

AQUACULTURE
LICENCES
APPEALS BOARD



ANNUAL REPORT
2017

AQUACULTURE LICENCES APPEALS BOARD

CONTENTS	PAGE
Statement of the Chairperson to the Minister	3
Board Members & General Information	4
Establishment of Board	5
Function / Status	5
Composition of Board	5
Membership of Board	6
Responsibilities	6
Consultants and Advisers	7
Secretariat	7
Board Activities in 2017	7
Appeals Received in 2017	8
Legal Proceedings	8
Planning/Environmental Law Developments	9
Resources	9
Consultations with other Bodies	9
Corporate Governance	9
Audit Committee	10
Irish Language Commitment	10
Code of Ethics and Business Conduct	10
Website	10
Concluding Remarks	10
Appendix 1- List of persons engaged by the Board during 2017 pursuant to s.35 of the Fisheries (Amendment) Act, 1997	12
Appendix 2 - Audited Accounts for ALAB for Year ending 31 December 2017.	13

STATEMENT OF THE CHAIRPERSON
to the
MINISTER FOR AGRICULTURE, FOOD AND THE MARINE

ANNUAL REPORT AND ACCOUNTS 2017

To the Minister for Agriculture, Food and the Marine

In accordance with the Fisheries (Amendment) Act 1997, the Aquaculture Licences Appeals Board (ALAB) herewith presents its twentieth Annual Report and Accounts for the year ending 31st December, 2017.



Imelda Reynolds-
Chairperson

5th February 2018

BOARD MEMBERS and GENERAL INFORMATION

CHAIRPERSON: Ms Imelda Reynolds
DEPUTY CHAIRPERSON: Mr Michael Sweeney
ORDINARY MEMBERS: Mr Sean Murphy

Mr Jim Power
Dr Owen McIntyre
Mr Brendan Brice
Mr Michael Mulloy
Mr Francis O'Donnell

SECRETARY: Ms Mary O'Hara

OFFICE ADDRESS: Kilminchy Court
Dublin Road
Portlaoise
Co Laois
R32 DTW5

AUDITORS: Comptroller & Auditor General
Treasury Building
Dublin Castle
Dublin 2.
D01 PF72

TELEPHONE: +353 (0) 57 8631912

WEB ADDRESS: www.alab.ie

E-MAIL ADDRESS: info@alab.ie

AQUACULTURE LICENCES APPEALS BOARD

ESTABLISHMENT OF BOARD

The Aquaculture Licences Appeals Board was established on 17th June 1998 under *Section 22* of the Fisheries (Amendment) Act, 1997 (as amended) ("the 1997 Act"). All Board members are engaged on a part-time basis.

FUNCTION

The Board operates under the aegis of the Department of Agriculture, Food and the Marine.

The function of the Board is to provide an independent authority for the determination of appeals against decisions of the relevant Minister on aquaculture licence applications. A person aggrieved by a decision of the Minister on an aquaculture licence application, or by the revocation or amendment of an aquaculture licence, may make an appeal within one month of publication (in the case of a decision) or notification (in the case of revocation/amendment).

STATUS

The Board is an independent body with its own funding provided for by the Oireachtas under *Section 36* of the 1997 Act.

COMPOSITION OF BOARD

In accordance with *Section 23(3)* of the 1997 Act, the Minister for Agriculture, Food and the Marine may make regulations prescribing not less than two organisations to nominate members of the Board. Those organisations should, in the Minister's opinion, be representative of the following groupings:

- (a) organisations concerned with the promotion of the development of aquaculture or representative of persons carrying on the business of developing aquaculture;
- (b) organisations concerned with the conservation, development and protection of wild fisheries;
- (c) organisations representative of persons whose professions or occupations relate to physical planning and development;
- (d) organisations representative of persons concerned with the protection and preservation of the environment and amenities;
- (e) organisations representative of persons concerned with the promotion of general economic development and
- (f) organisations representative of persons concerned with the promotion of community development.

MEMBERSHIP OF BOARD

As provided for under Section 23 of the 1997 Act, the Board consists of a Chairman and six other members.

The Chair, Ms. Imelda Reynolds, was appointed by the Government in accordance with section 23(2) of the 1997 Act, for a term of 5 years from 1 April 2014 to 31 March 2019.

Mr. Michael Sweeney was appointed on 13 January 2013 for a period of five years up, to 31 December 2017. He was reappointed to the Board for a further five year period from 1 January 2018 to 31 December 2022. On 24 January 2018 Mr. Sweeney was appointed as Deputy Chair of the Board.

Mr. Sean Murphy was appointed on 8 January 2013 for a period of five years, up to 31 December 2017. He was reappointed for a further five year period from 1 January 2018 to 31 December 2022. As a consequence of the provisions of section 24(3) of the 1997 Act, Mr. Murphy was required to vacate the Board on 20 May 2018, on reaching the age specified in the 1997 Act.

Mr. Jim Power was re-appointed to the Board on 17 June 2016 for a period of three years up to 16 June 2019.

Dr. Owen McIntyre was re-appointed to the Board on 17 June 2016 for a period of three years up to 16 June 2019.

Mr. Brendan Brice was re-appointed to the Board on 17 June 2016 for a period of three years up to 16 June 2019. Mr Michael Mulloy was appointed to the Board on 6 June 2018 for a period of five years, up to 5 June 2023.

Mr. Francis O'Donnell was appointed to the Board on 25 July 2018 for a period of three years, up to 24 July 2021.

