

Rethink. Renew. Restore.

Annual Report 2021

Bord na Móna



Directors' Report and Financial Statements

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Statement from the Chairperson

On behalf of the Board I am pleased to present the Annual Report for the Bord na Móna Group for the fiscal year ended 31 March 2021.

In December 2020, the Board of Bord na Móna approved a new 10-Year strategy and Financial plan. Bord na Móna's strategy is to be a climate solutions company, leading Ireland towards a climate-neutral future. In January 2021 Bord na Móna confirmed that it would permanently cease harvesting peat on its lands and focus its business on renewable energy, recycling, peatland restoration and the provision of other low carbon goods and services.

Bord na Móna is undertaking several highly significant actions in support of climate and energy policy. These actions involve a radical transformation and decarbonisation of nearly the entire business. They will also ensure that Bord na Móna continues to be a significant generator of employment in Ireland, especially across the midlands region.

At the end of 2020, Bord na Móna, in keeping with national policy and with the support of Government, launched the Peatlands Climate Action Scheme. This Scheme will harness the natural power of peatlands to secure a store of over 100m tonnes of carbon in perpetuity, cut emissions, and capture millions of tonnes more in the coming years. This unprecedented Scheme will also help address our national challenges around biodiversity and deliver a range of other important health and environmental dividends to our near neighbour communities.

Renewable Energy is one of the key drivers of growth in Bord na Móna, providing very significant market opportunities to leverage our land assets, project development skills and technical experience in operating renewable energy assets. This will also make a major contribution to Ireland's 2030 renewable energy targets. We will be able to supply a third of Irish homes from renewable energy by 2030. Recycling continues to pursue its aim to be a leading waste collector, processor and end treatment solution provider to support Ireland's drive towards sustainable waste management. In line with Bord na Móna's decision to cease peat extraction activities the Consumer Products business has accelerated its strategy to transition to 100% Green growing media and home heating products using sustainable ingredients. Over the last year, the New Business

Unit has increased its focus on commercial and partnership opportunities that realise the full potential of our land, our people, and our assets aligned to our core business as a climate solutions company.

The growth of the Company has been made possible by the restructuring carried out over the past three years, with the support of all staff, and taking out over €50m of costs, as well as reshaping the Business Units and Management teams to enable the ambitious new developments.

The Board continues to prioritise an approach to corporate governance which is based on best practice and emerging regulation and trends. My sincere thanks to my Board colleagues for their support and commitment during the year. We have had a number of changes on the Board during the year. I would like to thank Phillip Casey for his valuable contributions to the Board and for his support for myself and the Company on its journey. I look forward to working with all of the board members as Bord na Móna continues to implement its new strategy.

I would like to thank the present Minister for Environment, Climate and Communications, Mr Eamon Ryan and his predecessor Mr Richard Bruton. I also express my appreciation to Mr Mark Griffin, Secretary General of the Department, Ms Patricia Cronin, Assistant Secretary General and Ms Barbara Leeson and Ms Jenny O'Hora, Principal Officers and the other officers of the Department for their support and advice. Over the year, the Company interacted on a regular basis on governance matters with the NewERA division of the National Treasury Management Agency and the Department of Public Expenditure and Reform. I wish to thank the officials in NewERA and the various officials in the Department for their support during the year.

As we look to the future of Bord na Móna I am confident that the Board, together with Management led by our CEO Tom Donnellan, will ensure that the Company both delivers climate solutions nationally and continues to deliver on new employment projects so that it can continue to fulfil its mandate in respect of the Midlands of Ireland. I look forward to the delivery by Bord na Móna on our ambitious 10-Year plan and, in so doing, solidify our position as a climate solutions company helping lead Ireland towards a climate neutral future and delivering a just transition for those most impacted by the need for decarbonisation.

Geoffrey Meagher
Chairperson

Bord na Móna is undertaking several highly significant actions in support of climate and energy policy. These actions involve a radical transformation and decarbonisation of nearly the entire business.



