating to foreign exchange swaps carried out as part of normal market activity (Note 39(i)).
- (x) This item consists of the net income on Longer Term Refinancing Operations (LTROs). The decrease in income to €1.3m (2023: €4.4m) is as a result of TLTRO repayments in 2024 (Note 1(c)(xii), Note 14).
- (xi) The Central Bank recorded an interest expense on Credit Institutions Deposits of €3,194.9m (2023: €2,839.9m) (Note 32(ii), Note 23).

Credit Institutions Deposits

	2024 €000	2023 €000
Deposit facility (a)	(3,194,906)	(2,750,922)
Current accounts (covering the minimum reserve system) (b)	-	(88,980)
Total	(3,194,906)	(2,839,902)

- a) Credit Institutions can avail of the deposit facility to place funds with the Central Bank on an overnight basis at the Deposit Facility Rate (DFR). The higher interest expense was due to an increase in the average DFR to 3.7% (2023: 3.3%). Whilst the year-end holdings decreased, the average holdings of the deposit facility increased throughout 2024 (Note 23(i)).
- b) Credit Institutions in the euro area are required to hold minimum average reserve deposits. Interest was remunerated on these deposits at the DFR rate up to 19 September 2023. On 27 July 2023, the Governing Council decided⁴⁷ that from 20 September 2023 the remuneration of the minimum reserves would be set at 0% (Note 23(ii)).
- (xii) This interest expense is based on the difference between the value of euro banknotes allocated to each NCB, in accordance with its banknote allocation key, and the value of the euro banknotes that the Central Bank actually puts into circulation. This was remunerated at the MRO rate. As the difference between the banknotes actually issued by the Central Bank and the allocated amount decreased in 2024 compared to 2023, the interest expense has decreased accordingly (Note 1(c)(ii), (c)(iv), Note 22, Note 30, Note 32(ii), Note 41(i)).
- (xiii) From 14 September 2022 Government Deposits were remunerated at the lower of Euro Short Term Rate (€STR) and DFR and the 0% ceiling was removed (per Governing Council decision on 8 September 2022)⁴⁸. The Governing Council decision on 7 February 2023 stated that from May 2023, there would be a new ceiling for the remuneration of euro area Government Deposits, set at the €STR minus 20 basis points⁴⁹. As a result of decreased average Government Deposits, there was a decrease in the overall interest expense for 2024 to €683.1m (2023: €747.9m) (Note 25(i), Note 32(ii)).
- (xiv) This relates to expenses on the Deposit Guarantee Scheme (DGS) Contributory Fund which are remunerated at the €STR minus 20 basis points. The European Union DGS Directive set a target level of 0.8% of covered deposits. This target level of 0.8% of covered deposits was met by the Irish DGS following the most recent levying cycle resulting in a higher interest expense in 2024 due to the

⁴⁷ Decisions of the Governing Council on the 27th of July 2023

<https://www.ecb.europa.eu/press/pr/date/2023/html/ecb.pr230727~7206e9aa48.en.html#:~:text=Credit%20institutions%20are%20required%20to%20hold%20a%20minimum%20amount%20equivalent,liabilities%2C%20mainly%20customers%27%20deposits.>

⁴⁸ Decisions of the Governing Council on the 8th of September 2022

<https://www.ecb.europa.eu/press/pr/date/2022/html/ecb.mp220908~c1b6839378.en.html>

⁴⁹ Decisions of the Governing Council on the 7th of February 2023

https://www.ecb.europa.eu/press/pr/date/2023/html/ecb.pr230207_2~02299a78b5.en.html

additional amounts held by the DGS following the collection of levies (Note 32(i), Note 32(ii)).

- (xv) The increase in Other interest expense is primarily due to an increase in interest expenses relating to variation margins on futures contracts used to hedge the Euro MTM portfolio (Note 1(c)(viii), Note 39(ii)).
- (xvi) This relates to interest expense on the Credit Institutions Resolution Fund (CIRF) which is remunerated at the €STR minus 20 basis points. The increase in the expense in 2024 is due to a higher balance being held by the Fund with the Central Bank (Note 32(ii), Note 32(iii)).
- (xvii) This relates to interest expense on the Bank and Investment Firm Resolution Fund (BIFR) which is remunerated at the €STR minus 20 basis points. The increase in the expense in 2024 is due to a higher balance being held by the Fund with the Central Bank (Note 32(ii), Note 32(iv)).
- (xviii) This relates to income on the Insurance Compensation Fund (ICF) which is remunerated at the €STR minus 20 basis points. The decrease in expense in 2024 is due to a lower balance being held by the Fund with the Central Bank due to repayments of the loan from the Minister (Note 32(ii), Note 32(vii)).
- (xix) The lower expense is due to general movements in foreign exchange contract activity in 2024 (Note 1(c)(viii), Note 39(i)).

Note 3: Net Result of Financial Operations, Write-Downs and Provisions

	2024 €000	2023 €000
Net Realised Gains arising from Financial Operations (i)	75,830	1,043,356
WriteDowns on Financial Assets and Positions (ii)	(33,498)	(41,393)
Transfer from Provisions (iii)	795,384	131,934
Total	837,716	1,133,897

(i) Net Realised Gains arising from Financial Operations

	2024 €000	2023 €000
Realised Price (Losses)/Gains on Securities	(6,188)	995,208
- Special Portfolio (i)	-	1,001,054
- HTM Portfolio (ii)	(6,092)	(4,409)
- MTM Portfolio (iii)	(96)	(1,437)
Realised Price Gains on Funds (iv)	78,725	48,145
Realised Exchange Rate Gains (v)	3,293	3
Total	75,830	1,043,356

- (i) This reflects the realised gains on the sales of the Floating Rate Notes (FRNs). Gains on the sales of the special portfolio were Nil in 2024 (2023: €1,001.1m), as the portfolio was sold in full in 2023.

- (ii) This reflects the realised losses on securities in the HTM portfolio. Realised losses of €6.1m (2023: €4.4m) are due to the forced sales from the portfolio as instructed by the ECB in order to adhere to ECB purchase programme limits (Note 13(i), Note 16(ii)(a)).
- (iii) This reflects the realised losses on securities in the MTM portfolio, other than special portfolio securities. Realised losses of €0.1m (2023: €1.4m) relate to the sales of bonds purchased at a negative yield (Note 11(ii)(a), Note 12(i), Note 13(i), Note 16(ii)(b)).
- (iv) In order to improve the carbon metrics of the Bank's investments, the Central Bank has been transitioning from its conventional equity benchmark (MSCI World Global Equity Index fund) to an EU Paris-aligned benchmark (MSCI PAB Overlay Sustainable Equity Index fund). There have been three transfers from the MSCI World Global Equity Index fund to the MSCI PAB Overlay Sustainable Equity Index fund during 2024 which contributed to a realised gain of €78.7m (2023: €48.1m) (Note 20(ii)).
- (v) This reflects the net realised exchange rate gains, as a result of holding assets in foreign currencies (Note 11(ii), Note 12, Note 20(iii), Note 27, Note 39(i)).

(ii) Write-Downs on Financial Assets and Positions

	2024 €000	2023 €000
Unrealised Exchange Rate Losses (i)	(30,064)	(31,631)
Unrealised Price Losses on Securities (ii)	(3,434)	(9,762)
Total	(33,498)	(41,393)

- (i) The decrease in the unrealised exchange rate loss in 2024 to €30.1m (2023: €31.6m) relates to a reduction in unrealised special drawing rights (SDR) losses compared to 2023 partially offset by the increase in unrealised losses on AUD holdings and in the BIS Korean Won fund driven by negative exchange rate movements (Note 11(i), Note 20(iii), Note 29).
- (ii) The decrease in unrealised price losses on securities to €3.4m (2023: €9.8m) relates to an improvement in the market value of securities at year end (Note 11(ii)(a), Note 12(i), Note 13(i), Note 16(ii)(b)).

(iii) Transfer from Provisions

	2024 €000	2023 €000
Provision for Financial Risks (i)	795,384	132,095
Restructuring Provision (Note 1(m)(iii), Note 34(iv))	-	(161)
Total	795,384	131,934

- (i) The Central Bank has a provision for financial risks relating to interest rate mismatch on its Balance Sheet. An amount of €795.4m (2023: €132.1m) of this provision was utilised to cover financial losses which were incurred during 2024 (Note 1(m)(ii), Note 34(i)).

Note 4: Income from Fees and Commissions

	2024 €000	2023 €000
Securities Lending (i)	1,579	2,465
Service Fees and Charges	477	592
TARGET Distribution of Pooled Income (ii)	53	1,431
Total	2,109	4,488

- (i) This item decreased to €1.6m in 2024 (2023: €2.5m) as a result of decreased securities lending activities in the period.
- (ii) This item relates to excess fees paid by NCBs for the provision of TARGET services redistributed to NCBs at their Eurosystem key share.

Note 5: Income from Equity Instruments and Participating Interests

	2024 €000	2023 €000
BIS Dividend (i)	3,882	2,978
Other (ii)	(1,214)	-
Total	2,668	2,978

- (i) This item represents a dividend received on shares held in the Bank of International Settlements (Note 1(c)(xiii), Note 20(vii), Note 37(i)).
- (ii) This item relates to interest payments to the ECB as a result of adjustments to the capital key.

Note 6: Net Result of Pooling Monetary Income

	2024 €000	2023 €000
Net Result of Pooling Monetary Income (i)	(725,445)	(639,728)
Release of provision from share of impaired Eurosystem Securities (ii) (Note 34(iii))	721	(721)
Total	(724,724)	(640,449)

- (i) This represents the difference between the monetary income pooled by the Central Bank of €1,712.9m (2023: €1,325.3m) and that reallocated to the Central Bank of €981.0m (2023: €684.7m) following the distribution of total Eurosystem monetary income among NCBs in accordance with their respective Eurosystem key shares, together with interest as shown in the table below. This item contains the Central Bank's share in the realised loss in relation to the corporate restructuring in 2024 of an issuer, whose securities were held by a Eurosystem NCB in its CSPP and PEPP-CORP portfolios.

Included within the monetary income reallocation figure is an adjustment on net results for previous years of €8.9m reducing the net amount payable to the ECB in 2024 (2023: reduction of €1.6m) (Note 1(c)(vi), Note 31).

	2024 €000	2023 €000
Monetary income pooled	(1,712,943)	(1,325,292)
Monetary income reallocated	980,959	684,661
Net Payer of Monetary Income	(731,984)	(640,631)
Previous Years' Eurosystem Adjustments	8,941	1,579
Interest payment relating to Monetary Income	(2,402)	(673)
CBI share in realised loss with Indover Bank	-	(3)
Total	(725,445)	(639,728)

- (ii) This item contains the Central Bank's share of the realised loss in relation to the sale in 2024 of an impaired security held by an NCB of the Eurosystem in its CSPP portfolio, as well as the dissolving of the provision established in 2023 against losses in monetary policy operations portfolio (Note 34(iii)).

Note 7: Other Net Income

	2024 €000	2023 €000
Financial Regulation Net Industry Funding Levy* (i)	231,920	199,484
Expected Return on Pension Fund Assets (Note 33(i))	33,100	32,200
Other (ii)	14,197	16,856
Other Financial Regulation Income* (Note 42)	5,752	5,533
Rental Income (iii)	2,932	2,696
Financial Regulation Monetary Penalties (iv)	1,225	193
Interest on Pension Scheme Liabilities (Note 33(i))	(35,200)	(34,300)
Total	253,926	222,662

* Related specifically to Funding Levy income

- (i) The composition of Financial Regulation Net Industry Funding Levy is provided in Note 42.
- (ii) Included in Other is Central Credit Register (CCR) Income of €11.1m (2023: €9.0m), which represents fees charged to Credit Information Providers (CIPs) for credit reports issued since 1 July 2019 (Note 1(q)). In addition, income of €2.5m (2023: €2.1m) relating to Bank and Payment Accounts Register (ISBAR), Beneficial Ownership Register (BOR) and Beneficial Ownership Registers Interconnection System (BORIS) levies was recorded in 2024.
- (iii) Rental income relates to the rental proceeds arising from the portion of Block R, Spencer Dock which is let out on a commercial basis to third parties (Note 1(p), Note 20(vi)). There were two tenants in place in Block R, Spencer Dock as at 31 December 2024.

- (iv) Monetary penalties represent amounts payable to the Central Bank by financial services providers in relation to breaches of regulatory requirements. These are recognised following the conclusion of settlement agreements with those entities, with an assessment undertaken at the year-end on the collectability of outstanding penalties. If collectability of these penalties is doubtful, a provision will be recognised. The full amount of these penalties, amounting to €1.2m (2023: €0.2m) were paid at year end, with the increase in 2024 due to higher penalties being issued in the period.

Note 8: Total Expenses

	Total Head Office & Printworks ⁵⁰		Mint ⁵¹		Total	
	2024 €000	2023 €000	2024 €000	2023 €000	2024 €000	2023 €000
Staff Expenses (i)	246,287	221,231	2,112	2,114	248,399	223,345
Staff Expenses Capitalised (Note 1(e)(vi))	(6,366)	(7,422)	(43)	(36)	(6,409)	(7,458)
Net Staff Expenses	239,921	213,809	2,069	2,078	241,990	215,887
Other Operating Expenses (ii)	107,693	96,920	1,005	1,631	108,699	98,551
Unrealised Loss on Investment Property (iii)	7,000	18,229	-	-	7,000	18,229
Impairment Charge on Property, Plant and Equipment (iv)	-	156,858	-	-	-	156,858
Depreciation	28,761	20,890	111	143	28,872	21,033
Currency Production Raw Materials (v)	4,872	4,280	1,481	225	6,352	4,505
Total Expenses⁵²	388,247	510,986	4,665	4,077	392,913	515,063

(i) Staff Expenses

	Total Head Office & Printworks		Mint		Total	
	2024 €000	2023 €000	2024 €000	2023 €000	2024 €000	2023 €000
Salaries/Allowances (a)	198,113	180,499	1,923	1,917	200,036	182,416
Pensions (Note 33(i))	27,600	22,300	-	-	27,600	22,300
Employer PRSI	20,574	18,432	189	197	20,763	18,629
Total	246,287	221,231	2,112	2,114	248,399	223,345

⁵⁰ Head Office and Printworks expenses comprise all expenses (including financial regulatory and printworks expenses) other than those relating to the Mint.