RESPONSIBILITIES

The 1997 Act details the main responsibilities and powers of the Board, which are summarised as follows:

Under *Section 40(4)* of the 1997 Act, on receipt of an appeal by the Board and provided it is not withdrawn, the Board can determine the appeal by:

- (a) confirming the decision or action of the Minister;
- (b) determining the application for the licence as if the application had been made to the Board in the first instance; or
- (c) in relation to the revocation or amendment of a licence, substituting its decision on the matter for that of the Minister.

Under *Sections 43 and 44* of the 1997 Act, the Board must send a copy of the notice of appeal to the Minister and to each other party to the appeal.

Under *Section 46* of the 1997 Act, the Board can request submissions or observations from parties or other persons who have already made submissions or observations to the Board in relation to an appeal, if, in the opinion of the Board and in the circumstances, it is in the interests of justice to do so.

Under *Section 47* of the 1997 Act, the Board can request documents, particulars or other information it considers necessary for the purpose of enabling it to determine an appeal.

Under *Section 49* of the 1997 Act, the Board has the absolute discretion to hold an oral hearing of an appeal.

Under *Section 56* of the 1997 Act, the Board is required to ensure that appeals are dealt with and determined expeditiously and that all steps are taken to avoid unnecessary delay.

CONSULTANTS AND ADVISORS

Under *Section 35* of the Act, the Board may engage such consultants or advisors as it considers necessary for the performance of its functions. Fees due to consultants and advisors are paid by the Board out of monies made available by the Oireachtas. With effect from the 2nd September 2008 the Board has hired and will continue to hire consultant Technical Advisers when necessary. The Board also engages other advisors as required to support its work. A list of the persons engaged by the Board during the year in review is included in Appendix 1.

SECRETARIAT

Under *Section 32* of the Act, an officer of the Minister who is an established civil servant and who is seconded to the Board for that purpose, either on a whole-time or part-time basis, shall act as Secretary to the Board. The full-time Secretary to the Board is Ms. Mary O'Hara.

BOARD ACTIVITIES 2017

APPEALS ON HAND AT 1 JANUARY 2017

At the commencement of 2017 the Board had 14 appeals on hand, namely Appeal references AP2/1-14 /2015 and AP1/2016.

AP2/1-14/2015 comprises 14 appeals against the Minister for Agriculture, Food and the Marine to grant Aquaculture and Foreshore Licences to Bradán Fanad Teo t/a Marine Harvest Ireland, Kindrum, Fanad, Letterkenny, Co. Donegal on site Ref: T05/555 for the cultivation of Atlantic Salmon; *Salmo Salar* on a site on the foreshore at Shot Head, Bantry Bay, Co Cork.

Pursuant to Section 42 (1) of the Fisheries (Amendment) Act, 1997, ("the Act"), the Board may, in its discretion, treat two or more appeals as, and the appellants, as parties to a single appeal. The Board decided to exercise that discretion and to consider all fourteen appeals as a single appeal, as they relate to the same licence application. The Board, in its discretion, may at any time separate such appeals.

The appeals were received from:

- Alec O' Donovan (Secretary) Save Bantry Bay – Ref AP2/1/15,
- Mrs. Bridget O' Sullivan on behalf of Residents of Roosk – Ref AP2/2/15,
- Mr. John Brendan O' Keeffe - Ref AP2/3/15,
- Messrs Denis, Kieran & Jason O' Shea- Ref AP2/4/15,
- Ms Catherine McManus, Marine Harvest Ireland - Ref AP2/5/15,
- Mr. Con O' Leary, Chairman Bantry Salmon & Trout Anglers association – Ref AP2/6/15,
- Chris Harrington, Chairman Glengarriff Tourist Development Association - Ref AP2/7/15,
- Coomhola Salmon & Trout Anglers' Association c/o Teddy O'Brien - Ref AP2/8/15,
- Mr Billy Smyth, Chairman, Galway Bay Against Salmon Cages - Ref AP2/9/15,
- Mr Niall Greene, Salmon Watch Ireland Ltd. - Ref AP2/10/15,
- Mr John Hunt - Ref AP2/11/15,
- Mr Tony Lowes, Friends of the Irish Environment - Ref AP2/12/15,
- Mr Greg Forde, Inland Fisheries Ireland - Ref AP2/13/15 and
- Mr Noel Carr, Secretary, Federation of Irish Salmon & Sea Trout Anglers - Ref AP2/14/15.

AP1/2016 related to an appeal received on 14 December 2016 against the decision of the Minister for Agriculture, Food and the Marine to refuse an Aquaculture and Foreshore Licences to Mr Eamonn Caffrey for the cultivation of Pacific oysters on Site T11/85 on the foreshore in Drumcliff Bay, Co. Sligo.

The Board made a determination on 16/03/2017 to uphold the decision of the Minister.