Statement from the Chief Executive

The commencement of our Peatlands Climate Action Scheme will repair and revive over 30,000 hectares of peatlands, maintain a 100m tonne carbon store and also avoid and capture millions more tonnes of carbon.

In the last year Bord na Móna has concluded its transition to become Ireland's leading Climate Solutions company, ensuring the state delivers on its commitment to becoming carbon neutral by 2050.

The financial results for FY21 tell this success story quite simply. In FY18 the company made a pre tax loss of nearly €15m. The following year the company adopted the Brown to Green strategy and incurred exceptional items arising from a significant restructuring and an accelerated programme of decarbonisation. This year, all areas of the business are performing strongly and for the first time since FY17 the company is reporting a profit before tax, that amounts to almost €28m. Our balance sheet also remains strong with a positive net cash position of €14.1m at year end. This robust financial performance allows us to support pensions, invest and develop our business and allows us to do more on tackling climate change. It has also enabled the company to significantly grow its employment base as Bord na Móna expands its green businesses.

All of this progress was made possible by Bord na Móna's full embrace of its new role as Ireland's leading Climate Solutions company. The commencement of our Peatlands Climate Action Scheme operations is of particular note as we take on this leadership role in climate action. This scheme will repair and revive over 30,000 hectares of peatlands, maintain a 100m tonne carbon store and also avoid and capture millions more tonnes of carbon. By creating and conserving vast areas of natural beauty, these works will also help tackle the biodiversity crisis and will also considerably contribute to the development of amenities across the region.

Bord na Móna also made significant progress in the development of other parts of its climate action programme. Much of this involves a €1.6billion renewable energy pipeline that will see the company supply one third of Irish homes with renewable energy by 2030. The company secured planning permission for an anaerobic digestion facility, a solar facility, commenced construction on two new wind farms, and announced several other projects including Ireland's biggest windfarm at Ballydermot Co Kildare. The company's recycling

business, which is oriented to support national circular economy policy, expanded its customer base across the Leinster and mid-west region and made a number of important acquisitions including Arklow Waste Disposal in Wicklow. The company also continued to replace high carbon fuels and horticulture products with new sustainable offerings that meet current and future market needs. As the business completed its climate action driven transformation, the company also developed a new identity for Bord na Móna. The new identity is designed to align Bord na Móna's image with its purpose as Ireland's leading Climate Solutions company. Building awareness amongst our key national and regional audiences of the company's new identity and purpose is a key objective for Bord na Móna in the coming year.

All of the company's success and the development of a number of important future projects took place under the constraints of the ongoing Covid-19 pandemic. The employees of Bord na Móna ensured we came through all the trials of the past year with our strategy advanced across the board. This remarkable resilience is in the DNA of Bord na Móna. It has sustained the company through many challenges, transformed it into a Climate Solutions company and is now delivering an exciting and secure future for our company, our people and the communities in which we operate.

Tom Donnellan
Chief Executive

Governance Report

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Risk Management Report

Risk Management

The Board has overall responsibility for risk management including the nature and extent of significant risks that it is willing to accept in pursuit of its strategic and operational objectives. To address this, the Board has established a risk management system that provides for the continuous identification, assessment, implementation of mitigating actions and controls, and the monitoring and reporting of significant risks within Bord na Móna.

The Risk and Audit Committee ("RAC") is responsible, under delegated authority, for assisting the Board in fulfilling its obligations with regard to assessing, reviewing and monitoring the risks inherent in the business and the control processes for managing such risks. The RAC is supported by an appointed Chief Risk Officer ("CRO").

The CRO is responsible for overseeing the day-to-day risk management activities and has responsibility for ensuring that an effective risk management system, proportionate to the nature, scale and complexity of the Group is developed and maintained. Bord na Móna has an enterprise wide risk management system which places a strong emphasis on strategic risks at a Group level (strategic risk register) and on strategic risks at the business level (business risk registers). In this risk management system, a strong focus is placed on managing risks that management can influence through the risk process as well as an emphasis on future action items and the responsibility for these is of key importance. Risk management is embedded in each business unit at an operating level.