⁵¹ Expenses incurred at the Mint relating to the provision and issue of coin are charged directly to the Currency Reserve (Note 1(g), Note 25(ii)).

⁵² Totals in the financial statements and in the tables included in the note may not add up due to rounding. The figures 0 and (0) indicate positive or negative amounts rounded to zero, while a dash (-) indicates zero.

(a) Salaries/Allowances

	2024 €000	2023 €000
Basic Pay (i)	197,295	179,772
Allowances	1,830	1,635
Overtime	876	941
Termination Benefits (ii)	35	68
Total Staff short-term benefits	200,036	182,416
Staff Numbers (FTE) at 31 December (iii)	2,263	2,234

- (i) Included in Basic Pay is an accrual in respect of untaken annual leave of €10.1m (2023: €11.1m) (Note 32(vi)). Salaries have increased in line with Public Service pay agreements since 2013.
- (ii) Payments in lieu of notice totalling €10k were made to four individuals during the year (2023: €15k). There were two settlements in 2024 of €25k on termination of employment (2023: one settlement of €53k). Also included in pay is €88k in relation to three legal settlements (2023: Nil).
- (iii) FTE – full time equivalents inclusive of maternity cover and interns.

Remuneration of the Executive Commission members in 2024

Name	2024	Salary	2023	Salary
Gabriel Makhlof Governor (a)(b)	1 January - 31 December	€331,369	1 January - 31 December	€316,794
Sharon Donnery Deputy Governor Financial Regulation (a)	1 January - 31 December	€288,147	1 January - 31 December	€275,473
Vasileios Madouros Monetary & Financial Stability (a)	1 January - 31 December	€288,147	1 January - 31 December	€275,473

- (a) The pension scheme entitlements of Governor Gabriel Makhlof, Deputy Governor Sharon Donnery, and Deputy Governor Vasileios Madouros do not extend beyond the standard entitlements in the Central Bank's defined benefit superannuation scheme (Note 33).
- (b) Governor Gabriel Makhlof is also in receipt of a UK public service pension.

Fees of Non-Executive Commission Members

Name	2024	2023
David Miles	€14,936	€14,936
John Trethowan	€14,936	€14,936
Niamh Moloney	€14,936	€14,936
Sarah Keane	€14,936	€14,936
Shay Cody	€14,936	€14,936
Mary Condon (c)	€14,936	N/A
Patricia Byron (c)	N/A	€14,936
John Hogan (d)	Nil	Nil

Expenses of Non-Executive Commission Members

Name	Travel	Accommodation and Subsistence	Total 2024	Total 2023
David Miles	€3,536	€831	€4,367	€3,852
John Trethowan	€2,736	€880	€3,616	€4,844
Niamh Moloney	€1,393	Nil	€1,393	€408
Sarah Keane	€788	Nil	€788	€67
Shay Cody	€617	Nil	€617	Nil
Mary Condon (c)	€24,032	€3,848	€27,880	Nil
Patricia Byron (c)	N/A	N/A	N/A	Nil
John Hogan (d)	Nil	Nil	Nil	Nil

(c) Mary Condon was appointed with effect from 1 January 2024. Patricia Byron's appointment ended on 31 December 2023.

(d) In keeping with the One Person One Salary principle, one (2023: one) non-executive member of the Commission did not receive payment of fees.

Remuneration of Key Management Personnel⁵³

	2024 €000	2023 €000
Gross Salary	14,990	13,529
Total	14,990	13,529

The Central Bank operates a Revenue Commissioners approved holiday loan scheme for all staff. Included in this amount are advances totalling €37k (2023: €59k) to 10 Key Management Personnel (2023: 12 Key Management Personnel). As at 31 December 2024 all advances under this scheme were fully repaid (2023: fully repaid).

⁵³ Key Management Personnel refers to staff at Head of Division and above, and includes the executive Commission members disclosed separately in Note 8, as prescribed in the Code of Practice for the Governance of State Bodies 2016. Other than those disclosed in this note, no further benefits have been received by Key Management Personnel.

Pay Bands	2024	2023
	No. of People	No. of People
60,000-70,000	315	283
70,000-80,000	274	434
80,000-90,000	361	160
90,000-100,000	162	115
100,000-110,000	340	305
110,000-120,000	49	48
120,000-130,000	138	101
130,000-140,000	21	33
140,000-150,000	42	68
150,000-160,000	63	14
160,000-170,000	15	18
170,000-180,000	38	21
180,000-210,000	6	10
210,000-240,000	11	5
240,000+	6	4
Total	1,841	1,619

The table above represents the number of staff in the organisation earning more than €60k in the calendar year.

(i) Other Operating Expenses

	Total Head Office & Printworks		Mint		Total	
	2024	2023	2024	2023	2024	2023
	€000	€000	€000	€000	€000	€000
IT	33,067	29,070	96	96	33,163	29,166
Professional Fees (a)	21,658	15,057	-	11	21,659	15,068
Contract Labour	18,159	13,671	79	87	18,238	13,758
Miscellaneous (b)	5,134	11,002	15	601	5,149	11,603
Payments and Custody Fees (c)	6,217	6,527	(1)	-	6,216	6,527
Rent and Utilities	5,836	5,896	394	346	6,230	6,242
Facilities and Maintenance	6,334	5,481	384	448	6,718	5,929
Corporate Subscriptions	4,051	3,642	7	7	4,058	3,649
Training	3,028	3,029	14	17	3,042	3,046
Recruitment & Other Staff Costs (d)	2,356	2,086	1	2	2,357	2,088
Travel (e)	1,853	1,459	16	16	1,869	1,475
Total	107,693	96,920	1,005	1,631	108,699	98,551

(a) Professional Fees

Included in Professional Fees are Auditors' fees payable to Grant Thornton and the Comptroller and Auditor General which amount to:

Auditors' Fees⁵⁴	2024	2023
	€000	€000
Audit of Individual Accounts	553	536
Grant Thornton	363	363
Comptroller and Auditor General	190	173
Other Assurance Services	104	104
Grant Thornton	104	104
Other Non-Audit Services	278	241
Grant Thornton	278	241
Total	935	881

Included in Professional Fees and analysed in the following table are Consultancy costs charged to the Profit and Loss and Appropriation Account totalling €17.1m (2023: €10.6m) and Consultancy costs capitalised totalling €2.4m (2023: €4.0m) which is included in PPE and Intangible Assets (Note 21).

Consultancy	2024	2023
	€000	€000
IT	13,558	4,478
Premises	982	1,968
Legal Advice	1,098	808
Other	62	79
Financial	629	1,639
Pensions & HR	247	348
Business Improvement	2,930	5,273
Total	19,506	14,593
Charged to Profit and Loss and Appropriation Account	17,067	10,605
Capitalised	2,439	3,988
Total	19,506	14,593

Included in Professional Fees are legal costs in relation to legal proceedings totalling €2.2m (2023: €1.9m).

Legal Fees	2024	2023
	€000	€000
Legal fees – legal proceedings	2,238	1,854
Total	2,238	1,854

The above legal proceedings costs include all legal costs incurred in relation to legal proceedings initiated by or taken against the Central Bank. The cost above relates to 26 separate legal cases (2023: 24), including €44k for settlements in 3 cases (2023: €15k, 2 cases), and €0.4m awarded against the Central Bank.

The Central Bank's insurance company paid €70k (2023: €70k) relating to legal costs and settlements.

⁵⁴ Auditors' Fees are shown exclusive of VAT so that the net amount received by the supplier is disclosed.

(b) Miscellaneous

Included in Miscellaneous are €3.5m of CCR related costs (Note 1(q)). Other expenses in this account include the Financial Services Appeals Tribunal €0.3m (2023: €0.2m), which the Central Bank discharged in accordance with the provisions of Section 57AX (4) of the Central Bank Act, 1942 (as amended).

(c) Payment and Custody Fees

Included in Payments and Custody Fees are Prompt Payments charges. The Central Bank is obliged to comply with the provisions of the European Communities (Late Payment in Commercial Transactions) Regulations, 2012 (SI.580 of 2012), which provides that penalty interest will become payable if payments for commercial transactions are not met within 30 days, unless otherwise specified in a contract or agreement. The following is a summary of penalty interest payments made to suppliers during 2024, with corresponding figures for 2023.

Late Payments*

	2024	2023
Total Number of Late Payments	17	13
Total Value of All Late Payments (A)	€143,472	€76,266
Total Value of All Payments (B)	€139,599,982	€129,863,062
A as a % of B	0.1%	0.06%
Total Value of Interest Paid on Late Payments	€1,291	€904

*Figures in above table are actuals and are not rounded.

(d) Recruitment & Other Staff Costs

Included in Recruitment & Other Staff Costs above is Hospitality Expenditure of €0.3m (2023: €0.3m), analysed as follows:

Hospitality Expenditure	2024	2023
	€000	€000
Staff Hospitality	279	250
Total	279	250

The hospitality expenditure disclosed above is classified in accordance with the Code of Practice for the Governance of State Bodies (2016).

The Central Bank does not engage in Client Hospitality. The above amounts do not include expenditure on refreshments/hospitality associated with business operations such as conference hosting, events and meetings.

(e) Travel

Travel (including Mint)	2024 €000	2023 €000
Domestic		
Commission ⁵⁵	11	13
Staff	153	123
International		
Commission	130	81
Staff	1,575	1,258
Total	1,869	1,475

(ii) Unrealised Loss on Investment Property

An unrealised loss of €7.0m (2023: €18.2m) was recognised in the Profit & Loss Appropriation Account for the investment property held at 31 December 2024, in line with the investment property accounting policy (Note 1(p)). The investment property, Block R, Spencer Dock, East wing, was valued at €24.0m at 31 December 2024 (2023: €31.0m) (Note 20(vi)).

(iii) Impairment Charge on Property, Plant and Equipment

There is no impairment charge relating to the Mayor Street building in 2024 (2023: €156.9m). This building was impaired in 2023 as it was acquired pre-pandemic as part of the Central Bank's long term office space strategy which took into account current and expected future needs. This included both scalability and flexibility. Since the pandemic, there has been a significant shift in the commercial property market, with a substantial move to hybrid working models. This has led to companies reducing their office footprint, ultimately leading to an oversupply of office space in Dublin. This resulted in the market value of the Mayor Street building being less than the carrying value in 2023 (Note 21(i)(c)).

(iv) Currency Raw Materials

Currency Production Raw Materials expense relates to the production of banknotes €4.9m (2023: €4.3m) and coin €1.5m (2023: €0.2m). The increase in banknote costs in 2024 was due to an increase in allocation together with a higher unit purchase cost per banknote. Coin materials increased due to the purchase of coin blanks in 2024 which did not take place in 2023.

Note 9: Surplus Income Payable to the Exchequer

There is no Surplus Income payable to the Exchequer in respect of the year ended 31 December 2024 (2023: Nil) (Note 1(o)).

⁵⁵ Commission includes both executive and non-executive members

Note 10: Gold and Gold Receivables

	2024 €000	2024 Fine Ounces of Gold	2023 €000	2023 Fine Ounces of Gold
Gold and Gold Receivables	970,766	386,598	722,100	386,598
Total	970,766	386,598	722,100	386,598

Gold and gold receivables consist of coin stocks held in the Central Bank, together with gold bars held at the Bank of England and Banque de France. The increase in the balance at year-end 2024 is due to an increase in the market value of gold holdings from the year-end 2023 to 2024 (Note 1(j)(iv), Note 35(i)).

Note 11: Claims on Non-Euro Area Residents in Foreign Currency

	2024 €000	2023 €000
Receivables from the IMF (i)	6,348,619	6,230,592
Balances with Banks and Security Investments, External Loans and other External Assets (ii)	4,530,061	4,372,581
Total	10,878,680	10,603,173

(i) Receivables from the International Monetary Fund (IMF)

	2024 €000	2023 €000
Quota	4,328,659	4,198,648
Less IMF Holdings maintained by the Bank	(3,285,088)	(3,069,723)
Reserve Position in the IMF (a)	1,043,571	1,128,925
SDR Holdings (b)	5,305,048	5,101,667
Total	6,348,619	6,230,592

(a) Reserve Position in the IMF:

This asset represents the difference between Ireland's Quota in the IMF and the IMF's holdings of euro maintained by the Central Bank. Ireland's Quota is its membership subscription. On 15 December 2010, the Board of Governors of the IMF completed a package of reforms of the Fund's quotas and governance. The conditions for implementing the quota increases agreed were met on 26 January 2016⁵⁶. The holdings of euro by the IMF, maintained with the Central Bank, which initially were equal to 75% of the Quota, have changed from time to time as a result of instructions received from the IMF regarding its lending to member countries. The current percentage holding is 75% (2023: 73%) (Note 1(c)(x), Note 37(v)).

⁵⁶ As a result, Ireland's IMF quota increased by SDR 2,192.3m from SDR 1,257.6m to SDR 3,449.9m on 19 February 2016.

(b) Special Drawing Rights (SDR) Holdings:

The SDR is an international reserve asset, which was created by the IMF and allocated to member countries in the 1970s/80s in order to increase international liquidity. The SDR is defined in terms of a basket of currencies. Its value is determined as the weighted sum of exchange rates of five currencies (US Dollar, Euro, Chinese Renminbi, Japanese Yen, and Pound Sterling) (Note 1(c)(x), (Note 29)).