APPEALS RECEIVED DURING 2017

17 Appeals were received by the Board during the course of 2017.

AP1/01/2017 Received on 16 January 2017 - Appeal against the decision of the Minister for Agriculture, Food and the Marine to grant an Aquaculture and Foreshore Licence to Thierry Gillardeau & Desmond Moore for the cultivation of Pacific Oysters using bags and trestles on Site T12/410 A&B in Braade Strand, Gweedore Bay

AP1/02/2017 Received 13 January 2017 - Appeal against the decision of the Minister for Agriculture, Food and the Marine to grant an Aquaculture and Foreshore Licence to Thierry Gillardeau & Desmond Moore for the cultivation of Pacific Oysters using bags and trestles on Site T12/410 A&B in Braade Strand, Gweedore Bay

AP2/01/2017 Received 16 January 2017 - Appeal against the decision of the Minister for Agriculture, Food and the Marine to grant an Aquaculture and Foreshore Licence to Celtic Kerber Ltd for the cultivation of Pacific Oysters using bags and trestles on Site T12/419 A, B & C in Braade Strand, Gweedore Bay

AP2/02/2017 Received 16 January 2017 - Appeal against the decision of the Minister for Agriculture, Food and the Marine to grant an Aquaculture and Foreshore Licence to Celtic Kerber Ltd for the cultivation of Pacific Oysters using bags and trestles on Site T12/419 A, B & C in Braade Strand, Gweedore Bay

AP2/03/2017 Received 13 January 2017 - Appeal against the decision of the Minister for Agriculture, Food and the Marine to grant an Aquaculture and Foreshore Licence to Celtic

Kerber Ltd for the cultivation of Pacific Oysters using bags and trestles on Site T12/419 A, B & C in Braade Strand, Gweedore Bay

AP3/01/2017 Received 16 January 2017 - Appeal against the decision of the Minister for Agriculture, Food and the Marine to grant an Aquaculture and Foreshore Licence to John Boyle Ltd for the cultivation of Pacific Oysters using bags and trestles on Site T12/430 A & B in Braade Strand, Gweedore Bay

AP3/02/2017 Received 13 January 2017 - Appeal against the decision of the Minister for Agriculture, Food and the Marine to grant an Aquaculture and Foreshore Licence to John Boyle Ltd for the cultivation of Pacific Oysters using bags and trestles on Site T12/430 A & B in Braade Strand, Gweedore Bay

AP4/01/2017 Received 16 January 2017 - Appeal against the decision of the Minister for Agriculture, Food and the Marine to grant an Aquaculture and Foreshore Licence to Gary Boyle Ltd for the cultivation of Pacific Oysters using bags and trestles on Site T12/438 A & B in Gweedore Bay

AP4/02/2017 Received 13 January 2017 - Appeal against the decision of the Minister for Agriculture, Food and the Marine to grant an Aquaculture and Foreshore Licence to Gary Boyle Ltd for the cultivation of Pacific Oysters using bags and trestles on Site T12/438 A & B in Gweedore Bay

AP6/01/2017 Received 15 January 2017 - Appeal against the decision of the Minister for Agriculture, Food and the Marine to grant an Aquaculture and Foreshore Licence to Brendan Boyle, for the cultivation of Pacific Oysters using bags and trestles on site T12/461A at Braade Strand, Gweedore Bay, Co Donegal

AP6/02/2017 Received 15 January 2017 - Appeal against the decision of the Minister for Agriculture, Food and the Marine to grant an Aquaculture and Foreshore Licence to Brendan Boyle, for the cultivation of Pacific Oysters using bags and trestles on site T12/461A at Braade Strand, Gweedore Bay, Co Donegal

Pursuant to Section 42 (1) of the Fisheries (Amendment) Act, 1997, ("the Act"), the Board may, in its discretion, treat two or more appeals as, and the appellants, as parties to a single appeal. The Board decided to exercise that discretion in respect of Appeals AP1-4/2017 and AP6/2017 at Braade Strand, Gweedore Bay, Co Donegal to consider all 11 appeals as a single appeal, as they relate to the same or adjacent licence areas. The Board, in its discretion, may at any time separate such appeals. The above appeals had not been determined by the end of 2017 and have not as yet been determined.

AP7/2017 Received 29 November 2017 - Appeal against the decision of the Minister for Agriculture, Food and the Marine to refuse an Aquaculture and Foreshore Licence to Michael McLaughlin, for the cultivation of Pacific Oysters using bags and trestles on site T12/470 at Trawbreaga Bay, Co Donegal

AP8/2017 Received 30 November 2017 - Appeal against the decision of the Minister for Agriculture, Food and the Marine to refuse an Aquaculture and Foreshore Licence to James Ball, for the cultivation of Pacific Oysters using bags and trestles on site T12/426 at Trawbreaga Bay, Co Donegal

AP9/2017 Received 29 November 2017 - Appeal against the decision of the Minister for Agriculture, Food and the Marine to refuse an Aquaculture and Foreshore Licence to Saddle

Rock Fisheries Ltd, for the cultivation of Pacific Oysters using bags and trestles on site T12/471 at Trawbreaga Bay, Co Donegal

AP10/2017 Received 29 November 2017 - Appeal against the decision of the Minister for Agriculture, Food and the Marine to refuse an Aquaculture and Foreshore Licence to Michael and Eunan McLaughlin, for the cultivation of Pacific Oysters using bags and trestles on site T12/475 at Trawbreaga Bay, Co Donegal

AP11/2017 Received 29 November 2017 - Appeal against the decision of the Minister for Agriculture, Food and the Marine to refuse an Aquaculture and Foreshore Licence to Barr Oysters, for the cultivation of Pacific Oysters using bags and trestles on site T12/434 at Trawbreaga Bay, Co Donegal

Pursuant to Section 42 (1) of the Fisheries (Amendment) Act, 1997, ("the Act"), the Board may, in its discretion, treat two or more appeals as, and the appellants, as parties to a single appeal. The Board decided to exercise that discretion in respect of Appeals AP7-11 Trawbreaga, Donegal and to consider all 5 appeals as a single appeal, as they relate to the same or adjacent licence areas. The Board, in its discretion, may at any time separate such appeals. The above appeals had not been determined by the end of 2017 and have not as yet been determined.