The risk management system provides appropriate governance structures to support risk management practices, formal assignment of risk responsibilities throughout the Group and the procedures to be used, including relevant mitigation actions and controls.

The risk management system includes the following key elements:

- > A risk strategy that includes objectives and principles;
- > Two types of risk registers, a strategic risk register and business risk registers;
- > Assignment of clear mitigating action items and responsibilities for both the strategic risk register and the business risk registers;
- > A framework and reporting cycle to identify, assess, manage, monitor and report on the risks that Bord na Móna is or may be exposed to;
- > A risk monitoring plan that outlines the review, challenge and oversight responsibilities of the CRO and the Management team;
- > Reporting procedures which ensure that risk information is actively monitored, managed and appropriately communicated at all levels within Bord na Móna. The procedures outline the reporting responsibilities of management, the CRO, the RAC and the Board;
- > Embed a strong risk management culture across all levels of the Group; and,
- > Develop risk appetite statements in conjunction with the strategic risk process, then monitor and report on these statements.



	Risk & Impact	Risk Climate	Mitigating Actions
Financial	Banking Facilities The risk of the failure to provide adequate banking facilities to meet refinancing and business needs and the failure to manage interest rate and foreign exchange exposure. It is vital that sufficient funding is provided at an appropriate cost to finance the strategic plan, maintain liquidity to meet future commitments and to provide contingency against unforeseen circumstances.	Unchanged	Group Treasury is responsible for the day to day treasury activities across the Group including the placing of specific derivatives. The Board has approved a treasury policy which defines how treasury activities are managed across the Group. The Group takes a risk averse position when deciding foreign exchange and interest rate policy. Certain natural economic hedges exist within the Group and the policy is to match and hedge the currencies across the businesses. In order to ensure stability of cash outflows and hence manage interest rate risk, the Group has a policy of maintaining at least 50 per cent of its long-term debt at fixed rates. At 31 March 2021, the Group had €125 million of revolving credit facilities in place, none of which was drawn. In the past year, the Group has put non-recourse project finance in place for wind farms which will become an important source of funding for the Group in the future. Bord na Móna are also currently finalising a 10-year funding strategy that will map out how the Group will be funded over that period. Financial instruments are used to manage interest rate and financial risk. The Group does not engage in speculative activity and the Treasury operating policy is risk averse.
	Climate The overall risk of the inherent uncertainty of various weather patterns on the operating and financial performance of the Group. These include the impact of mild weather on sales volumes during the winter on the Fuels business, the impact of wet springs on sales volumes in the Horticulture business, the financial impact of low wind yields on the wind farms in the Powergen business which can all impact Group profitability. The uncertainty of weather conditions presents a risk to profits generated by the Group.	Unchanged	Developing a balanced portfolio of businesses has given the Group a “hedge” against any one adverse weather condition in a particular business. The Group has also developed contingency plans to protect profitability across the Group if a particularly adverse weather event occurs. It has worked with its employees and trade unions to develop a more flexible workforce.
Operational	Planning Permission The risk of the Group not obtaining planning permission for a number of key infrastructural projects which are included in the strategic plan.	Increased	The Group has an experienced management team that have a proven capability in planning, executing and delivering large infrastructure projects and has demonstrated the capability of doing so. A proven process is in place to ensure that all the necessary documentation and information is submitted to the relevant authorities with each planning application. In addition, the Group engages in extensive community consultation processes.