(ii) Balances with Banks and Security Investments, External Loans and other External Assets

	2024 €000	2023 €000
Security Investments - MTM (a)	3,346,011	3,096,046
Balance with Banks	1,087,313	1,230,759
Reverse Repurchase Agreements (b)	96,737	45,776
Total	4,530,061	4,372,581

- (a) These securities comprise debt issued by non-euro area issuers (Note 1(j)(ii), Note 2(iii), Note 3(i)(iii), Note 3(ii)(iii)).
- (b) As part of the management of its investment assets, the Central Bank uses repurchase transactions with approved counterparties under GMRA legal agreements. The increase in reverse repurchase agreements to €96.7m (2023: €45.8m) relates to a general increase in reverse repurchase activities in the non-euro area in foreign currency due to market dynamics (Note 1(l), Note 2(v), Note 28).

Breakdown by foreign currency

	2024 €000	2023 €000
USD	3,021,183	2,790,554
AUD	501,930	548,786
CNY	519,047	488,657
SGD	473,772	444,444
Other	13,974	4,028
JPY	155	96,112
Total	4,530,061	4,372,581

Maturity Profile

	2024 €000	2023 €000
0 - 3 months	1,575,182	1,423,733
3 months - 1 year	653,266	860,539
1 - 5 years	2,301,613	2,088,309
Total	4,530,061	4,372,581

Note 12: Claims on Euro Area Residents in Foreign Currency

	2024 €000	2023 €000
Security Investments - MTM (i)	102,588	10,757
Reverse Repurchase Agreements (ii)	115,119	-
Balances with Banks	1,748	3,537
Total	219,455	14,294

- (i) These securities comprise debt issued by euro area issuers in foreign currency (Note 1(j)(ii), (v), Note 2(iii), Note 3(i)(iii), Note 3(ii)(ii)). The year-end 2024 balance relates to USD and AUD bonds issued by EU residents. The increase in holdings of these securities was due to increased opportunities to invest into similar securities.
- (ii) As part of the management of its investment assets, the Central Bank uses repurchase transactions with approved counterparties under GMRA legal agreements. The increase in reverse repurchase agreements to €115.1m (2023: €0.0m) relates to a general increase in reverse repurchase activities in the euro area in foreign currency due to market dynamics (Note 1(l), Note 2(v), Note 27).

Breakdown by foreign currency

	2024 €000	2023 €000
USD	204,648	3,113
AUD	14,772	11,144
SGD	34	36
Other	1	1
Total	219,455	14,294

Maturity Profile

	2024 €000	2023 €000
0 - 3 months	118,654	3,537
3 months - 1 year	34,718	4,810
1 - 5 years	66,083	5,947
Total	219,455	14,294

Note 13: Claims on Non-Euro Area Residents in Euro

	2024 €000	2023 €000
Security Investments - HTM (i)	1,463,470	1,882,791
Balances with Banks (ii)	146,135	122,224
Security Investments - MTM (i)	40,847	104,277
Total	1,650,452	2,109,292

- (i) These securities comprise debt issued by non-euro area issuers. The decrease in holdings of these securities was related to regular market activities (Note 1(j)(ii), Note 1(j)(iii)), Note 1(j)(v), Note 2(iv), Note 2(iii), Note 3(i)(ii), (iii), Note 3(ii)(ii)).
- (ii) The increase in balances with banks to €146.1m (2023: €122.2m) was due to regular market activities.

Maturity Profile

	2024 €000	2023 €000
0 - 3 months	283,892	362,239
3 months - 1 year	203,862	310,409
1 - 5 years	693,092	978,861
5 - 10 years	469,606	457,783
Total	1,650,452	2,109,292

Note 14: Lending to Euro Area Credit Institutions related to Monetary Policy Operations in Euro

	2024 €000	2023 €000
Longer Term Refinancing Operations of which TLTROs	-	84,500
Total	-	84,500

Maturity Profile

	2024 €000	2023 €000
0 - 3 months	-	57,500
3 months - 1 year	-	27,000
1 - 5 years	-	-
Total	-	84,500

These balances consist of advances to local credit institutions and reflect the Central Bank's participation in Eurosystem monetary policy operations. As at 31 December 2024, total Eurosystem lending to euro area credit institutions related to monetary policy operations denominated in euro, which includes both main refinancing operations and longer term refinancing operations, amounted to €34.2bn (2023: €410.3bn), of which the Central Bank held Nil (2023: €0.1bn) (Note 1(c)(xii)).

These operations aim to provide counterparties with additional longer-term refinancing. They were conducted at a fixed rate with allotment of the total amount bid. In addition to the series of seven quarterly targeted longer-term refinancing operations (TLTRO-III) introduced in 2019, the Governing Council added three operations to this in December 2020, which were conducted between June and

December 2021. These operations had a three-year maturity and therefore the last operation matured in 2024. For all TLTRO-III, starting 12 months after the settlement of each operation, participants had the option on a quarterly basis of terminating or reducing the amount of TLTRO-III concerned before maturity. Borrowing rates in these operations could be as low as 50 basis points below the average interest rate on the deposit facility over the period from 24 June 2020 to 23 June 2022, but in any case they might not become less negative than -1.0%, and as low as the average - for the relevant period - interest rate on the deposit facility during the rest of the life of the same operation⁵⁷.

The actual interest rates could only be known at the maturity or early repayment of each operation and before that a reliable estimate was used for calculating the TLTRO-III interest accruals. This means, that for the 2023 annual accounts, the interest for the accruals was indexed to the average applicable key ECB interest rate since the beginning of the last interest period of these operations, which begun on 23 November 2022.

The decrease in the balances to Nil (2023: €84.5m) is as a result of maturities of longer term TLTRO borrowings in 2024 (Note 2(x)).

Note 15: Other Claims on Euro Area Credit Institutions in Euro

	2024 €000	2023 €000
Reverse Repurchase Agreements (i)	1,455,764	1,576,848
Balances with Banks	161,172	159,654
Total	1,616,936	1,736,502

These items have a maturity of less than one year.

- (i) As part of the management of its investment assets, the Central Bank uses repurchase transactions with approved counterparties under GMRA legal agreements. The decrease in reverse repurchase agreements to €1,455.8m (2023: €1,576.8m) relates to a general decrease in reverse repurchase activities in the euro area in euro due to market dynamics (Note 1(l), Note 2(v)).

⁵⁷ On 27 October 2022 the Governing Council decided that, from 23 November 2022 until the maturity date or early repayment date of each respective outstanding TLTRO III operation, the interest rate on TLTRO III operations will be indexed to the average applicable key ECB interest rates over this period.

Note 16: Securities of Euro Area Residents in Euro

	2024 €000	2023 €000
Securities Held for Monetary Policy Purposes (i)	56,318,429	60,016,155
Other Securities (ii)	8,696,617	7,929,946
Total	65,015,046	67,946,101

(i) Securities Held for Monetary Policy Purposes

Securities Held for Monetary Policy Purposes reflect the SMP, which began in May 2010, euro-denominated CBPP3 portfolio which began in October 2014, the PSPP which began in March 2015 and the PEPP which was introduced in March 2020 in response to the COVID-19 pandemic.

As at 31 December 2024, this item consisted of securities acquired by the Central Bank within the scope of the CBPP3, the SMP, the PSPP and the PEPP.

Securities purchased under all of these programmes are measured on an amortised cost basis subject to impairment (Note 1(c)(ix)).

For comparison purposes, the table below shows the amortised cost of the securities held by the Central Bank against their market values:

	2024 €000 Amortised Cost	2024 €000 Market Value	2023 €000 Amortised Cost	2023 €000 Market Value
CBPP3	653,910	645,333	686,932	659,418
SMP	103,288	103,896	102,572	106,446
PSPP of which	34,205,468	30,885,261	37,274,916	33,888,794
Government/Agency Securities (Own-Risk)	32,097,925	29,007,746	34,456,087	31,316,355
Supranational Securities (Shared-Risk)	2,107,543	1,877,515	2,818,829	2,572,439
PEPP of which	21,355,763	18,562,724	21,951,735	19,010,346
Government/Agency Securities (Own-Risk)	21,355,763	18,562,724	21,951,735	19,010,346
Total	56,318,429	50,197,214	60,016,155	53,665,004

Maturity Profile

	2024 €000 Amortised Cost	2023 €000 Amortised Cost
0 - 3 months	4,392,395	3,615,467
3 months - 1 year	168,756	549,011
1 - 5 years	17,053,496	17,718,774
5 - 10 years	19,464,466	23,044,188
10-15 years	5,140,539	5,064,682
> 15 years	10,098,777	10,024,033
Total	56,318,429	60,016,155

Purchases under the SMP were terminated on 6 September 2012.

In 2024, the asset purchase programme (APP)⁵⁸ portfolio continued to decline, as the Eurosystem, since July 2023, no longer reinvests the principal payments from maturing securities⁵⁹.

As concerns the PEPP⁶⁰, following the Governing Council decision in December 2023⁶¹, during the first half of 2024 the Eurosystem continued to reinvest, in full, the principal payments from maturing securities. Over the second half of the year, the PEPP portfolio declined by €7.5bn per month on average, as the Eurosystem did not reinvest all of the principal payments from maturing securities. The reinvestments under the PEPP were discontinued at the end of 2024.

The Governing Council assesses on a regular basis the financial risks associated with the securities held under these programmes. Annual impairment tests are conducted on the basis of the estimated recoverable amounts as at the year-end and are approved by the Governing Council. There was no impairment of securities held under the SMP, CBPP3, PSPP, CSPP and PEPP programmes as at 31 December 2024 (2023: Nil).

⁵⁸ Further details on the APP can be found on the [ECB's website](#).

⁵⁹ See the [press release](#) of 15 June 2023 on the Governing Council's decisions.

⁶⁰ Further details on the PEPP can be found on the ECB's website.

⁶¹ See the [press release](#) of 14 December 2023 on the Governing Council's decisions.

The Eurosystem NCBs' aggregate holdings of monetary policy securities at end December 2024 amounted to €3,906.6bn of which the Central Bank held €56.3bn (2023: €4,269.0bn of which the Central Bank held €60.0bn) (see table below) (Note 1(c)(ix), Note 2(ii)):

Amortised Cost	Year	SMP €m	CBPP3 €m	PSPP €m	CSPP €m	PEPP €m	Total €m
Eurosystem NCBs	2024	1,050	232,571	1,932,067	288,374	1,452,524	3,906,586
	2023	1,901	262,090	2,178,168	323,921	1,502,916	4,268,996
Bank	2024	103	654	34,205	-	21,356	56,318
	2023	102	687	37,275	-	21,952	60,016

(ii) Other Securities

Other Securities includes marketable securities that are not held for monetary policy operations of the Eurosystem.

	2024 €000	2023 €000
Security Investments - HTM (a)	5,893,033	5,292,862
Security Investments - MTM (b)	2,803,584	2,637,084
Total	8,696,617	7,929,946

(a) Security Investments - HTM

Held-to-maturity investments are securities with fixed or determinable payments and a fixed maturity, which the Central Bank intends to hold to maturity (Note 1(j)(iii)).

The increase in the HTM portfolio to €5.9bn (2023: €5.3bn) relates to reinvestments of maturing HTM bonds (Note 2(iv), Note 3(i)(ii)).

Securities purchased under the HTM portfolio are measured on an amortised cost basis subject to impairment (Note 1(j)(iii)). There was no impairment of these securities held at 31 December 2024 (2023: Nil).

(b) Security Investments - MTM

These mark-to-market securities comprise debt issued by euro area issuers in euro (Note 1(j)(ii)). The increase in holdings of these securities to €2.8bn (2023: €2.6bn) was due to improved opportunities to reinvest into similar securities (Note 2(iii), Note 3(i)(iii), Note 3(ii)(ii)).

Maturity Profile

	2024 €000	2023 €000
0 - 3 months	965,430	746,965
3 months - 1 year	1,483,237	2,080,814
1 - 5 years	3,911,140	3,516,498
5 - 10 years	2,336,810	1,585,669
Total	8,696,617	7,929,946

Note 17: Participating Interest in ECB

	2024 €000	2023 €000
Participating Interest in ECB	459,609	237,271
Total	459,609	237,271

This represents the Central Bank's contribution to the capital of the ECB (Note 1(c)(ii), (xiv)). Pursuant to Article 28 of the statute of the ESCB, the ESCB national central banks are the sole subscribers to the capital of the ECB. Subscriptions depend on shares which are fixed in accordance with Article 29 of the Statute of the ESCB and which must be adjusted every five years. The most recent such adjustment took effect on 1 January 2024⁶².

The Central Bank's share in subscribed capital of the ECB increased to 1.7811% (2023: 1.3772%) and consequently the Central Bank's participating interest in the ECB increased by €222.3m to €459.6m as a result of the additional capital contribution that was transferred to the ECB (Note 1(c)(iii), Note 37(ii), Note 40(ii)).

Note 18: Claims Equivalent to the Transfer of Foreign Reserves

	2024 €000	2023 €000
Claims equivalent to the transfer of foreign reserves	883,534	683,175
Total	883,534	683,175

These represent the Central Bank's claims arising from the transfer of foreign reserve assets to the ECB when the Central Bank joined the Eurosystem.

The adjustments to the weightings in the key for subscription to the ECB's capital on 1 January 2024 resulted in the adjustment of the Central Bank's claim in respect of

⁶² Details of individual NCB's capital subscriptions can be found on the [ECB's website](#).

those assets transferred to the ECB. In order to reflect its increased capital key share, the Central Bank's euro-denominated claim increased to €883.5m (2023: €683.2m), which is fixed in proportion to its Eurosystem key share (Note 1(c)(ii), Note 1(c)(iii), Note 1(c)(vii), Note 37(ii), Note 40(ii)).

The Central Bank's Eurosystem key at 31 December 2024 is 2.1782% (2023:1.6798%) (Note 1(c)(iii)).

The claims are denominated in euro at a value fixed at the time of their transfer. They were remunerated at the latest available interest rate for the main refinancing operations, adjusted to reflect a zero return on the gold component (Note 2(viii), Note 41(i)).