AP5/2017 Received 17 May 2017 - Appeal against the decision of the Minister for Agriculture, Food and the Marine to renew an Aquaculture Licence to Dundalk Salmon Anglers Association for the cultivation of Unfed Sea Trout and Unfed Salmon Fry on site T01/64/1 at Stephenstown, Knockbridge, Co Louth

The Board made a determination on 30 August 2017 to uphold the decision of the Minister.

LEGAL PROCEEDINGS

In accordance with Section 73 of the Fisheries (Amendment) Act, 1997, a person can apply for judicial review of determinations of the Board by way of an application for judicial review, provided it is made within the period of three months commencing on the date on which the determination was made.

There were no judicial reviews in 2017.

PLANNING/ENVIRONMENTAL LAW DEVELOPMENTS

Increasingly complex environmental policy and legislation, as well as an evolving body of case law is having a significant influence on how the Board is dealing with appeals which come before it. Much of the case law concerns environmental matters including requirements for environmental impact assessments and appropriate assessments under the Habitats Directive. The Board has spent considerable time in reviewing and updating its procedures for the consideration and determination of appeals to take account of all relevant legislation and emerging case law.

RESOURCES

During 2017 the Secretary was seconded on a fulltime basis to the Board (having previously been seconded on a part-time basis). The Board was also provided with an additional

administrative support staff member, seconded from the Department of Agriculture, Food and the Marine.

CONSULTATIONS WITH OTHER BODIES

ALAB is obliged to, and does keep itself informed of the policies of certain bodies whose functions have a bearing on its work. These include other Government departments and State Agencies.

CORPORATE GOVERNANCE

Corporate Governance in ALAB is designed to follow the relevant requirements of the 2016 Code of Practice for the Governance of State Bodies, (the Code) to the extent appropriate given the small size of the body. ALAB is committed to reviewing its governance policies and procedures on an on-going basis to ensure continued compliance with best practice in this area.

In this context, as required by the Code, I confirm as follows:

1. No commercially significant developments affected ALAB in the period 1 January 2017 to 31 December 2017, nor is the Board aware of any major issues likely to arise in the short to medium term;
2. There are no off-balance sheet financial transactions that are not disclosed in the annual report and financial statements of ALAB;
3. All appropriate procedures for financial reporting, internal audit, travel, procurement and asset disposals are being carried out;
4. Codes of Conduct for the Board and employees have been put in place and adhered to;
5. As all staff of ALAB are seconded to it by the Department of Agriculture, Food and the Marine, Government policy on the pay of CEOs and all State body employees is being complied with;
6. Government guidelines on the payment of Board members' fees are being complied with save that in October 2017 it came to the Board's attention that board fees totalling €18,231 were paid under the one person one salary principle, to a board member who is a public servant, between May 2013 and December 2016. Aquaculture Licences Appeals Board worked with the Department of Agriculture, Fisheries and the Marine and the Board member concerned and resolved this issue satisfactorily. All Board fees paid in error were recouped in full;
7. No significant post balance sheet events have occurred;
8. The appropriate requirements of the Department of Public Expenditure and Reform Public Spending Code are being complied with;
9. Procedures are in place for the making of protected disclosures in accordance with section 21(1) of the Protected Disclosures Act 2014 and the annual report required under section 22(1) of the Act has been published;
10. Government travel policy requirements are being complied with in all respects;
11. ALAB has complied with its obligations under tax law;
12. There are no legal disputes involving other State bodies;
13. The Code has been adopted and ALAB is in compliance with the Code to the extent appropriate given the size and scale of the Board; and
14. ALAB does not have any subsidiaries.

The number of Board meetings held in 2017 was ten. Attendance at the meetings was as follows:

Board Member	Number of Meetings Attended
Ms Imelda Reynolds	10
Mr Michael Sweeney	10
Mr Sean Murphy	10
Mr Jim Power	9
Dr Owen McIntyre	6
Mr Brendan Brice	8

Audit Committee

There is one sub-committee to the Board - the Audit Committee - and I wish to record my appreciation of this Committee's work. During the year in review the Audit Committee met on four occasions, and reports of its meetings were made available to the ALAB Board

Member	Number of Meetings Attended
Mr Michael Sweeney	4
Mr Jim Power	2
Mr Brendan Brice	4
Mr Sean Murphy	1

IRISH LANGUAGE COMMITMENT

ALAB is committed to implementing the relevant parts of the Official Languages Act 2003. Signage and stationery are currently in both Irish and English.

CODE OF ETHICS AND BUSINESS CONDUCT

A Code of Ethics and Business Conduct is in place for all the members of the Board and is posted on the website @ www.alab.ie

WEBSITE

ALAB maintains an active website at www.alab.ie

CONCLUDING REMARKS

I would like to take this opportunity to acknowledge the ALAB staff and external service providers, who were instrumental in assisting and supporting the ALAB Board during the year. As an organisation ALAB is managing a great deal of change while also striving to maintain and uphold its good performance. There has been a significant contribution by the

ALAB Secretary and her staff, and I thank them for their hard work, continued support and professionalism during 2017.