	Risk & Impact	Risk Climate	Mitigating Actions
Operational Continued	Health and Safety The risk of the failure to comply with health and safety legislation and policies due to a lack of enforcement across the Group, or management and employees not following the correct procedures or lack of training, all leading to potential injury or death of an employee or damage to property resulting in financial sanction, financial loss and reputational damage.	Unchanged	Detailed health and safety procedures are in place across the Group and these systems are operated based on the nature and the scale of the risks in each business. The Health and Safety department also carries out training of all staff and this is also augmented with external audits carried out by third parties. Insurance cover is maintained at Group level for all significant insurable risks and our insurer's conduct extensive audits. The Group's operations are subject to an increasingly stringent range of regulations and inspections and robust monitoring procedures have been designed to prevent a material breach of statutory or other regulatory obligations.
	Cyber Security The risk that Bord na Móna information technology and/or banking systems are compromised due to being penetrated, hacked or attacked by external or internal parties which results in financial loss and reputational damage. Cyber security risk is now recognised as one of the fastest growing risks for organisations internationally.	Increased	The Group has recognised the importance of managing this risk and continually reviews cyber security across the Group with internal and external expertise engaged. Investments in technology and people are made to maintain security around information technology systems to an appropriate standard.
	General Electricity Pricing & Biomass supply for Edenderry Power station (EPL) The risk of the non-operation of EPL due to the inability of Bord na Móna to obtain an extension to its planning permission post December 2023, its inability to source sufficient volumes of indigenous and imported biomass at commercially viable prices and the risk of low power prices in the single electricity market across our assets and the adverse impact that these prices can have on the Group's operating results. Each of these risks could result in significant financial loss to the Group.	Increased	The Group has been very successful over the past number of years in sourcing biomass for EPL. A dedicated team has been established to source further indigenous biomass and develop a supply chain for imported biomass to supply EPL. This imported biomass will fill a demand while the market develops further indigenous biomass from the private forestry sector to mature and become available. Future carbon pricing is hedged forward until December 2023 and this along with the forward sale of power generated by the station can give certainty of margin. The Group operates a number of different electricity generating assets which utilise different fuels including biomass, wind, gas and peat. The Group has entered 15-year power purchase agreements for a number of these plants which guarantee the price of power generated for those assets. The Group has consistently developed a diversified portfolio of generating assets to mitigate the risk associated with any one individual fuel type. There also is a dedicated team that are currently working on a revised planning permission for the EPL station. The Group recognises that high carbon pricing in conjunction with low electricity prices could have a serious impact on the profitability and future viability of EPL.

	Risk & Impact	Risk Climate	Mitigating Actions
Operational Continued	<p>COVID-19</p> <p>The risk of the impact of the COVID-19 pandemic on our businesses as a result of significant supply chain disruption, sickness/death of employees, loss of business, recession etc. The long-term economic impact of these events is still uncertain but there is a risk that they will lead to significant financial loss and future implications for the Group.</p>	✓	<p>A cross functional management group has been established to deal with all the issues associated with the COVID-19 pandemic. Additional investment has taken place on our IT capability to enable most management and administrative staff to operate from home. This has proven very successful to date. Protective equipment has been purchased for staff in various businesses. Some operational equipment has been modified and additional resources deployed to ensure that work practices are safe. A return to work group has been established to look at the timing and implications of staff returning to their workplaces.</p>
	<p>Retaining and Attracting Staff</p> <p>The risk of the Group failing to retain, attract and develop the skills, talent and resources required to deliver its business plans, leading to a significant loss of knowledge and potentially gaps in the skill sets required for delivering the Group strategy, all impacting on the attainment of strategic goals.</p>	◁ ▷	<p>The Group maintains a strong focus on this area and has structured succession planning programs in place along with management development programs. A graduate recruitment programme, has been in place over the past few years.</p> <p>We are committed to providing quality employment opportunities and are investing in management development programs aimed at achieving greater diversity in senior positions throughout the Group.</p>
	<p>New Business Growth</p> <p>The risk of the Group failing to develop new businesses, markets and infrastructure projects which it requires to replace its traditional businesses which are in decline. This could be due to a lack of management focus, human and financial capital, missed opportunities all leading to a decline in the Group scale, significantly reduced employment levels and financial loss.</p>	✓	<p>A detailed strategy has been approved by the Board for expanding further the new business areas across the Bord na Móna Group. The Group has put in place dedicated teams for business development across its three growth businesses which are Resource Recovery, Powergen and New Business. These cross functional teams incorporate engineering, finance, legal and project management. Significant financial capital has been committed to the further development of these existing businesses and the new business division. The Group looks at joint ventures also, as a means to bring in external expertise and share risk.</p>
Regulatory	<p>Regulatory/Political</p> <p>The risk of adverse regulatory changes and the impact that these may have on the financial and business model of the Group. Failure to comply could result in enforcement actions, legal liabilities, damage to the Group's reputation and loss of shareholder support.</p> <p>Some of the important regulatory risks facing the Group are: the possible imposition of further increased carbon taxes on peat briquettes; the trend towards the increased dilution of peat with non-peat based materials in retail Horticulture products in the UK market; a new Integrated Single Electricity Market (I-SEM) and the new auction process introduced for capacity payments for power plants; the changing regulatory landscape which is driving increased biomass usage in Edenderry Power station with resulting supply chain and cost implications.</p>	◁ ▷	<p>When developing its strategic plan the Group ensures that plans to deal with the regulatory risks facing the businesses are developed and implemented where possible. Through innovation and supply chain developments, the Group continues to tackle regulatory change that is impacting on the operating performance of the businesses. Capital investment has been approved to address certain regulatory risks. In some cases when dealing with Regulatory risks the Group has no option but to accept these risks. The Group is actively managing any supply chain risks associated with Brexit.</p>