Note 19: Claims related to TARGET

	2024 €000	2023 €000
TARGET Balance (net)	94,503,981	97,594,703
Total	94,503,981	97,594,703

This item represents the Central Bank's net asset from the ECB as a result of euro cross-border payments transacted over the TARGET system by all NCBs participating in the ESCB, which amounted to €94.5bn (2023: €97.6bn) (Note 1(c)(ii)). The decrease in the TARGET asset reflects a net outflow of euro out of the State, via the Central Bank's TARGET account over the period. The outflows were largely channelled through credit institutions' reserve accounts (Note 1(b), Note 23, Note 40 (ii)).

At year-end 2024, four non-participating countries (Bulgaria, Denmark, Poland and Romania) were members of TARGET and, therefore, included in the multilateral netting process. The remuneration of TARGET positions, with the exception of balances arising from back-to-back swap transactions in connection with US dollar liquidity-providing operations, was calculated daily at the latest available marginal interest rate used by the Eurosystem in its tenders for main refinancing operations (Note 41(i)).

Note 20: Other Assets

	2024 €000	2023 €000
Accrued Interest Income (i)	934,839	1,094,868
Equities (ii)	828,591	449,292
BIS Funds (iii)	426,401	423,270
Property, Plant, Equipment and Intangible Assets (Note 21)	350,086	337,917
- Tangible - Plant, Property, Equipment (Note 21(i))	271,637	271,218
- Intangible - Computer Software (Note 21 (ii))	78,449	66,699
Funding Levy (iv)	218,727	191,744
Other (v)	55,624	263,507
Investment Property (vi)	23,980	30,980
Shares in the Bank for International Settlements (vii)	23,237	23,199
Accrued Interest Purchased (viii)	14,337	10,672
Prepayments	8,457	8,204
Total	2,884,279	2,833,653

- (i) This item includes the accrued income earned on the Central Bank's portfolio of securities and intra Eurosystem asset balances. The decrease largely relates to reduced accrued remuneration of TARGET balances due from euro area NCBs, as a result of a decrease in the TARGET balance combined with a lower MRO rate at year-end and lower interest receivable on investment assets.
- (ii) The Central Bank invests in equities as part of its investment strategy. The equities track the MSCI World Global Equity Index and the MSCI PAB Overlay Sustainable Equity Index. The movement relates to new investments into the MSCI PAB Overlay Sustainable Equity Index fund and a partial transfer of the MSCI World Global Equity Index fund to the MSCI PAB Overlay Sustainable Equity Index as the Central Bank continues to pursue improvements to the carbon metrics of its investments. The funds are managed by an asset management company on behalf of the Central Bank, while the underlying assets are held by a custodian (Note 1(c)(xi),(j)(ii),(k), Note 3(i)(iv), Note 35(iii), Note 38).
- (iii) The Central Bank invests in a number of bond funds as part of its long term investment strategy. These funds are externally managed by the BIS on behalf of the Central Bank, while the underlying assets are held by a custodian (Note 1(c)(xi),(j)(ii), (k), Note 3(i)(v), Note 3(ii)(i), Note 35(iv), Note 38).
- (iv) The net funding levy of €218.7m (2023: €191.7m) relates to income owed to the Central Bank from industry regulated entities of €220.6m (2023: €194.5m) which will be levied in 2025 as well as a provision for accrued and outstanding levies of €1.9m (2023: €2.7m) (Note 42(iv)).

- (v) Included in Other is an amount of €43.8m (2023: €257.3m) relating to debtors. The year-on-year decrease can be largely attributed to no accrued DGS receivables in 2024 (Note 32(i)).
- (vi) In November 2015, the Central Bank acquired Block R, Spencer Dock, comprised of the West and East wing. The West wing was sold on 30 September 2022. As at 31 December 2024, the Central Bank remains in possession of the East wing, an investment property valued at €24.0m at that date (2023: €31.0m). The fair value of the investment property was determined by an external, independent property valuator, with recognised professional qualifications and recent experience in the location and category of the property being valued. Any unrealised losses in relation to this revaluation are treated in accordance with the Guideline (Note 1(p), Note 8(iii)).

A lease has been in place with a third party for a portion of the East wing of Spencer Dock since 2015. This lease has a remaining term of 11 years with a break clause in 3 years. The lease includes a provision for a five-yearly rent review according to prevailing market conditions. The most recent rent review was agreed on 27 July 2021. In October 2023, a lease was entered into with another third party for a further portion of the East Wing. This lease has a remaining term of 2 years. There are no break clauses or provisions for rent reviews, but an option to extend for a further four years is available if agreeable by all parties to the lease. The future minimum lease payments arising from both of these leases are as follows:

Future Minimum Lease Payments Receivable

	2024 €000	2023 €000
Not later than one year	2,930	2,931
After one year but not more than five years	10,962	11,256
After five years	14,128	16,765
Total	28,020	30,952

- (vii) The Central Bank holds 8,564 shares (2023: 8,564 shares) in the Bank for International Settlements, the euro equivalent of which is €23.2m (2023: €23.2m) (Note 1(c)(xiii), Note 5(i), Note 37(i)).
- (viii) Accrued interest purchased has increased to €14.3m (2023: €10.7m) due to general trading activities in the period.

Note 21: Property, Plant, Equipment and Intangible Assets**(i) Tangible Property, Plant and Equipment (PPE)**

	Premises	Plant & Machinery	Computer Equipment	Other Equipment	Furniture, Fixtures & Fittings	Assets Under Construction	Total Tangible Fixed Assets
	2024 €000	2024 €000	2024 €000	2024 €000	2024 €000	2024 €000	2024 €000
At Cost - 1 January 2024	331,632	110,020	30,379	7,266	32,821	19,557	531,675
Acquisitions (a)	-	-	-	-	-	17,320	17,320
Disposals	-	-	(65)	-	-	-	(65)
Transfer	-	254	4,292	606	251	(5,403)	-
At Cost - 31 December 2024	331,632	110,274	34,606	7,872	33,072	31,474	548,930
Accumulated Depreciation and Impairment Losses at 1 January 2024	(158,242)	(58,172)	(18,321)	(6,892)	(18,830)	-	(260,457)
Depreciation for Year (b)	(3,700)	(5,421)	(4,117)	(243)	(3,420)	-	(16,900)
Disposals	-	-	65	-	-	-	65
Accumulated Depreciation and Impairment Losses at 31 December 2024	(161,942)	(63,593)	(22,373)	(7,135)	(22,250)	-	(277,293)
Net book value at 31 December 2024⁶³	169,690	46,681	12,233	737	10,822	31,474	271,637
Net book value at 31 December 2023	173,390	51,848	12,058	374	13,991	19,557	271,218

- (a) Total acquisitions to the fixed assets in 2024 amounted to €17.3m (2023: €27.7m).
- (b) Of the total depreciation charge of €16.9m (2023: €15.9m), €0.1m in respect of Mint machinery was charged to the Currency Reserve (2023: €0.1m).
- (c) An art collection at market value of €0.9m based on a 2024 valuation (2022 valuation: €2.1m), which is not recognised in the annual accounts of the Central Bank on the grounds of materiality in either the current or preceding financial years (Note 1(e)).

⁶³ Totals in the financial statements and in the tables included in the note may not add up due to rounding. The figures 0 and (0) indicate positive or negative amounts rounded to zero, while a dash (-) indicates zero.

(ii) Intangible Computer Software

	Computer Equipment	Assets Under Development (a)	Total Intangible Fixed Assets
	2024 €000	2024 €000	2024 €000
At Cost - 1 January 2024	55,012	55,633	110,645
Acquisitions	-	23,723	23,723
Disposals	(8,747)	-	(8,747)
Transfer	54,034	(54,034)	-
At Cost - 31 December 2024	100,299	25,322	125,621
Accumulated Depreciation at 1 January 2024	(43,946)	-	(43,946)
Depreciation for Year	(11,973)	-	(11,973)
Disposals	8,747	-	8,747
Accumulated Depreciation at 31 December 2024	(47,172)	-	(47,172)
Net Book Value at 31 December 2024⁶⁴	53,127	25,322	78,449
Net Book Value at 31 December 2023	11,066	55,633	66,699

(a) Assets Under Development relates to capital expenditure incurred on assets which are not in use by the year-end (Note 1(e)(v)). The €54.0m (2023: €0.5m) transfer from Assets Under Development to Intangible Computer Equipment was in relation to development assets during the year.

Note 22: Banknotes in Circulation

	2024 €000	2023 €000
Total value of euro banknotes issued into circulation by the Central Bank	51,422,501	48,634,587
Liability resulting from the ECB's share of euro banknotes in circulation	(2,767,827)	(2,106,047)
Liability according to the Central Bank's weighting in the ECB's capital key	(16,824,260)	(22,307,047)
Total	31,830,414	24,221,493

This item consists of the Central Bank's share of total euro banknotes issued by the Eurosystem. The total value of euro banknotes in circulation is allocated to each NCB on the last working day of each month in accordance with the banknote allocation key.

⁶⁴ Totals in the financial statements and in the tables included in the note may not add up due to rounding. The figures 0 and (0) indicate positive or negative amounts rounded to zero, while a dash (-) indicates zero.

The value of the euro banknotes actually issued by the Central Bank increased by 5.7% (2023: 4.1%) in 2024, from €48.6bn to €51.4bn. The total value of banknotes in circulation within the Eurosystem increased by 1.3% (2023: decreased by 1.1%) in 2024.

According to the banknotes allocation key, the Central Bank had euro banknotes in circulation worth €31.8bn at year-end 2024 (2023: €24.2bn), which is remunerated at 0%. As the banknotes actually issued by the Central Bank were €19.6bn (2023: €24.4bn) more than the allocated amount this excess was remunerated at the MRO rate and is shown in “Net Liabilities Related to the Allocation of Euro Banknotes within the Eurosystem” (Note 1(b), Note 1(c)(ii), Note 1(c)(iii), Note 1(c)(iv), Note 2(xii), Note 30).

Note 23: Liabilities to Euro Area Credit Institutions related to Monetary Policy Operations in Euro

	2024 €000	2023 €000
Deposit Facility (i)	84,118,744	90,205,362
Current Accounts (covering the minimum reserve system) (ii)	3,609,254	3,834,972
Total	87,727,998	94,040,334

- (i) The deposit facility is available to counterparties to place funds with the Central Bank on an overnight basis at the DFR. The average DFR has increased in 2024 to 3.7% (2023: 3.3%). Whilst the year-end holdings have decreased in 2024 compared to 2023, increases have been observed in the average holdings of the deposit facility during 2024 (Note 2(xi)(a)).
- (ii) Current accounts contain the credit balances on the transaction accounts of credit institutions in the euro area that are required to hold minimum average reserve deposits, excluding funds of credit institutions that are not freely disposable and accounts of credit institutions exempt from minimum reserve requirements, with their respective NCBs for the purpose of liquidity management.

On 27 July 2023⁶⁵ the Governing Council decided that, starting from 20 September 2023, balances in the minimum reserve accounts will be remunerated at 0% (Note 2(xi)(b)).

⁶⁵ Decisions of the Governing Council on the 27th of July 2023

<https://www.ecb.europa.eu/press/pr/date/2023/html/ecb.pr230727~7206e9aa48.en.html#:~:text=Credit%20institutions%20are%20required%20to%20hold%20a%20minimum%20amount%20equivalent,liabilities%2C%20mainly%20customers%27%20deposits.>

Note 24: Other Liabilities to Euro Area Credit Institutions in Euro

	2024 €000	2023 €000
Repurchase Agreements	505,764	751,848
Total	505,764	751,848

This item has a maturity of less than one year.

As part of the management of its investment assets, the Central Bank uses repurchase transactions with approved counterparties under GMRA legal agreements. The reduction in repurchase agreements to €505.8m (2023: €751.8m) relates to a general reduction in repurchase activities in the euro area in euro due to market dynamics (Note 1(l), Note 2(v)).

Note 25: Liabilities to Other Euro Area Residents in Euro

	2024 €000	2023 €000
General Government Deposits (i)	21,009,641	22,553,511
Currency Reserve Relating to Net Proceeds of Coin (ii)	2,901	1,419
Other Liabilities	2,074	2,553
Total	21,014,616	22,557,483

- (i) The general government deposits include current accounts and deposits payable on demand held at the Central Bank (Note 2(xiii), Note 40(i)). Up to May 2023, Government Deposits were remunerated at the lower of €STR and DFR. From May 2023, a new ceiling for remuneration of euro area Government Deposits was set at the €STR minus 20 basis points.
- (ii) The costs and proceeds of coin issue are required to be charged or credited to the Currency Reserve. The balance from that activity must be paid into the Exchequer at the direction of the Minister for Finance. Where the net proceeds of coin issue, together with expenses, result in a net cost to the Central Bank, the Minister for Finance reimburses the difference to the Central Bank. The balance on the Currency Reserve relating to coin issue is reported as an asset or liability of the Central Bank (Note 1(g), Note 40(i)). Expenses in relation to the production of coin are captured in Note 8. Expenses related to retirement benefits are included in Note 33. Details of net proceeds for the year are included in the table below:

	2024	2023
	€000	€000
Coin issued into Circulation	21,896	7,054
Specimen Coin Sets	518	570
Sale of Old Coin	269	-
Withdrawn Irish Coin	(147)	(122)
Less Operating Costs (Note 8)*	(4,665)	(4,077)
Net Proceeds of Coin Issue	17,871	3,425
Superannuation Employer Contribution**	(342)	(351)
Transfer to the Exchequer	(16,047)	(4,653)
Opening Balance	1,419	2,998
Closing Balance	2,901	1,419

* Included in 2024 Operating Costs of €4.7m (2023: €4.1m) is €2.3m (2023: €2.9m) relating to overhead costs attributable to the provision and issuance of coin.

** Included in Superannuation Employer Contribution of €0.3m is €0.2m relating to pension expenses for staff involved in providing local overhead services.

As a result of the Finance Act, 2002, and as directed by the Minister for Finance, the Central Bank is required to transfer the net proceeds from the issue of coin directly to the Exchequer or receive the net receipts of coin directly from the Exchequer. As noted in the table above, there was a net issuance of coin amounting to €21.9m (2023: net issuance €7.1m) from the Central Bank in 2024. As a result, this generated a transfer of €16.0m which was paid to the Exchequer on 18 December 2024 (2023: €4.7m paid to the Exchequer).