I would particularly like to acknowledge the real commitment of the ALAB Board members to the values of independence, integrity, professionalism and fairness. It has been a great pleasure to work with you during 2017.

I would also like to express appreciation to the officials from the Department of the Agriculture Food and the Marine for their support and assistance to ALAB during the year. I look forward to continuing to work with the ALAB staff and Board Members as we continue the work of ALAB in the coming years.

Appendix 1

List of persons engaged by the Board during 2017 pursuant to s.35 of the Fisheries (Amendment) Act

Technical Advice

Graham Saunders, Marine Ecologist and Environmental Consultant 13/10 Wardlaw Street, Edinburgh EH11 1TN, United Kingdom

Sebastien Ryder, 67/5 Arden Street, Edinburgh, EH9 1BT, UK

Aquafact International Services, 12 Kilkerrin Park, Liosban Industrial Estate, Tuam Road, Galway, H91 FW7V

Legal

Denis McSweeney, Solicitors, 16 Herbert Place, Dublin 2, D02 X034

Tim O Sullivan – Junior Counsel.
Mr Eamon Galligan - Senior Counsel.

Accountants

Anne Brady McQuillans DFK, Iveagh Court, Harcourt Road, Dublin 2

Stenographer

Gwen Malone Stenography, The Law Library, The Distillery Building, 145 - 151 Church Street, Dublin 7, Ireland

Translation Services

Word Perfect Translations

Appendix 2

Audited Accounts for ALAB for Year ending 31 December 2017.

Aquaculture Licences Appeals Board

Financial Statements for the Year ending 31 December 2017

Aquaculture Licences Appeals Board

Financial Statements for the Year ending 31 December 2017

Contents	Page
Board Members and General Information	1
Governance Statement and Board Members' Report	2-4
Statement on Internal Control	5-6
Report of the Comptroller and Auditor General	7
Statement of Income and Expenditure and Retained Revenue Reserves	8
Statement of Financial Position	9
Statement of Cash Flows	10
Notes to the Financial Statements	11-13

Aquaculture Licences Appeals Board

Financial Statements for the Year ending 31 December 2017

Board Members and General Information

Board Members:

Ms. Imelda Reynolds (*Chairperson*)
Mr. Brendan Brice
Dr. Owen McIntyre
Mr. Sean Murphy
Mr. Jim Power
Mr. Michael Sweeney

Secretary:

Ms Mary O'Hara

Business Address:

Kilminchy Court
Dublin Road
Portlaoise
Co. Laois
R32 DTW5

Auditors

The Comptroller & Auditor General
3A Upper Mayor Street
Dublin 1
D01 PF72

Bankers:

Allied Irish Bank
100 Grafton Street
Dublin 2
D02 N671

Solicitors:

Denis McSweeney Solicitors
16 Herbert Place
Dublin 2
D02 X034

Aquaculture Licences Appeals Board

Financial Statements for the Year ending 31 December 2017

Governance Statement and Board Members' Report

Governance

The Aquaculture Licences Appeals Board was established on 17 June 1998 under Section 22 of the Fisheries (Amendment) Act, 1997. The function of the Board is to provide an independent authority for the determination of appeals against decisions of the Minister for Agriculture, Food and the Marine on aquaculture licence applications.

Board Responsibilities

The work and responsibilities of the Board are set out in Sections 40 to 60 of the Fisheries (Amendment) Act, 1997. Standing items considered by the Board include:

- declaration of interests
- reports from committees
- financial reports/management accounts, and
- appeals in progress

Section 37 (1) of the Fisheries (Amendment) Act, 1997 requires the Aquaculture Licences Appeals Board to keep, in such form as may be approved by the Minister for Agriculture, Food and the Marine with consent of the Minister for Public Expenditure and Reform, all proper and usual accounts of money received and expended by it.

In preparing those statements the Board is required to:

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether the financial statements have been prepared in accordance with applicable accounting standards,
- prepare the financial statements on the going concern basis.

The Board is responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Board and which enable it to ensure that the financial statements comply with Section 37(1) of the Fisheries (Amendment) Act, 1997. The Board is also responsible for safeguarding the assets of the Board and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board considers that the financial statements of Aquaculture Licences Appeals Board give a true and fair view of the financial performance and the financial position of the Aquaculture Licences Appeals Board at 31 December 2017.

Board Structure

The Board consists of a Chairperson and five ordinary members, all of whom are appointed by the Minister for Agriculture, Food and the Marine. The members of the Board were appointed for varying periods and meet on a regular basis. The table below details the appointment periods for members as of 31 December 2017 and for current members:

<u>Board Member</u>	<u>Role</u>	<u>Date Appointed</u>
Ms Imelda Reynolds	Chairperson	01/04/2014 for a five year term to 31 March 2019
Mr Sean Murphy	Ordinary Member	Re-appointed 1 January 2018 until his resignation on 20 May 2018 to comply with Section 24 of the Act
Mr Michael Sweeney	Ordinary Member	Appointed 1 January 2018 as Deputy Chair for a five year term up to 31 December 2022
Mr Jim Power	Ordinary Member	Re-appointed 17 June 2016 for a three year term to 16 June 2019
Dr Owen McIntyre	Ordinary Member	Re-appointed 17 June 2016 for a three year term to 16 June 2019
Mr Brendan Brice	Ordinary Member	Re-appointed 17 June 2016 for a three year term to 16 June 2019
Mr Michael Mulloy	Ordinary Member	Appointed 6 June 2018 for a five year term to 5 June 2023
Mr Francis O'Donnell	Ordinary Member	Appointed 6 June 2018 for a three year term to 24 July 2021

The Board has established one committee as follows:

Audit and Risk Committee. This comprises three Board members. The role of the Audit and Risk Committee (ARC) is to support the Board in relation to its responsibilities for oversight of issues concerning risk, control and governance. The ARC is independent from the financial management of the organisation. In particular the Committee ensures that the internal control systems including audit activities are monitored actively and independently. The ARC reports to the Board after each meeting.