Directors' Report

The Directors present their annual report and the audited financial statements of Bord na Móna plc for the financial year ended 31 March 2021.

Principle activities, Business Review and Future Developments

Bord na Móna is a climate solutions company focused on renewable energy, recycling and an expanded peatlands rehabilitation scheme across more than 30,000 hectares.

The Statement from the Chief Executive on page 5 contains the business review and a review of the development of the Bord na Móna group of companies' (the "Group") business during the year, the state of affairs of the businesses at 31 March 2021, recent events and likely future developments.

Results for the year and Dividends

Details of the financial results of Bord na Móna plc for the financial year ended 31 March 2021 are given on pages 21-71. No dividend was paid during the financial year ending 31 March 2021.

Corporate Governance

The Board of Bord na Móna plc was established under the provisions of the Turf Development Acts 1998. The functions of the Board are set out in sections 18-32 of this Act. The Board is accountable to the Minister for Environment, Climate and Communications and is responsible for ensuring good governance and performs this task by setting strategic objectives and targets and taking strategic decisions on all key business issues. The regular day to day management, control and direction of Bord na Móna plc are the responsibility of the Chief Executive and the senior management team. The Chief Executive and the senior management team must follow the broad strategic direction set by the Board, and must ensure that all Board members have a clear understanding of the key activities and decisions related to the entity, and of any significant risks likely to arise. The Chief Executive acts as a direct liaison between the Board and management of Bord na Móna plc.

Directors

Policy in Bord na Móna is determined by a twelve-member Board appointed by the Minister for Environment, Climate and Communications. Seven of the Directors are normally appointed for a term of five years. Four of the Directors are appointed for a term of four years, in accordance with the Worker Participation (State Enterprises) Acts 1977 and 1988. The Chief Executive is appointed to the Board on appointment to that position. The Directors during the financial period were:

Geoffrey Meagher (Chair)	Non-executive	Appointed October 2017
Tom Donnellan (Chief Executive)	Executive	Appointed April 2018
Denise Cronin	Non-executive	Appointed September 2011, reappointed May 2016
Gerard O'Donoghue	Non-executive	Appointed October 2012, reappointed October 2017
Paddy Rowland	Worker Director	Appointed January 2019
Elaine Treacy	Non-executive	Appointed July 2012, reappointed July 2017
Barry Walsh	Non-executive	Appointed October 2012, reappointed October 2017
Philip Casey	Worker Director	Appointed January 2015, reappointed April 2019, retired 31 December 2020
Mary Rose Burke	Non-executive	Appointed September 2019
Margot Slattery	Non-executive	Appointed September 2019
Eddie Tynan	Worker Director	Appointed September 2019
Kevin Healy	Worker Director	Appointed November 2019

Statement of Compliance

The Board has adopted the Code of Practice for the Governance of State Bodies (2016) and has put procedures in place to ensure compliance with the Code. Bord na Móna plc was in full compliance with the Code of Practice for the Governance of State Bodies for the financial period.