Note 26: Liabilities to Non-Euro Area Residents in Euro

	2024	2023
	€000	€000
EU Agencies (i)	884,108	1,020,332
International Financial Institutions	5,103	10,567
Total	889,211	1,030,899

The balances above have a maturity of less than one year.

- (i) The decrease in EU Agencies largely relates to the Single Resolution Board (SRB) cash account with the Central Bank. The balance held in this account was €882.5m in 2024 (2023: €1,013.2m) (Note 2(xiii)).

Note 27: Liabilities to Euro Area Residents in Foreign Currency

	2024 €000	2023 €000
Repurchase Agreements	115,119	-
Total	115,119	-

This item has a maturity of less than one year.

As part of the management of its investment assets, the Central Bank uses repurchase transactions with approved counterparties under GMRA legal agreements. The increase in repurchase agreements with euro area residents in foreign currency to €115.1m (2023: Nil) relates to a general increase in repurchase activities in the euro area in foreign currency due to market dynamics (Note 1(l), Note 2(v), Note 12(ii)).

Note 28: Liabilities to Non-Euro Area Residents in Foreign Currency

	2024 €000	2023 €000
Repurchase Agreements	-	45,776
Total	-	45,776

As part of the management of its investment assets, the Central Bank uses repurchase transactions with approved counterparties under GMRA legal agreements. The decrease in repurchase agreements to Nil (2023: €45.8m) relates to a general decrease in repurchase activities in the non-euro area in foreign currency due to market dynamics (Note 1(l), Note 2 (v)).

Note 29: Counterpart of Special Drawing Rights Allocated by the IMF

	2024 €000	2023 €000
Counterpart of SDR allocated by the IMF	5,120,481	4,962,491
Total	5,120,481	4,962,491

This is the liability of the Central Bank to the IMF in respect of the allocation of Special Drawing Rights (SDR) to Ireland. The Central Bank's SDR assets can change as a result of IMF lending operations or exchanges of SDR for foreign currency with the IMF itself, other IMF members and other official holders of SDR. SDR holdings may also change as a result of interest payments made by the IMF on the Central Bank's Reserve Position in the IMF and on the Central Bank's SDR holdings net of SDR allocations (Note 1(c)(x), Note 2(vi), Note 11(i)).

Note 30: Net Liabilities Related to the Allocation of Euro Banknotes within the Eurosystem

	2024 €000	2023 €000
Liability according to the Bank's weighting in the ECB's capital key	16,824,260	22,307,047

Liability resulting from the ECB's share of euro banknotes in circulation	2,767,827	2,106,047
Total	19,592,087	24,413,094

This item consists of the liability of the Central Bank vis-à-vis the Eurosystem in relation to the allocation of euro banknotes within the Eurosystem. It represents the difference between the value of euro banknotes actually issued by the Central Bank and its banknotes allocation key share of the total Eurosystem issuance (Note 1(c)(ii), (c)(iii) and (c)(iv), Note 22). The remuneration of this liability was calculated daily at the latest available interest rate used by the Eurosystem in its tenders for main refinancing operations (Note 2(xii), Note 41(i)).

Note 31: Other Liabilities within the Eurosystem (net)

	2024 €000	2023 €000
Net Result of Pooling Monetary Income	723,043	639,055
Total	723,043	639,055

This item represents the Central Bank's monetary income payable (Note 1(b), Note 1(c)(ii), Note 1(c)(iii), Note 1(c)(vi), Note 6).

Note 32: Other Liabilities

	2024 €000	2023 €000
DGS Contributory Fund Deposit (i)	1,214,122	1,158,823
Interest Accruals (ii)	311,139	490,865
Credit Institutions Resolution Fund Deposit (iii)	74,317	67,014
Bank and Investment Firm Resolution Fund Deposit (iv)	67,952	65,518
Other Liabilities (v)	40,120	56,110
Other Accruals (vi)	38,464	31,300
Insurance Compensation Fund Deposit (vii)	7,848	12,663
Central Credit Register (viii)	-	3,621
Total	1,753,962	1,885,914

- (i) Under the European Union (Deposit Guarantee Schemes) Regulations 2015 (S.I. No. 516) (the 'DGS Regulations'), the Central Bank established the DGS Contributory Fund in 2016. The Deposit Guarantee Scheme must reach an available financial means of 0.8% of covered deposits by 2024. During the build-up phase of the Fund, credit institutions were required to contribute to the Fund annually based on their covered deposits and degree of risk (Note 2(xiv), Note 20(v)). The 0.8% target level funding for the DGS Contributory Fund was met following receipt of payments from the 2023 levying cycle with the result that there was no requirement to levy member credit institutions in 2024. Future member contributions will be driven by increases in aggregate covered deposits in order to maintain the DGS and any requirement to replenish the Fund should an invocation occur.

Under Regulation 18(1) of the DGS Regulations, the DGS Contributory Fund is to be managed and administered by the designated authority (the Central Bank) and under Regulation 18(2), the designated authority shall invest the Fund in a low-risk and sufficiently diversified manner. The Central Bank prepares separate non-statutory financial statements for the scheme.

Movement in DGS Contributory Fund Deposit	2024	2023
	€000	€000
Opening Balance Held with Central Bank	1,158,823	884,050
Contributions (a)	-	247,237
Payments	-	(1)
Interest – Income (b)	31,073	27,537
Dividends (c)	4,577	-
Other (d)	19,649	-
Closing Balance Held with Central Bank	1,214,122	1,158,823

(a) Member credit institutions were not levied in 2024 as the 0.8% target level funding for DGS Contributory Fund was met following receipt of payments from the 2023 levying cycle.

(b) 2024 interest income up to 30 September 2024. Quarter four interest will be paid to the Fund in April 2025.

(c) Dividends arising from the liquidation of Drumcondra Credit Union were transferred to the DGS Contributory Fund in 2024.

(d) The amount included under Other for 2024 relates to prior year adjustments.

- (ii) This figure primarily relates to the accrued interest expense on Government Deposits, Credit Institutions Deposits and Banknotes remuneration balances. The accrued interest has decreased due to lower average holdings of the balances towards the end of the year and changes in key Eurosystem interest rates during 2024 (Note 1(c)(iv), Note 2(xi)(xiii)).
- (iii) The CIRF was established in 2011 under the Central Bank and Credit Institutions (Resolutions), Act 2011. The balance of €74.3m (2023: €67.0m) represents deposits with the Central Bank on behalf of the Fund. The increase in the balance held reflects the 2024 CIRF receipts, as well as interest earned on the balance held at the Central Bank. The Central Bank is responsible for the management and administration of the Fund and separate financial statements are prepared by the Central Bank for the Fund (Note 2(xvi), Note 40(v)).
- (iv) The BIFR was established in 2015 under the European Union (Bank Recovery and Resolution) Regulations 2015. The balance of €68.0m (2023: €65.5m) represents deposits with the Central Bank on behalf of the Fund. The increase in the balance held reflects interest earned on the balance held at the Central

Bank. The Central Bank is responsible for the management and administration of the Fund and separate financial statements are prepared by the Central Bank for the Fund (Note 2(xvii)).

- (v) The movement in other liabilities primarily relates to a decrease in the Superannuation Fund account of €17.7m.
- (vi) Included in other accruals is €10.1m (2023: €11.1m) in respect of untaken annual leave (Note 8(i)), capital project accruals €9.7m (2023: €2.6m) and shared Eurosystem project costs yet to be invoiced €5.2m (2023: €6.2m).
- (vii) The balance of €7.8m (2023: €12.7m) represents deposits with the Central Bank on behalf of the ICF⁶⁶. The decrease in the balance in 2024 is due to further repayments of the Minister's loan.
- (viii) The balance in the CCR liability account was Nil (2023: €3.6m). The Central Bank revised its accounting treatment of CCR income & expenditure in 2024. The CCR liability of €3.6m held at 31 December 2023, which represented the fees collected from CIPs in excess of costs incurred at that date, was released to other net income in 2024. The Central Bank continues to ring-fence and manage CCR related fee income and costs on a cumulative basis to ensure that no profit or loss arises on the operation of CCR (Note 1(q), Note 7(ii), Note 8(ii)(b)).

Note 33: Retirement Benefits

An FRS 102 actuarial report was completed by Lane Clark Peacock (LCP), the Central Bank's actuaries, as at 31 December 2024, with a full actuarial valuation of the Scheme due to be completed as at 31 December 2025. A full valuation is carried out on a triennial basis, with the last valuation being carried out as at 31 December 2022, to comply with section 56 of the Pensions Act.

⁶⁶ The Insurance Act, 1964 provided for the establishment of the ICF to meet certain liabilities of insolvent insurers, to provide for the making of a grant and loans to the Fund by the Minister for Finance and contributions to the ICF by insurers, and for those and other purposes to amend and extend the Insurance Acts, 1909 to 1961 (Note 2(xviii), Note 40(iv)). In accordance with Section 2 (2) of the 1964 Act, the ICF is maintained and administered under the control of the President of the High Court acting through the Accountant. The Insurance (Amendment) Act 2018 provided for the transfer of the administration of the ICF to the Central Bank. The Central Bank took over the responsibility for the administration of the ICF from the Courts of Justice on 25 August 2018. A separate Report on Administration and Movement of the ICF is prepared by the Central Bank.

As at 31 December 2024, there was no previously unrecognised surplus deducted from settlements or curtailments and no gains or losses on any settlements or curtailments.

(i) Amount charged to Profit and Loss and Appropriation Account

	Profit and Loss 2024 €000	Profit and Loss 2023 €000
Expected Return on Pension Fund Assets	33,100	32,200
Interest on Pension Scheme Liabilities	(35,200)	(34,300)
Current Service Cost (a)	(27,600)	(22,300)
Total Pension Cost of Defined Benefit Scheme	(29,700)	(24,400)

(a) Current service costs charged to the Profit and Loss and Appropriation Account in 2024 was €27.6m (2023: €22.3m) and is based on actuarial assumptions set at the beginning of each year, based on the preceding year (Note 1(f)). The increase in the charge was primarily due to a decrease in the discount rate from 3.60% at 31 December 2022 to 3.30% at 31 December 2023 and the continued increase in the number of staff who have joined the Central Bank after 1 January 2013 and who are members of the Career Average Revalued Earnings (CARE) scheme.

(ii) Actuarial Gain/(Loss) on Pension Scheme

Year Ended 31 December	2024 €000	2023 €000	2022 €000	2021 €000	2020 €000
Actuarial Gain/(Loss) on pension liability	12,499	(59,223)	734,014	178,361	(231,228)
Actuarial Gain/(Loss) on plan assets	54,211	45,388	(90,372)	83,490	15,094
Total	66,710	(13,835)	643,642	261,851	(216,134)

The net adjustment to the Central Bank's reserves amounts to a gain of €66.7m (2023: loss of €13.8m), primarily due an increase in the discount rate and a gain on Scheme assets.

(iii) Balance Sheet Recognition

Year Ended 31 December	2024 €000	2023 €000	2022 €000	2021 €000	2020 €000
Present value of Wholly or Partly Funded Obligations (iv)	(1,116,570)	(1,066,777)	(953,902)	(1,608,408)	(1,697,988)
Fair Value of Plan Assets (v)	1,127,984	1,002,859	893,740	945,093	829,418
Net Pension Surplus/(Liability)	11,414*	(63,918)	(60,162)	(663,315)	(868,570)

* Balance of €11.6m on face of Balance Sheet. Difference due to projected asset value used for 31 December 2021. Actual asset value used in prior years and subsequent years.

Pension scheme assets are measured at fair value. Pension scheme liabilities are measured on an actuarial basis using the “projected units” method. An excess of scheme assets over scheme liabilities is presented on the Balance Sheet as an asset.

(iv) Movement in Scheme Obligations

	2024 €000	2023 €000	2022 €000	2021 €000	2020 €000
Opening Present Value of Scheme Obligations	(1,066,777)	(953,902)	(1,608,408)	(1,697,988)	(1,393,987)
Current Service Cost	(27,600)	(22,300)	(66,000)	(75,100)	(59,500)
Past Service (Cost)	-	-	-	(6,500)	-
Pensions Paid	18,836	19,601	17,943	17,273	15,442
Employee Contributions	(18,120)	(16,134)	(14,991)	(13,930)	(13,062)
Transfers Received	(208)	(519)	(360)	(324)	(353)
Interest on Pension Scheme Liabilities	(35,200)	(34,300)	(16,100)	(10,200)	(15,300)
Actuarial Gain/(Loss)	12,499	(59,223)	734,014	178,361	(231,228)
Closing Present Value of Scheme Obligations	(1,116,570)	(1,066,777)	(953,902)	(1,608,408)	(1,697,988)

(v) Movement in Fair Value of Plan Assets

	2024 €000	2023 €000	2022 €000	2021 €000	2020 €000
Opening Fair Value of Plan Assets (Bid Value)	1,002,859	893,740	945,093	829,418	783,815
Expected Return	33,100	32,200	9,500	5,000	8,600
Actuarial Gain/(Loss)	54,211	45,388	(90,372)	83,490	15,094
Employer Contribution	38,322	34,479	32,111	30,204	23,936
Employee Contributions	18,120	16,134	14,991	13,930	13,062
Pensions Paid	(18,836)	(19,601)	(17,943)	(17,273)	(15,442)
Transfers Received	208	519	360	324	353
Closing Fair Value of Plan Assets (Bid Value)*	1,127,984	1,002,859	893,740	945,093**	829,418

* Included in the fair value of plan assets are two bank accounts - the Superannuation Capital Account and the Superannuation Working Account held with the Central Bank. The balance on the Superannuation Capital Account and Superannuation Working Account at 31 December 2024 was €1.5m (2023: €1.4m) and €8.5m (2023: €26.2m) respectively.