The members of the Audit and Risk Committee are: Mr Michael Sweeney (Chairperson), Mr Brendan Brice, Mr Jim Power and Sean Murphy. There were four meetings of the ARC in 2017.

Schedule of Attendance, Fees and Expenses

A schedule of attendance at the Board and Committee meetings for 2017 is set out below including the fees and expenses received by each member :

	Board	Audit & Risk Committee	Fees 2017 €	Expenses 2017 €
Number of meetings	10	4		
Imelda Reynolds	10		8,978	1,163
Sean Murphy	10	2	5,985	2,561
Michael Sweeney	10	4	5,985	2,885
Jim Power	9	3	5,985	842
Owen McIntyre	6		-	2,321
Brendan Brice	8	4	5,985	1,597
			32,918	11,369

One board member, Dr Owen McIntyre, does not receive any Board fees as a consequence of the One Person One Salary (OPOS) principle.

Legal and Professional Fees

Legal and professional fees include the cost of external advice to management.

	2017 €	2016 €
General legal advice	14,545	3,644
Specialist Technical Advisor costs	49,423	32,210
Oral Hearing costs	14,938	-
Other	12,549	358
	91,455	36,212

Travel and Subsistence Expenditure

	2017 €	2016 €
Domestic		
- Board	11,369	5,214
- Employees	1,567	2,358
	12,936	7,572

Statement of Compliance

The Board has adopted the Code of Practice for the Governance of State Bodies (2016) ("the Code") and has put procedures in place to ensure compliance with the Code. Aquaculture Licences Appeals Board was in full compliance with those provisions of the Code which apply to it save for the following:

- . The provisions of the Code concerning appointment, number, grading and conditions of all staff, including remuneration and superannuation do not apply to ALAB as all its staff are seconded from the Department of Agriculture, Food and the Marine ("DAFM").
- . Given the size and scale of ALAB and the fact it is constituted solely to determine appeals pursuant to the Act, the Board is of the view that a formal strategic plan is not required. It is intended to enter into an Oversight & Performance Agreement with DAFM and the Board believe this will incorporate matters which might ordinarily be comprised in a strategic plan.
- . No Board self-assessment evaluation took place for 2017 but the Board has since undertaken such an evaluation.
- . ALAB does not have a Chief Risk Officer. Given the size and scale of ALAB's operation the Board has formed the view that risk can be managed between the Secretary, the Audit & Risk committee and the Board itself.
- . ALAB does not have a separate internal audit function. The Board does engage external expertise periodically where appropriate and in particular to undertake an annual review of internal controls.
- . ALAB does not have a formal Corporate Procurement Plan. Given the size and scale of ALAB the Board has formed the view that such a plan is not required.
- . ALAB does not have a Customer Charter. Given the nature of ALAB, the Board has formed the view that such a Charter is not appropriate.

Aquaculture Licences Appeals Board

Financial Statements for the Year ending 31 December 2017

Statement on Internal Financial Control

Scope of Responsibility

On behalf of Aquaculture Licences Appeals Board, we acknowledge our responsibility for ensuring that an effective system of Internal Financial Control is maintained and operated in the organisation. This responsibility takes account of the requirements of the Code of Practice for the Governance of State Bodies (2016).

Purpose of the System of Internal control

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

The system of internal control, which accords with guidance issued by the Department of Public Expenditure and Reform has been in place in Aquaculture Licences Appeals Board for the year ended 31 December 2017 and up to the date of approval of the financial statements.

Capacity to Handle Risk

Aquaculture Licences Appeals Board has an Audit and Risk Committee (ARC) comprising three Board members. The ARC met four times in 2017.

Aquaculture Licences Appeals Board has also established an internal audit function which is adequately resourced and conducts a programme of work agreed with the ARC.

The ARC has developed a risk management policy which sets out its risk appetite, the risk management processes in place and details the roles and responsibilities of staff in relation to risk. The policy has been issued to all staff who are expected to work with Aquaculture Licences Appeals Board's risk management policies, to alert management on emerging risks and controls within their own area of work.

Risk and Control Framework

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

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

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

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

Statement of Internal Control Continued.

Ongoing Monitoring and Review

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

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

Procurement

We confirm that Aquaculture Licences Appeals Board has procedures in place to ensure compliance with current procurement rules and guidelines and that during 2017 Aquaculture Licences Appeals Board complied with those procedures.

Review of Effectiveness

We confirm that Aquaculture Licences Appeals Board has procedures in place to monitor the effectiveness of its risk management and control procedures. Aquaculture Licences Appeals Board's monitoring and review of the effectiveness of the system of internal financial control is informed by the work of the internal and external auditors, the Audit and Risk Committee which oversees their work, and the Board of Aquaculture Licences Appeals Board who are responsible for the development and maintenance of the internal financial control framework.

We confirm that the Board carried out a review of the effectiveness of internal financial control for 2017 at its meeting on 19th February 2018.