Non-Financial Reporting Statement

Bord na Móna aims to comply with the European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) Regulations 2017. The following table is designed to help stakeholders navigate to the relevant sections in the report and on our website which provide additional information on the Group's approach to our non-financial information.

Reporting Requirement	Policies and Standards which Govern our Approach	Additional information and Risk Management
Environmental Matters	<ul style="list-style-type: none"> > Climate Solutions > Peatlands Climate Action Scheme > Environmental compliance¹ > Biomass sustainability¹ 	<ul style="list-style-type: none"> > Ireland has committed to ambitious climate goals; we've designed innovative solutions to help achieve them. www.bordnamona.ie/climate-solutions/overview > We are restoring and rehabilitating Ireland's bogs to help meet climate and biodiversity goals. www.bordnamona.ie/peatlands/overview > We are fully compliant with our Integrated Pollution Control (IPC) Licences P0499-01 to P0507-01. Currently operate under nine IPC Licences which govern all of our former peat extraction lands under the Environmental Protection Agency Act 1992. > We have eight Waste Licenced sites and one Waste Permitted site. All sites compliant with NSAI ISO 9001 (Quality Management), ISO 14001 (Environmental Management), OHSAS 18001 (Health & Safety Management) standards. > Bord na Móna are committed to sourcing sustainable biomass to meet EU and National standards.
Employees	<ul style="list-style-type: none"> > Employee Benefits > Code of Conduct¹ > Protected Disclosures Policy¹ > Health & Safety Policy¹ > Diversity & Inclusion Statement > Health & Wellbeing 	<ul style="list-style-type: none"> > Our employees enjoy a range of benefits as they build dynamic, challenging and rewarding careers. www.bordnamona.ie/careers/working-at-bord-na-mona > All Bord na Móna policies and procedures are available to all employees initially through induction and updated on our internal intranet platform. Policies are regularly updated as required and communicated to all employees. > Policies are aligned to the Risk Management System in place to support the appropriate organisational governance. > Health & Safety systems (page 9 Risk Report H&S Operational Risk). > Bord na Móna is committed to promoting diversity and inclusion and we have signed the "Diversity Charter Ireland". www.bordnamona.ie/careers/working-at-bord-na-mona > Our Health & Wellbeing programme focuses on themes of general health, physical health, nutrition and workplace health & safety.
Social Matters	<ul style="list-style-type: none"> > Drehid Community Gain > Mount Lucas Community Gain > Bord na Móna Recycling Charity Support > Public Amenities 	<ul style="list-style-type: none"> > We're helping to improve quality of life for people across the country, through community funds, charitable contributions and local amenities. www.bordnamona.ie/who-we-are/community > We're building public amenities on our peatlands to open up these spaces for everyone's enjoyment. www.bordnamona.ie/peatlands/public-amenities
Human Rights	<ul style="list-style-type: none"> > Modern Slavery Statement > Children First Act, Child safeguarding statement¹ 	<ul style="list-style-type: none"> > Bord na Móna is committed to opposing modern slavery, and has implemented the requirements of the UK Modern Slavery Act across our entire organisation. www.bordnamona.ie/wp-content/uploads/2021/05/Modern-Slavery-1.pdf
Anti-bribery and corruption	<ul style="list-style-type: none"> > Code of Conduct¹ > Anti-Bribery and Corruption Policy¹ 	<ul style="list-style-type: none"> > Governance Report.
Description of Principle risks and impact of business activity	<ul style="list-style-type: none"> > Risk Management Policy¹ 	<ul style="list-style-type: none"> > Governance Report: Risk Management Report page 7-10.
Description of our Business Model	<ul style="list-style-type: none"> > Bord na Móna is climate solutions company helping lead Ireland towards a climate neutral future. 	<ul style="list-style-type: none"> > Our solutions cover renewable energy, recycling, waste management, carbon sequestration and biodiversity conservation. www.bordnamona.ie/who-we-are/overview > See also our strategic response to climate solutions outlined in the CEO Statement on page 5.
Non-financial key performance indicators		<ul style="list-style-type: none"> > Wind generation was 316,927MWh for the year (excluding joint ventures). > Our average Total Recordable Incident Rate from a health and safety perspective was 1.28 for the year.