** Projected asset value used for 31 December 2021. Actual asset value used in prior years and subsequent years.

The net return on assets over the year of 8.7% (2023: 8.7%) is the expected return and actuarial gain as a percentage of the closing fair value of plan assets (bid value) as at 31 December 2023.

(vi) Financial Assumptions

	2024 %	2023 %	2022 %	2021 %	2020 %
Discount Rate	3.40	3.30	3.60	1.00	0.60
Rate of Increase in Pensionable Salaries	Inflation + 1.40%	Inflation +1.40%	Inflation +1.40%	3.40	3.30
Rate of Increase in Pensions	Inflation +1.40%	Inflation +1.40%	Inflation +1.40%	3.40	3.30
Rate of Price Inflation	2.00 [^]	2.00 ^{^^}	2.00	2.00	1.90

[^] In the 2024 valuation no allowance has been made for higher short term inflation expectations as the long term inflation rate is at 2.0 per cent.

^{^^} In 2023 to reflect short-term inflation expectations, an allowance has been made for assumed price inflation of 2.7% for 2024 and 2.1% for 2025, with 2.0% per annum from 2026 onwards.

LCP produce a sensitivity analysis which shows the impact of a 0.1% increase/decrease in the discount rate which would lead to a corresponding decrease/increase of approximately 2.3%/2.3% (2023: 2.3%/2.4%) in scheme liabilities.

Demographic and Other Assumptions

Irish Life Tables No 17 (ILIT17) (males) and ILT17 (females) are both published mortality tables prepared by the Central Statistics Office in Ireland. The life expectancies are calculated using the mortality rates in these tables.

	2024	2023
Mortality Pre Retirement	90% ILT17 (males) 90% ILT17 (females)	90% ILT17 (males) 90% ILT17 (females)
Mortality Post Retirement	90% ILT17 (males) 90% ILT17 (females)	90% ILT17 (males) 90% ILT17 (females)
Allowance for future improvements in mortality	Yes	Yes
Retirements	Age between 60 and 65 at which 40 years' service completed (for those with option to retire at 60)	Age between 60 and 65 at which 40 years' service completed (for those with option to retire at 60)
Ill Health Retirement	Allowance made	Allowance made
Early Retirement	No allowance	No allowance
Withdrawals	No allowance	No allowance
Percentage married	90%	90%
Age difference between spouses	A male is assumed to be 3 years older than his spouse	A male is assumed to be 3 years older than his spouse
Life Expectancy At age 65	Male: 87.4 Female: 89.6	Male: 87.3 Female: 89.5

(vii) Plan Assets of the Scheme

Class	Distribution	Long Term Distribution
	%	%
Equities	44.9	50.0
Bonds	46.4	40.0
Property	7.4	10.0
Cash	1.3	-
Total	100	100

In December 2023, the Commission approved the decision to change the asset allocation ratio from 40:40:10:10 bonds/equities/property/Multi Asset Fund (MAF) to 50:40:10 bonds/equities/property. In September 2024, the Commission approved the long term strategic allocation to 50:40:10 equities/bonds/property. The Fund does not invest directly in property occupied by the Central Bank.

Note 34: Provisions

The following amounts were provided for at 31 December 2024:

	Opening Balance 2024 €000	Created €000	Utilised €000	Released to P&L €000	Closing Balance 2024 €000
Provision for financial risks (i) Unredeemed Irish Pound Banknotes (ii)	2,867,905	-	(795,384)	-	2,072,521
Eurosystem Securities (iii)	3,100	-	(447)	-	2,653
	721	-	-	(721)	-
Total	2,871,726	-	(795,831)	(721)	2,075,174

The following amounts were provided for at 31 December 2023:

	Opening Balance 2023 €000	Created €000	Utilised €000	Released to P&L €000	Closing Balance 2023 €000
Provision for financial risks (i) Unredeemed Irish Pound Banknotes (ii)	3,000,000	-	(132,095)	-	2,867,905
Restructuring Provision (iv)	3,503	-	(403)	-	3,100
Eurosystem Securities (iii)	291	161	(452)	-	-
	-	721	-	-	721
Total	3,003,794	882	(132,950)	-	2,871,726

- (i) The Central Bank has a provision for financial risks (Note 38). The provision follows a comprehensive assessment of the relevant financial risks to which the Central Bank is exposed and which fall within the scope of the Guideline. The assessment identified an interest rate mismatch on the Balance Sheet, meaning the Central Bank is exposed to a scenario where interest rates on liabilities increase more rapidly relative to assets over the medium term, and the provision corresponds to such a scenario. The analysis was conducted based on the Central Bank's year-end Balance Sheet, and utilised a financial model to quantify

a range of potential loss figures relating to this risk. Given the large amount of uncertainty associated with measuring interest rate risks over the medium term, judgment and estimation were used in evaluating the risk and to determine an appropriate provision.

A provision of €2,072.5m is included in the 2024 statement of accounts, which has decreased compared to the provision for the same risk in 2023 of €2,867.9m. This is due to the utilisation of €795.4m of the provision to cover financial losses driven by interest rate mismatch on the Balance Sheet which were incurred during 2024. Risks arising from the interest rate mismatch on the Balance Sheet of the Central Bank remain covered by this provision (Note 1(m)(ii), Note 3(iii)).

- (ii) Irish pound banknotes formerly issued by the Central Bank ceased to be legal tender with effect from 9 February 2002. Since then the Central Bank has maintained a provision for outstanding IEP banknotes from which €0.4m was redeemed in 2024 leaving the balance in the provision at €2.7m as at 31 December 2024 (2023: €3.1m) (Note 37(iii)).
- (iii) With respect to the provision established in 2023 by the NCBs of participating Member States with regard to credit risks in monetary policy operations, an amount of €43.0m was used to cover the biggest part of the loss realised on the sale in 2024 of an impaired security held by one of the Eurosystem NCBs under the CSPP. Out of this amount, €0.7m was covered by the provision established in 2023 by the Central Bank (Note 1(m)(iii), Note 6(ii), Note 16(i)).
- (iv) The restructuring provision in 2023 related to the implementation of a revised cash operating model in the Currency Centre. There has been no additional payments in 2024 (Note 1(m)(iv), Note 3(iii)).

Note 35: Revaluation Accounts

	2024 €000	2023 €000	Net Movement in Unrealised Gains €000
Gold (i)	611,876	363,210	248,666
Foreign Currency (ii)	579,007	319,165	259,842
Equities (iii)	223,929	157,220	66,709
BIS Funds (iv)	34,502	21,141	13,361
Securities (v)	25,931	15,666	10,265
At 31 December	1,475,245	876,402	598,843

- (i) The increase in the balance of gold at year-end 2024 is due to the change in the market value of gold holdings (Note 1(j)(iv), Note 10).

- (ii) The increase in the foreign currency value at year-end 2024 is mainly as a result of decreased foreign exchange rates on the USD, CNY and SGD currencies compared to year-end 2023 (Note 1(j)(i), Note 3(ii)(i), Note 11(ii)(a), Note 12(i), Note 20(iii), Note 38).

The foreign exchange rates used vis-à-vis the euro for the year-end 2024 valuations are as follows:

Currency	2024 Rate	2023 Rate
Australian Dollar (AUD)	1.6772	1.6263
Canadian Dollar (CAD)	1.4948	1.4642
Chinese Renminbi (CNY)	7.5833	7.8509
Danish Krone (DKK)	7.4578	7.4529
Japanese Yen (JPY)	163.0600	156.3300
Korean Won (KRW)	1,532.15	1,433.66
Pound Sterling (GBP)	0.8292	0.8691
Special Drawing Rights (SDR)	0.7972	0.8226
Singapore Dollar (SGD)	1.4164	1.4591
Swedish Krona (SEK)	11.4590	11.0960
Swiss Franc (CHF)	0.9412	0.9260
US Dollar (USD)	1.0389	1.1050
The gold prices used were:		
Euro per fine ounce	2,511.069	1,867.828

- (iii) The increase in the value of the equities is due to higher market prices at year-end 2024 (Note 1(j)(ii), (k), Note 20(ii), Note 38).
- (iv) The increase in the value of the BIS funds is mainly due to higher fund prices at year-end 2024 compared to year-end 2023 as well as increased investment into the MSCI PAB Overlay Sustainable Equity Index fund. (Note 1(j)(ii), (k), Note 3(ii), Note 20(iii), Note 38).
- (v) The increase in the value of securities is due to increases in market prices across the MTM portfolio. (Note 1(j), Note 11(ii)(a), Note 12(i), Note 13(i), Note 16(ii)(b)).

Note 36: Capital and Reserves

	Capital (i) €000	General Reserve €000	Currency Reserve €000	Total €000
At 1 January 2024	30	5,852,820	351,648	6,204,498
Retained profit for the year (ii)	-	-	-	-
Actuarial Gain on Pension Scheme (ii)	-	66,710	-	66,710
At 31 December 2024	30	5,919,530	351,648	6,271,208

	Capital (i) €000	General Reserve €000	Currency Reserve €000	Total €000
At 1 January 2023	30	5,866,655	351,648	6,218,333
Retained profit for the year (ii)	-	-	-	-
Actuarial Loss on Pension Scheme (ii)	-	(13,835)	-	(13,835)
Release of Fixed Asset Reserve	-	-	-	-
At 31 December 2023	30	5,852,820	351,648	6,204,498

- (i) The authorised capital of the Central Bank is fixed under Section 9(1) of the Central Bank Act, 1942 (as amended) at €50.8k. Issued and paid-up capital is €30.5k all of which is held by the Minister for Finance. The balance is payable as and when agreed by the Commission and the Minister for Finance.
- (ii) Under the Central Bank of Ireland (Surplus Income) Regulations, 1943, the Commission approved no transfer from the Profit and Loss and Appropriation account to the general reserve (Note 9). There was a transfer from the Pension Asset Account of €66.7m, resulting in an increase in the general reserve of €66.7m at year-end (Note 33(ii)).

Note 37: Contingent Liabilities and Commitments

Contingent Liabilities

(i) *Bank for International Settlements*

The Central Bank holds 8,564 shares in the Bank for International Settlements, of which 2,564 are fully paid up. The Central Bank has a contingent liability in respect of the balance (Note 1(r), Note 5(i), Note 20(vii)).

(ii) *Capital and Foreign Reserve Assets Pledged to the ECB*

Under the Statute of the ESCB the Central Bank may be called upon in the future, along with all other participating NCBs, to transfer further amounts of capital (Article 28) and foreign reserve assets (Article 30) to the ECB (Note 1(r), Note 17, Note 18).

(iii) *Irish Pound Banknotes*

The Central Bank has a contingent liability in relation to Irish pound banknotes that are no longer legal tender and that may be presented at a future date. At 31 December 2024, Irish pound banknotes to the value of €222.3m (2023: €222.8m) were still outstanding, against which the Central Bank has a provision of €2.7m (2023: €3.1m) (Note 1(r), Note 34(ii)).

(iv) *Litigation*

The Central Bank has eleven on-going legal cases (2023: eight) which may result in a liability for the Central Bank where claims are being made against the Central Bank or where the Central Bank is seeking High Court confirmations. The Central Bank is currently defending these actions. It is premature to determine the outcome and the possible outflow of economic resources cannot be reliably estimated, therefore no provisions in respect of these cases are recognised in the Statement of Accounts (2023: None) (Note 1(r)).

(v) *IMF New Arrangements to Borrow (NAB)*

Ireland became a participant in the IMF's NAB, effective from 21 March 2023. Ireland's current NAB Credit Arrangement amounts to SDR 1,915.9m. To date, there have been no drawings made on Ireland's NAB Credit Arrangement (Note 11(i)(a)).

(vi) *Central Credit Register Data Breach*

An archiving error in 2023, impacted borrower information held on the Central Credit Register which meant that some data was retained for longer than it should and subsequently included in credit reports. In line with our obligations under data protection legislation, the Central Bank notified the Data Protection Commission (DPC) of the incident at that time, and immediately initiated actions to rectify the issue. The DPC commenced an investigation which is ongoing. The DPC can exercise corrective powers and impose administrative fines following

an investigation. The maximum fine that the DPC can impose on the Central Bank as a public body is €1.0m.

Commitments

(i) Operating Leases

In September 2023, the bank entered into a 9 year lease agreement in respect of office accommodation in Brussels. There was an initial rent free period from 01 September 2023 to 28 February 2024.

Future Minimum Lease Payments	2024 €000	2023 €000
Not later than one year	113	93
After one year but not more than five years	452	374
After five years	379	421
Total	944	888
Actual Lease Payments	110	93

Note 38: Financial Risk Management

The Central Bank's Balance Sheet is exposed to financial risks arising as a consequence of performing its statutory roles in terms of (i) monetary policy implementation within the domestic financial sector, (ii) investment activities, (iii) operation of payments and settlement activities and (iv) as a constituent Eurosystem NCB participating in broader monetary policy initiatives such as the APP and the PEPP. From an overall Balance Sheet perspective, these risks typically include credit, interest rate, liquidity and foreign exchange risks. Climate-related risks do not form a new risk category within the risk management process, but rather are an amplifying factor of existing categories such as credit and market risks, which are managed as part of the Bank's financial risk management framework.

The Central Bank aims to control these exposures by maintaining a range of financial risk management processes to identify, assess, manage and monitor these risks within defined, internal risk management policies and by reference to Eurosystem risk-management frameworks and procedures where relevant. The Risk Committee of the Commission, supported by the Risk Management Committee (RMC), and the Financial Risk Working Group (FRWG) oversees the Central Bank's financial risk management activities, ensuring adherence to approved standards and policies. The Deputy Governor (Monetary and Financial Stability) is the chair of the RMC.