Internal Control Issues

During 2017 it was identified that one Board Member, who is also a public servant was paid board fees in contravention of the 'one person one salary' principle.


Aquaculture Licences Appeals Board has recouped the net payments to the Board Member and has received the refund of taxes paid from the Revenue Commissioners.

On behalf of the Board



Ms. Imelda Reynolds
Chairperson

Date: 14/12/18



Mr. Jim Power
Board Member

Date: 14/12/2018

Aquaculture Licences Appeals Board

Financial Statements for the Year ending 31 December 2017

Report of the Comptroller and Auditor General



Ard Reachtaire Cuntas agus Ciste **Comptroller and Auditor General**

Report for presentation to the Houses of the Oireachtas

Aquaculture Licences Appeals Board

Opinion on financial statements

I have audited the financial statements of the Aquaculture Licences Appeals Board for the year ending 31 December 2017 as required under the provisions of section 37 of the Fisheries (Amendment) Act 1997. The financial statements comprise

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

In my opinion, the financial statements give a true and fair view of the assets, liabilities and financial position of the Aquaculture Licences Appeals Board the Aquaculture Licences Appeals Board at 31 December 2017 and of its income and expenditure for 2017 in accordance with Financial Reporting Standard (FRS) 102 — *The Financial Reporting Standard applicable in the UK and the Republic of Ireland*.

Basis of opinion

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

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

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

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

I have nothing to report in that regard.

Mark Brady
For and on behalf of the
Comptroller and Auditor General
19 December 2018

Appendix to the report

Responsibilities of Board members

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

- the preparation of financial statements in the form prescribed under section 37 of the Fisheries (Amendment) Act 1997
- ensuring that the financial statements give a true and fair view in accordance with FRS102
- ensuring the regularity of transactions
- assessing whether the use of the going concern basis of accounting is appropriate, and
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibilities of the Comptroller and Auditor General

I am required under section 37 of the Fisheries (Amendment) Act 1997 to audit the financial statements of the Aquaculture Licences Appeals Board and to report thereon to the Houses of the Oireachtas.

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

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

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

related to events or conditions that may cast significant doubt on Aquaculture Licences Appeals Board's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause the Aquaculture Licences Appeals Board to cease to continue as a going concern.

- I evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Information other than the financial statements

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

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

Reporting on other matters

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

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

I also report by exception if, in my opinion,

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

Aquaculture Licences Appeals Board

Statement of Income and Expenditure and Retained Revenue Reserves

for the year ended 31 December 2017

	Notes	2017 €	2016 €
Income			
Oireachtas Grants	2	225,294	52,601
Appeal Income		<u>4,571</u>	<u>381</u>
		229,865	52,982
Expenditure			
Staff Costs	3	85,294	52,601
Board Fees	4	14,687	34,975
Administration Charges	5	7,288	4,174
Legal & Professional Fees	5	104,532	47,638
Travel Expenses	5	<u>12,936</u>	<u>7,572</u>
		224,737	146,960
Surplus/ (Deficit) for year		5,128	(93,978)
Balance carried forward 1 January		51,461	145,439
Balance carried forward at 31 December		<u><u>56,589</u></u>	<u><u>51,461</u></u>

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

The Statement of Cash Flows and notes 1 to 12 form part of these financial statements.

On behalf of the Board



Ms. Imelda Reynolds
Chairperson



Mr. Jim Power
Board Member

Date: 14.12.18

Date: 14/12/2018

Aquaculture Licences Appeals Board

The Statement of Financial Position

as at 31 December 2017

	Notes	2017 €	2016 €
Current Assets			
Receivables and Prepayments	7	17,616	3,212
Cash and Cash equivalents	8	<u>65,226</u>	<u>65,439</u>
		82,842	68,651
Current Liabilities: (Amounts falling due within one year)			
Payables	9	<u>(26,253)</u>	<u>(17,190)</u>
Net Current Assets /(Liabilities)		<u>56,589</u>	<u>51,461</u>
Total Net Assets		<u><u>56,589</u></u>	<u><u>51,461</u></u>
Representing			
Retained Revenue Reserves		<u>56,589</u>	<u>51,461</u>
		<u><u>56,589</u></u>	<u><u>51,461</u></u>

The Statement of Cash Flows and notes 1 to 12 form part of these financial statements.

On behalf of the Board



Ms. Imelda Reynolds
Chairperson

Date: 14/12/18


Mr. Jim Power
Board Member

Date: 14/12/2018

Aquaculture Licences Appeals Board

Statement of Cash Flows

Reconciliation of Surplus/(Deficit) for the year to net cash inflow

	Notes	2017 €	2016 €
NET Cash flows from operating activities			
Surplus/ (deficit) for year		5,128	(93,978)
(Increase)/decrease in receivables		(14,404)	2,114
Increase /(decrease) in payables		<u>9,063</u>	<u>1,562</u>
Net Cash Inflow from Operating Activities		<u>(213)</u>	<u>-90,302</u>
Net increase /(decrease) in cash and cash equivalents		(213)	-90,302
Cash and cash equivalents at 1 January		<u>65,439</u>	<u>155,741</u>
Cash and cash equivalents 31 December	8	<u><u>65,226</u></u>	<u><u>65,439</u></u>