¹ Certain policies and Standards are not published externally

The Board

Operations of the Board

The Board is responsible for overseeing and directing the Bord na Móna Group and ensuring its long-term success. Decisions are made after appropriate information has been made available to Board members and with due consideration of the risks identified through the risk management process. The Board has reserved a schedule of matters for its decision, including:

- > Approval of Group Strategy, Five Year Plan, Annual Budgets and interim and annual financial statements;
- > Review of operational and financial performance;
- > Approval of major capital expenditure;
- > Review of the Group's system of financial control and risk management;
- > Appointment of the Chief Executive; and
- > Appointment of the Company Secretary.

The Board is provided with regular information on a timely basis which includes Key Performance Indicators for all areas of the business. Reports and papers are circulated to the Directors in preparation for Board and Committee meetings.

All members of the Board have access to the advice and services of the Company Secretary who is responsible to the Board for ensuring compliance with Board procedures. The Group's professional advisers are available for consultation by Directors, as required. Individual directors may take independent professional advice in line with specified procedures. Each Director received an appropriate briefing on being appointed to the Board and access to training is provided by the Group during a Director's term of office.

Board Meetings

The Board met 12 times during the financial year.

Board Evaluation

The Board carried out an internal evaluation of its performance during the financial period ended 31 March 2021, including the performance of each of the five standing Committees of the Board. In addition, an independently facilitated Board Evaluation was commissioned since the financial year end. Once completed recommendations for improvements will be agreed and implemented.

Stakeholder Dialogue

The Board and Management maintain an ongoing dialogue with stakeholders on strategic issues.

Directors' Independence

The Board considers that all Directors are independent in character and judgement. However, the Board notes that the Chief Executive and four Directors appointed in accordance with the Worker Participation (State Enterprises) Acts 1977 and 1988 have contracts of employment with Bord na Móna.

Board Committees

There are five standing Committees of the Board which operate under formal terms of reference

1. Risk and Audit Committee

In accordance with the provisions of Section 167 of the Companies Act 2014 (the "Act"), the Directors confirm that they have in place a Risk and Audit Committee which meets the requirements of section 167 of the Act.

The Risk and Audit Committee as at 31 March 2021 were Denise Cronin (Chair), Margot Slattery and Barry Walsh. The Committee met five times during the financial year. The Committee meets periodically with the internal auditor, the external auditor and Senior Management to discuss the Group's internal accounting controls, the internal audit function, the choice of accounting policies and estimation techniques, the external audit plan, the statutory audit report, financial reporting, the Group's Risk process, procurement compliance, protected disclosures and other related matters. The internal auditor and external auditor have unrestricted access to the Risk and Audit Committee. The Chairman of the Committee reports to the Board on all significant issues considered by the Committee and reports on its meetings are circulated to all Directors.

2. Remuneration Committee

The Remuneration Committee deals with the remuneration and expenses of the Chief Executive and senior management within Government guidelines, Human Capital Planning, Succession Management, Pensions and other HR matters. The Committee met four times during the financial year. The members as at 31 March 2021 were Geoffrey Meagher (Chair), Elaine Treacy and Gerard O'Donoghue. The Chief Executive, Tom Donnellan, attends the Committee except when his own position is being discussed.

3. Finance Committee

The Finance Committee considers the financial aspects of matters submitted to the Board, including the Annual Budget and Five Year Plan, significant acquisitions or disposals of assets or property and the terms of major contracts. The members as at 31 March 2021 were Geoffrey Meagher (Chair), Tom Donnellan, Mary Rose Burke and Barry Walsh. The Committee met six times during the financial year.

4. Health and Safety Committee

The Health and Safety Committee advises the Board on Health and Safety matters within the Bord na Móna Group. The members as at 31 March 2021 were Gerard O'Donoghue (Chair), Tom Donnellan, Eddie Tynan and Kevin Healy. The Committee met four times during the financial year.