Four main divisions of the Central Bank are engaged in the active management of the Central Bank's financial risks. The Financial Markets Division (FMD) carries out monetary policy operations on behalf of the ECB, monitors the liquidity position of the domestic banks, and carries out investment activities to manage the Central Bank's investment assets and the allocated share of the ECB's investment portfolio. The Payments and Securities Settlements Division (PSSD) is responsible for, inter alia,

euro payment settlements within the Eurosystem Real Time Gross Settlement Services (TARGET) framework, the execution of back office activities relating to collateral transactions arising through the implementation of monetary policy and the settlement of transactions relating to the Central Bank's management of its own, and its share of the ECB's, investment portfolio. The Finance Division (FD) ensures accurate accounting of the Central Bank's financial position and financial reporting.

The Organisational Risk Division (ORD), as the second line of defence, is responsible for, inter alia, defining the risk management policies in addition to assessing and monitoring financial risks in conjunction with the other divisions. The Central Bank defines the investment limits frameworks, conducts collateral due diligence, monitors both monetary and investment policy compliance, and assesses current and emerging risks within the Central Bank's Balance Sheet. The Central Bank's investment portfolios are managed in accordance with the risk management parameters, governance and control frameworks approved by the Commission. Compliance and performance relative to these policies is verified and reported to the FRWG, the RMC, the ELC (Executive Leadership Committee), and the Risk Committee of the Commission.

In accordance with the Terms of Reference of the Risk Committee of the Commission, the Head of Organisational Risk has free and confidential access to the Chair of the Committee.

The risk management policies and measures applied to each of the Central Bank's principal financial risk exposures are described below.

Credit Risk

Credit risk is the risk of loss arising from the failure of a borrower, issuer or counterparty with obligations to the Central Bank. The Central Bank is exposed to credit risk associated with the Central Bank's investment activities and monetary policy operations, including non-standard measures such as the APP and PEPP.

Credit risk in the Central Bank's investment portfolios is controlled by a system of approved limits based primarily on external credit ratings provided by selected rating agencies. Credit exposure is mitigated on the Central Bank's investment assets by implementation and maintenance of an approved investment policy framework. Credit risks arising from Eurosystem monetary policy implementation are mitigated by applying strict eligibility criteria for counterparties and by compliance with the provisions of Article 18.1 of the Statute of the ESCB, which ensures that all Eurosystem credit operations (i.e. liquidity providing monetary policy operations and intraday credit) are based on adequate collateral. To further control this risk, the Eurosystem Credit Assessment Framework (ECAAF) ensures that the Eurosystem requirement of high credit standards for all eligible collateral assets is met. In

addition, on-going risk control measures including valuation haircuts, initial and variation margins are also applied. Where applicable, the credit risk to the Central Bank is further moderated by Eurosystem loss-sharing mechanisms which distribute losses arising from monetary policy operations in proportion to the capital key of member NCBs.

Credit risk in relation to the Eurosystem non-standard monetary policy related portfolios is managed in accordance with the relevant Eurosystem frameworks. Potential losses on securities held on aggregate by the Eurosystem in the SMP, the CSPP and the CBPP3, in addition to a certain portion of the PSPP and PEPP, are borne by the Central Bank on a capital key share basis. Separately, the Central Bank's holdings of Irish government securities under the PSPP and PEPP are held on an own-risk basis.

Interest Rate Risk

Interest rate risk refers to the risk of loss arising from adverse changes in interest rates.

A key source of interest rate risk exposure for the Central Bank relates to the sensitivity of the value of its financial assets to interest rate changes. The Central Bank mitigates this aspect of interest rate risk exposure on a portion of the investment portfolio through allocation to a hold-to-maturity portfolio. Risk management preferences in relation to the remainder of the investment assets are expressed through an externally compiled benchmark, against which the investment portfolios are measured and managed. The interest rate risk of the Central Bank's mark-to-market portfolios is calculated and managed using modified duration which quantifies the sensitivity of the value of an investment portfolio to changes in bond yields. Value-at-Risk (VaR) and Expected Shortfall are used as supplementary measures of market risk on the Central Bank's portfolios.

Portfolios that are held at amortised cost are not sensitive to interest rate movements, this includes the Central Bank's exposures to the Eurosystem's non-standard monetary policy APP and PEPP.

Interest rate risk can also refer to the current or future risk to the Central Bank's capital and earnings arising from movements in interest rates that affect its Balance Sheet positions. In this respect, the Central Bank is exposed to an interest rate mismatch due to its holdings of fixed rate assets under the APP and the PEPP, while its related liabilities are tied to (variable) monetary policy rates. To assess this risk, the Central Bank considers its Balance Sheet positions regularly in the context of potential interest rate movements over the next number of years, and calculates a range of risk measurement statistics from a distribution of profitability outcomes. Within this, VaR and Expected Shortfall are used, alongside expert judgement, to

measure the level of interest rate risk on the Central Bank's Balance Sheet. As part of its assessment of interest rate risk, and the identification of a potential interest rate mismatch, the Central Bank holds a provision for financial risks. In the 2024 annual accounts, €795.4m of this provision was utilised to cover financial losses driven by interest rate mismatch. The Central Bank has deemed it prudent to maintain the provision for financial risks at €2,072.5m for 2024 (Note 34(i)).

Foreign Exchange Risk

Foreign exchange risk refers to the risk of loss due to changes in exchange rates. In the context of being a member of the euro area and the consequent approach to foreign exchange intervention, the majority of the Central Bank's investment assets are denominated in euro. A strategic allocation to foreign currency denominated fixed income asset holdings is made in the context of the Central Bank's investment portfolio. The currency distribution of the investment portfolio has been established using a combination of quantitative methodologies, VaR and stress testing as well as a variety of qualitative factors. At year-end 2024, the Central Bank's portfolios were predominantly denominated in euro, in addition to an exposure to certain foreign currency fixed income assets on a hedged basis, an exposure to foreign currency fixed income assets on an unhedged basis, and gold holdings. The Central Bank is also exposed to currency risk through a net-asset position in IMF SDR (Note 11, Note 12, Note 2).

Liquidity Risk

Liquidity risk is the risk stemming from the lack of marketability of an investment that cannot be bought or sold quickly enough to prevent or minimise a loss in the event of adverse price changes. Liquidity risk is mitigated through the allocation of a portion of the Central Bank's investment portfolio to a liquid mark-to-market portfolio. To avoid excessive concentration, investments within the mark-to-market portfolio are subject to issue limits, thereby minimising exposure to any particular issue that could create acute liquidity risk in a situation where the asset must be sold. In addition, issue limits are coupled to minimum credit ratings to moderate the likelihood of unscheduled disposals due to the potential of an issue being downgraded below the Central Bank's approved investment grade threshold.

Externally Managed Funds

Since 2018, the Central Bank has held equities which are subject to movements in equity prices (price risk). In 2023, the Central Bank commenced replacing the existing corporate equity benchmark with an EU Paris-aligned Benchmark. Once this transition is complete – no later than 2026 – the entirety of the Central Bank's equity portfolio will be on a decarbonisation trajectory in line with the Paris Agreement. In 2021, the Central Bank also established holdings in externally managed bond funds, which are subject to foreign exchange risk, credit risk, and interest rate risk. Risks for

external funds are managed via diversification, clearly defined investment mandates and risk limits, and risks are monitored by both the Central Bank and the investment managers on a regular basis (Note 20(ii),(iii)).

Note 39: Off-Balance Sheet Items

(i) Unmatured Contracts in Foreign Exchange

	31 December 2024			31 December 2023		
	EUR 000	JPY 000	SDR 000	EUR 000	JPY 000	SDR 000
Unmatured Purchases	6,208	-	-	100,836	-	-
Unmatured Sales	-	-	(5,000)	-	(15,000,000)	(5,000)
Total	6,208	-	(5,000)	100,836	(15,000,000)	(5,000)

The outstanding amounts relate to foreign exchange contracts used for hedging certain foreign exchange exposures (Note 1(c)(viii), Note 3(i)(v)).

All foreign exchange contracts matured on 20 February 2025.

(ii) Unmatured Contracts in Futures

	31 December 2024		31 December 2023	
	EUR 000	USD 000	EUR 000	USD 000
Unmatured Purchases	620,000	273,000	830,000	306,000
Unmatured Sales	-	(273,000)	(100,000)	(138,000)
Total	620,000	-	730,000	168,000

These contracts are used for hedging interest rate exposure as well as making investments within approved limits (Note 1(c)(viii), Note 2(xv)). The balances include EUR and USD investments.

All futures contracts matured on 06 March 2025.

Note 40: Related Parties

For the basis of preparation for related party disclosures, the Central Bank applies the criteria of FRS 102.

- (i) The Central Bank provides several services to the Minister for Finance, its sole shareholder, and to other Government departments and bodies.

The main services provided during the year to 31 December 2024 were:

- Provision of banking services including holding the principal accounts of Government (Note 25(i))
- Provision and issue of coin (Note 25(ii))
- Holding and maintaining the Register of Irish Government securities

- Administration of borrowing and lending operations with the Eurosystem including the receipt of the funds under the SURE Programme, the temporary instrument established by the European Commission to address the impact of COVID-19 by providing loans to affected Member States
 - Act as a Depository and Fiscal Agent in relation to Ireland's membership of the IMF
 - Operating and maintaining the Ireland Safe Deposit Box, Bank and Payment Accounts Register (ISBAR) and the Beneficial Ownership Register for Certain Financial Vehicles (BOR), as well as enabling future interconnection of such registers across EU member states, as required by legislation.
- (ii) As a participating member of the ESCB, the Central Bank has on-going relationships with other NCBs and the ECB. The main balances related to other NCBs and the ECB are:
- Interest income and interest expense on items related to monetary policy implementation (Note 2, Note 6, Note 14, Note 16(i), Note 23, Note 31)
 - Participating interest in the ECB capital (Note 17)
 - Claims equivalent to the transfer of foreign reserves to the ECB (Note 18)
 - TARGET Balance (Note 19)
 - Banknotes in circulation (Note 22, Note 30)
 - Provisions (Note 34)
- (iii) The Central Bank is one of three shareholders of "The Investor Compensation Company DAC" (ICCL) and provides administrative and other services to it, the costs of which are recovered from the ICCL. The Central Bank is the supervisory authority for the purpose of the Investor Compensation Act, 1998. The ICCL administers the investor compensation scheme to partially reimburse the clients of failed investment firms. During 2024 the Central Bank recovered costs of €1.0m (2023: €0.9m). At 31 December 2024 a balance of €277,764 was due from ICCL (2023: €205,707) (Note 20(v)). The ICCL prepares its own Annual Report and audited Financial Statements.
- (iv) The Central Bank is responsible for the administration of the Insurance Compensation Fund pursuant to the Insurance (Amendment) Act 2018 which was enacted on 24 July 2018. A balance of €7.8m (2023: €12.7m) was held with the Central Bank on behalf of the Fund as at 31 December 2024 (Note 32(vii)).
- (v) The Central Bank is responsible for the management and administration of the Credit Institution Resolution Fund pursuant to Section 11(1) of the Central Bank and Credit Institutions (Resolution) Act 2011. A balance of €74.3m (2023:

€67.0m) was held with the Central Bank on behalf of the Fund as at 31 December 2024 (Note 32(iii)).

- (vi) The Central Bank established a funded pension scheme on 1 October 2008, under the Central Bank and Financial Services Authority of Ireland Act, 2003. The management and administration of the scheme is operated by the Central Bank for the benefit of its employees. Details on the Central Bank's contributions to the pension funds are set out in Note 33.
- (vii) As part of the purchase of properties in a multi-unit development, the Central Bank was required to become a member of Dublin Landings (Estate Management) Company Designated Activity Company, a company which manages the common areas surrounding the Central Bank's North Wall Quay premises. During 2018 as part of the legal structures agreed at the time of the acquisition of the North Wall Quay building, a nominal charge totalling €100 in respect of the granting of a leasehold interest of common areas adjacent to the North Wall Quay building was made by the Central Bank to Dublin Landings (Estate Management) Company Designated Activity Company. This amount remains outstanding at year-end 2024.
- (viii) As part of the purchase of the buildings known as Dublin Landings 4 and Dublin Landings 5 (Mayor Street premises) which are located in a multi-unit development, the Central Bank was required to become a member of Dublin Landings (Car Park Management) Designated Activity Company, a company which manages the car park located at Dublin Landings, North Wall Quay.

Note 41: Events after the End of the Reporting Period

(i) Change to the interest rate used for the remuneration of "Intra-Eurosystem balances"

On 13 March 2024 the Governing Council agreed⁶⁷ on a set of principles that will guide monetary policy implementation in the future and that, amongst other key parameters, it will continue to steer the monetary policy stance through the deposit facility rate (DFR). In the same context the Governing Council agreed that from 1 January 2025 the DFR will become the basis for the remuneration of (i) TARGET balances; (ii) claims/liabilities related to the allocation of euro banknotes within the Eurosystem; and (iii) claims equivalent to the transfer of foreign reserves (Note 2(i), Note 2(viii), Note 2(xi), Note 18, Note 19, Note 30).

(ii) Purchase of land for new Cash Centre premises

On 14 February 2025, the Central Bank closed a contract for the purchase of a site on which the new Cash Centre will be developed. The site comprises 29.5 acres in

⁶⁷ See the [press release](#) of 13 March 2024 on the Governing Council's decisions.

Balseskin, Dublin 11, at a cost of €475,000 per acre, with a total cost €14.0m. The transaction was VAT exempt and Stamp Duty at a rate 7.5% (€1.1m) was applicable. The project will involve further significant investment by the Central Bank for the design, construction and fit out of the new premises before relocation of the current Cash Centre.