Aquaculture Licences Appeals Board

Financial Statements for the Year ending 31 December 2017

Notes to the Financial Statements

ACCOUNTING POLICIES

1.2) GENERAL INFORMATION

The Aquaculture Licences Appeals Board was established on 17 June 1998 under Section 22 of the Fisheries (Amendment) Act, 1997 with a head office at Kilminchy Court, Dublin Road, Portlaoise, Co. Laois. The Aquaculture Licences Appeals Boards' primary objective is to deal with appeals against decisions of the Minister relating to aquaculture licences.

b) Statement of compliance

The financial statements of Aquaculture Licences Appeals Board for the year ended 31st December 2017 have been prepared in accordance with FRS 102, the financial reporting standard applicable in the United Kingdom and the Republic of Ireland issued by the Financial Reporting Council (FRC), as promulgated by Chartered Accountants Ireland.

c) Basis of preparation

The financial statements have been prepared under the historical cost convention, except for certain assets and liabilities that are measured at fair values as explained in the accounting policies below. The financial statements are in the form approved by the Minister for Agriculture, Food and the Marine with the concurrence of the Minister for Finance under Fisheries (Amendment) Act, 1997. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Aquaculture Licences Appeals Board financial statements.

d) Revenue

Appeal income and other income are recognised on an accruals basis.
Direachtas Grants are recognised on a cash receipts basis.

e) Employee Benefits

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

Employees and Superannuation

The Board has no employees other than the secretary and two assistants who are members of the standard civil service superannuation scheme. Accordingly the Board has no liability in respect of superannuation.

	2017 €	2016 €
2 Revenue		
Department of Agric. Food & Marine, C10.3.1	110,000	-
Department of Agric. Food & Marine, A3.6	30,000	-
Department of Agric. Food & Marine C.1	85,294	52,601
Appeal Fees	4,571	381
	<u>229,865</u>	<u>52,982</u>

	2017 €	2016 €
3 Remuneration and other pay costs		
Secretary and other staff member salaries	85,294	52,601
	<u>85,294</u>	<u>52,601</u>

The Secretary and two other members of staff of the Aquaculture Licences Appeals Board are on secondment from the Department of Agriculture, Food & the Marine and were not in receipt of any extra remuneration or emoluments in respect of their roles for the Aquaculture Licences Appeals Board. The Department of Agriculture, Food & the Marine paid all remuneration and emoluments and deducted all relevant expenses, including the pension levy, from their salaries.

4 Board Members remuneration

The Board members received the following remuneration and travel and subsistence for the year ended 31 December 2017:

	Remuneration €		Domestic Travel & Subsistence €	
	2017	2016	2017	2016
Mr. Jim Power	5,985	4,857	842	662
Mr. Owen McIntyre	(10,231)	4,857	2,321	782
Mr. Sean Murphy	5,985	5,985	2,561	996
An t-Uasal Lorcán Ó Cinnéide		1,090		1,013
Imelda Reynolds (Chairperson)	8,978	8,978	1,163	569
Mr Michael Sweeney	5,985	5,985	2,885	741
Mr. Brendan Brice	5,985	3,223	1,597	451
	<u>14,687</u>	<u>34,975</u>	<u>11,369</u>	<u>5,214</u>

It came to Aquaculture Licences Appeals Boards attention in October 2017 that board fees had been paid to a Board member, in the period 2013 to 2017, in breach of the Department of Public Expenditure and Reform's 'one person one salary' principle. The Board is in the process of recovering the amounts involved.

5 Expenditure

	2017 €	2016 €
Travel and subsistence - Board members and staff	12,936	7,572
General Expenses	3,703	872
Insurance	2,395	2,330
Telephone	790	646
Legal fees	14,545	3,644
Oral Hearing fees	18,909	-
Other professional fees	58,001	32,568
Accountancy and payroll costs	9,077	8,426
Audit fees	4,000	3,000
Bank charges	400	326
	<u>124,756</u>	<u>59,384</u>

6 Property, Plant and Equipment

Aquaculture Licences Appeals Board have no Fixed Assets.

All Fixed Assets are the property of the Department of Agriculture, Food and Marine.

7 Receivables

	2017 €	2016 €
Other Receivables	15,082	2,027
Prepayments	2,534	1,185
	<u>17,616</u>	<u>3,212</u>

8 Cash and Cash Equivalents

	2017 €	2016 €
Current account	65,223	65,436
Petty cash	3	3
	<u>65,226</u>	<u>65,439</u>

9 Payables

	2017 €	2016 €
Payables/Accruals	18,799	12,060
PAYE / PRSI payable	2,549	4,657
PSWT payable	4,905	473
	<u>26,253</u>	<u>17,190</u>

10 Premises Note

The Aquaculture Licences Appeals Board occupies a premises at Kilminchy Court, Dublin Road, Portlaoise, Co. Laois. The main tenant of the building is the Agriculture Appeals Office. The Aquaculture Licences Appeals Board were not liable to any rent, rates or related service charges in 2017.

11 Related Parties

Key management personnel in the Aquaculture Licences Appeals Board consist of the members of the Board of Directors. Total compensation and expenses paid to key management personnel, amounted to €26,056 (2016: €40,189). For a breakdown of the remuneration and benefits paid to key management personnel, please refer to Note 4. An amount of €22,720 paid in error to a Board Member under the one person one salary rule has been accounted for in these accounts.

Mr Owen McIntyre was paid an amount of €14,938 in respect of chairing oral hearings in 2017.

12 Approval of Financial Statements

The financial statements were approved by the Board on

28 AUGUST, 2018