Note 42: Financial Regulation Activities

			2024	2023	
			€000	€000	
Funding of Financial Regulation Activities	Levy Income	Current year levies	221,201	194,971	
		Prior year surplus	4,568	8,332	
		Levy Income Deferred (i)	(457)	(983)	
		Levy Income (ii)	225,312	202,320	
		Prior year variance on accrual (iii)	6,633	(1,875)	
		Total Levy Income	A	231,945	200,445
	Provisions	Opening Provisions for Unpaid Levies		2,708	2,137
		Levies Written Off		(862)	(390)
		Closing Provisions for Unpaid Levies (iv)		(1,871)	(2,708)
		Charge for Year	B	(25)	(961)
		Financial Regulation Net Industry Funding (Note 7(i))	C (A+B)	231,920	199,484
	Other Income	Securities Market Fees		4,024	3,903
		Additional Supervisory Levy		1,706	1,606
		Miscellaneous		22	24
		Total Other Income (Note 7)	D	5,752	5,533
		Total Income	E (C+D)	237,672	205,017
	Subvention	Securities Market Supervision Activities		5,495	8,595
Other Financial Regulation Costs not Recovered			35,727	20,557	
Prior year variance on accrual (iii)			(5,708)	1,292	
Subvention from Central Bank (v)		F	35,514	30,444	
	Total Funding of Financial Regulation Activities	G (E+F)	273,186	235,461	
Costs of Financial Regulation Activities	Direct Expenses	Salaries / Allowances		99,692	92,136
		PRSI		10,502	9,508
		Pension Provision		18,539	17,641
		Staff Expenses	H	128,733	119,285
		Training & Conferences		343	289
		Business Travel		951	798
		Professional Fees		3,987	3,610
	Other Non-Pay		2,111	1,893	
	Communications & IT		781	742	
	Facilities, Rent, Contract labour, Depreciation		2,190	1,050	
		Non-Pay Operating Expenses	I	10,363	8,382
		Total Direct Expenses	J (H+I)	139,096	127,667
	Support Services	Premises & Facilities		18,933	18,693
		Information Technology Services		61,752	45,324
		Human Resources		8,943	8,506
		Other Services		46,841	40,222
		Total Support Services (vi)	K	136,469	112,745
Provisions	Restructuring Charge for Year	L	-	5	
Other Income	Miscellaneous Receipts	M	(430)	(403)	
Costs Excluded	Non Financial Regulation activities (vii)	N	(2,757)	(3,905)	
Costs	NCID levy costs	O	(116)	(65)	
reallocated	Prior year variance on accrual (iv)	P	925	(583)	
	Total Costs of Financial Regulation Activities	Q (J+K+L+M+N+O+P)	273,186	235,461	

Totals in the financial statements and in the tables included in the note may not add up due to rounding.

(i) Levy Income Deferred

Significant increases in regulatory costs occurred within the Retail Credit & Credit Servicing Firms (RCF/CSF) sector in 2021 and 2022, due to increased regulatory and supervisory oversight. The Bank took the decision to defer part of the RCF/CSF 2021 and 2022 levy, mainly attributed to work on Distressed Debt, and to collect those amounts in equal instalments in the subsequent two levy cycles. 2023 levy income included a deferred levy of €1.0m (50% of 2021 deferral of €1.1m and 50% of 2022 deferral of €0.9m). 2024 levy income includes the final such instalment of deferred levy income of €0.5m, being 50% of the 2022 deferral of €0.9m.

(ii) Levy Income

Levy Income represents an estimate of levies to be billed based on current year actual costs and approved recovery rates. This is adjusted for the recovery of levy income deferred (Note 42(i)) and any carried forward surplus / deficit. The table below provides a breakdown of 2023 actual levy income.

	2024 Levy Income Estimate	2023 Actual Levy Income A (C+D-B)	2022 Deficit/ (Surplus) B	Amount levied for 2023 Levies C	2023 Deficit/ (Surplus) D
	€000	€000	€000	€000	€000
Credit Institutions		74,110	(73)	74,912	(875)
Insurance Undertakings		54,402	(4,178)	50,304	(80)
Intermediaries & Debt Management Firms		8,699	(3,132)	7,418	(1,851)
Securities and Investment Firms		39,720	(725)	40,627	(1,632)
Investment Funds		14,700	(263)	14,634	(197)
Credit Unions		6,148	-	6,147	1
Moneylenders		400	(4)	396	-
Approved Professional Bodies		13	-	13	-
Bureaux de Change		20	-	20	-
Home Reversion, Retail Credit & Credit Servicing Firms		5,283	30	5,294	19
Payment Services & E-Money Institutions		6,440	13	6,407	46
Total Funding	225,769	209,935	(8,332)	206,172	(4,569)
Levy Income Deferred (i)	(457)	(983)			
Levy Income	225,312	208,952			

(iii) Prior year variance on accrual

Prior year variance on accrual represents the difference between the 2023 levy income accrued in the 2023 Annual Accounts and the final funding requirement to cover 2023 costs. The majority of the difference between estimated and final funding requirement for 2023 relates to revised assumptions for the final levy model 2023.

	2023 Final €000	2023 Accrued €000	Variance €000
Current Year Levies	201,604	194,971	6,633
Prior Year Surplus	8,332	8,332	-
Funding Requirement	209,936	203,303	6,633
Recoup of Deferred Pension Levy Income	-	-	-
Levy Income Deferred	(983)	(983)	-
2023 Levy Income	208,953	202,320	6,633
Prior Year Variance on Accrual	(1,875)	(1,875)	-
Total Levy Income	207,078	200,445	6,633
Provision Charge	(961)	(961)	-
Other Income	5,533	5,533	-
Subvention from Central Bank	24,736	30,444	(5,708)
Total Funding of Financial Regulation Activities	236,386	235,461	925
Total Costs of Financial Regulation Activities	236,386	235,461	925

(iv) Closing Provisions for Unpaid Levies

The Central Bank maintains provisions in respect of levies which remain unpaid at year end. Levies fall due within 28 days of the invoices being issued and are reported as outstanding from day 29 onwards. The general approach is to make full provision for levies related to prior years and to make partial provision for outstanding levies related to the current year. Outstanding levies are pursued as part of the on-going debt recovery process.

(v) Subvention from Central Bank

By agreement with the Minister for Finance, since 2007 the relevant proportion of the total costs of financial regulation activities has been met by the imposition of levies on the industry. The balance of the total annual costs is provided by the Central Bank in accordance with Section 32I of the Central Bank Act, 1942 (as amended).

Since 2007, the Central Bank, with the approval of the Minister for Finance, has incurred costs in respect of certain securities market supervision activities (relating to the Prospectus, Market Abuse, Transparency and Short Selling Directives) carried out within the organisation. The total cost to the Bank of these activities is reduced by Securities Market fees, which are included in Other Income. A proportion of remaining estimated costs, relating to securities market supervision, of €5.5m (2023: €8.6m) are included in Subvention.

(vi) Support Services

The Financial Regulation Directorates receive various services including premises, human resources administration, accounting, internal audit, statistical and information technology services from support services directorates in the

Bank. The estimated cost of these services in the current year is €136.5m (2023: €112.7m).

(vii) *Non Financial Regulation costs*

An estimated €1.0m (2023: €1.5m) of depreciation costs, associated with an area of the Central Bank buildings not being used for financial regulatory activities, has been excluded from the cost of financial regulation activities. In the same manner, estimated costs of €1.7m (2023: €2.4m), incurred in regulatory and supervisory areas of the Central Bank, which are also deemed not relating to financial regulatory activities, have been omitted from financial regulation cost.

Note 43: Comparatives

Certain comparative information has been reclassified for consistency with current year disclosures, particularly evident in relation to Claims related to TARGET (Note 19) and Other Liabilities within the Eurosystem (net) (Note 31). Changes to the presentation of items within these categories were set down in the 2024 recast of Guideline ECB/2016/34 on the legal framework for accounting and financial reporting in the European system of Central Banks in order to enhance the reporting of intra-Eurosystem balances.

Note 44: Approval of Accounts

The Commission approved the Statement of Accounts on 29 April 2025.



Ard Reachtaire Cuntas agus Ciste Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Central Bank of Ireland

Opinion on the statement of accounts

I have audited the statement of accounts of the Central Bank of Ireland for the year ended 31 December 2024 as required under the provisions of the Central Bank Act 1942 (as amended). The statement of accounts comprises

- the profit and loss and appropriation account
- the balance sheet, and
- the notes to the accounts, including a summary of significant accounting policies.

In my opinion, the statement of accounts gives a true and fair view of the assets, liabilities and financial position of the Central Bank of Ireland at 31 December 2024 and of its income and expenditure for 2024 in accordance with the financial reporting framework set out in note 1(b).

Basis of opinion

I conducted my audit of the statement of accounts 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 Central Bank of Ireland 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 statement of accounts, and on other matters

The Central Bank of Ireland has presented certain other information together with the statement of accounts. This comprises the annual report, including the summary of financial results for 2024, the governance statement and Commission 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.

Seamus McCarthy
Comptroller and Auditor General

29 April 2025

Appendix to the report

Responsibilities of the Commission members

The governance statement and Commission members' report sets out the Commission members' responsibilities for

- the preparation of the annual statement of accounts in the form prescribed under section 32J(3) of the Central Bank Reform Act 2010
- ensuring that the statement of accounts gives a true and fair view
- 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 a statement of accounts that is free from material misstatement, whether due to fraud or error.

Responsibilities of the Comptroller and Auditor General

I am required under the provisions of the Central Bank Act 1942 (as amended) to audit the statement of accounts of the Central Bank of Ireland and to report thereon to the Houses of the Oireachtas.

My objective in carrying out the audit is to obtain reasonable assurance about whether the statement of accounts as a whole is 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 the statement of accounts.

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 statement of accounts 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 Central Bank of Ireland's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my report to the related disclosures in the statement of accounts 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 Central Bank of Ireland to cease to continue as a going concern.
- I evaluate the overall presentation, structure and content of the statement of accounts, including the disclosures, and whether the statement of accounts 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 statement of accounts to be readily and properly audited, or
- the statement of accounts is not in agreement with the accounting records.

Information other than the statement of accounts

My opinion on the statement of accounts does not cover the other information presented with that statement, and I do not express any form of assurance conclusion thereon.

In connection with my audit of the statement of accounts, 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 statement of accounts 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 any 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.

Independent auditor's report to the Commission of the Central Bank of Ireland

Opinion

We have audited the Statement of Accounts of the Central Bank of Ireland (the "Bank"), which comprise the Balance Sheet as at 31 December 2024, and the Profit and Loss and Appropriation account for the financial year then ended, and the related notes to the Statement of Accounts, including the summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the Statement of Accounts is the Guideline of the European Central Bank on the legal framework for the accounting and financial reporting in the European System of Central Banks (the "Guideline"), and where the Guideline of the European Central Bank does not provide specific direction, with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (Generally Accepted Accounting Practice in Ireland).

In our opinion, the Bank's Statement of Accounts:

- give a true and fair view of the assets, liabilities and financial position of the Bank as at 31 December 2024, and of its financial performance for the financial year then ended; and
- have been properly prepared in accordance with the Guideline, and where the Guideline does not provide specific direction, with FRS 102.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)"), including ISA (Ireland) 800, and applicable law. Our responsibilities under those standards are further described in the 'Responsibilities of the auditor for the audit of the Statement of Accounts' section of our report. We are independent of the Bank in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances for the Bank. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – Basis of preparation

We draw attention to Note 1 to the Statement of Accounts, which describes the basis of preparation which is specific to the European System of Central Banks. As a result, the Statement of Accounts may not be suitable for another purpose.

Our opinion is not modified in respect of this matter.

Conclusions relating to going concern

In auditing the Statement of Accounts, we have concluded that the Commission's use of going concern basis of accounting in the preparation of the Statement of Accounts is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Bank's ability to continue as a going concern for a period of at least twelve months from the date when the Statement of Accounts are authorised for issue.

Our responsibilities and the responsibilities of the Commission with respect to going concern are described in the relevant sections of this report.

Independent auditor's report to the Commission of the Central Bank of Ireland

Other information

Other information comprises information included in 'Part 2: Financial Operations' of the annual report, other than the Profit and Loss Appropriation Account, the Balance Sheet, the related notes to the Statement of Accounts and our auditors' report thereon. The Commission is responsible for the other information. Our opinion on the Statement of Accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the Statement of Accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Profit and Loss Appropriation Account, the Balance Sheet, and the related notes to the Statement of Accounts or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies in the Statement of Accounts, we are required to determine whether there is a material misstatement in the Profit and Loss Appropriation Account, the Balance Sheet, and the related notes to the Statement of Accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of the Commission for the Statement of Accounts

As explained more fully in the Governance Statement and Commission Members' Report, the Commission is responsible for the preparation of the Statement of Accounts which give a true and fair view in accordance with the applicable financial reporting framework as set out in Note 1, and for such internal control as they determine necessary to enable the preparation of the Statement of Accounts that are free from material misstatement, whether due to fraud or error.

In preparing the Statement of Accounts, the Commission is responsible for assessing the Bank's ability to continue as a going concern. Based on the applicable financial reporting framework, the Commission must prepare the Statement of Accounts using the going concern basis of accounting.

The Commission is responsible for overseeing the Bank's financial reporting process.

Responsibilities of the auditor for the audit of the Statement of Accounts

Our objectives are to obtain reasonable assurance about whether the Statement of Accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) 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 the Statement of Accounts.

As part of an audit in accordance with ISAs (Ireland), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement of Accounts, 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 our 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.

Independent auditor's report to the Commission of the Central Bank of Ireland

Responsibilities of the auditor for the audit of the Statement of Accounts (continued)

- 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 Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Commission.
- Conclude on the appropriateness of the Commission's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement of Accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement of Accounts, including the disclosures, and whether the Statement of Accounts represent the underlying transactions and events in a manner that achieves a true and fair view.

We communicate with the Commission regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that may be identified during the audit.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Bank's Commission, as a body, in accordance with Article 27 of the Statute of the European System of Central Banks and of the European Central Bank. Our audit work has been undertaken so that we might state to the Commission those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Bank and the Bank's Commission as a body, for our audit work, for this report, or for the opinions we have formed.



MARIA AFONTSENKO

For and on behalf of

Grant Thornton

Chartered Accountants & Statutory Audit Firm
13-18 City Quay
Dublin 2
D02 ED70
Ireland

29 April 2025

T: +353 (0)1 224 5800
www.centralbank.ie



Banc Ceannais na hÉireann
Central Bank of Ireland

Eurosystem