5. Board Evaluation Committee

The Board Evaluation Committee facilitates a Board performance evaluation process each year, including an independent third party process every three years and advises the Board on the outcome of the evaluation process and any corrective actions required. The members as at 31 March 2021 were Barry Walsh (Chair), Paddy Rowland and Elaine Treacy. The Committee met five times during the financial year.

Attendance at Board and Committee Meetings

The table below summarises the attendance of the Directors at Board and Committee meetings which they were eligible to attend during the year financial ended 31 March 2021.

	Board Meetings Attended/ Eligible	Committee Meetings Attended/Eligible
G Meagher (Chairman)	12/12	8/8
T Donnellan (Chief Executive)	12/12	10/10
D Cronin	12/12	5/5
G O'Donoghue	11/12	6/6
E Treacy	12/12	7/7
P Rowland	12/12	5/5
B Walsh	12/12	16/16
P Casey (until 31 December 2020)	9/9	3/3
MR Burke	12/12	6/6
M Slattery	12/12	5/5
E Tynan	11/12	4/4
K Healy	12/12	1/1

Board Fees/Remuneration of Directors

Fees for Directors are determined by the Government and set out in writing by the Minister for Environment, Climate and Communications. Directors' remuneration is outlined in note 5 to the financial statements on pages 38-39.

The total expenses paid to the Directors in the financial ended 31 March 2021 was €107 (FY20: €12,357).

Accounting Records

The Directors believe that they have complied with the requirements of Sections 281 to 285 of the Companies Act 2014, with regard to the obligation to keep adequate accounting records, by employing accounting personnel with appropriate expertise and by providing adequate resources to the finance function. The accounting records are kept at the Group's registered office, Main Street, Newbridge, Co Kildare, W12 XR59.

Companies Acts 2014

Director's Compliance Statement

It is the policy of Bord na Móna plc to comply with the Company's relevant obligations, as defined in section 225 of the Act. Each of the Directors acknowledge that they are responsible for the Company's compliance with its "relevant obligations" and confirm as follows:

- > A compliance policy statement has been drawn up setting out the Company's policies regarding compliance by the Company with its "relevant obligations";
- > Appropriate arrangement and structures designed to secure material compliance with the Company's "relevant obligations" have been put in place; and
- > A review of the aforementioned arrangements and structures has been conducted during the financial year.

Relevant Audit Information

In accordance with the provisions of section 330 of the Act, each of the Directors confirms that:

- > so far as the Directors are aware, there is no relevant audit information of which the statutory auditors are unaware; and
- > the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and they have established that the statutory auditors are aware of that information.

Internal Controls

On behalf of the Company the Directors' acknowledge the Board's responsibility for ensuring that an effective system of internal controls is maintained and operated. This responsibility takes account of the requirements of the Code of Practice for the Governance of State Bodies (2016). 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 but 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 Bord na Móna for the period ended 31 March 2021 and up to the date of approval of the financial statements.

The principal procedures which have been put in place by the Board include:

- > an organisation structure with clear operating and reporting procedures, authorisation limits, segregation of duties and delegated authorities;
- > a code of conduct that requires all Directors and employees to maintain the highest ethical standards in conducting business;
- > clearly defined management responsibilities have been established throughout the Group and the services of qualified personnel have been secured and duties properly allocated among them;
- > a statement of decisions reserved to the Board;
- > a risk management process which enables the identification and assessment of risks that could impact business performance and objectives and ensures that appropriate mitigation plans are formulated to minimise the residual risk;
- > a comprehensive budgeting process for each business, Lean Centre and business services culminating in an annual Group budget approved by the Board;
- > a comprehensive planning process for each business, Lean Centre and the business services culminating in an annual Group long-term plan, approved by the Board;
- > a comprehensive financial reporting system with actual performance against budget, prior year, forecasts, performance indicators and significant variances reported monthly to the Senior Leadership Team and Board;
- > a set of policies and procedures relating to operational and financial controls including capital expenditure;

- > a Protected Disclosures Policy to provide employees and others with a confidential means to report any fraud or ethical concerns;
- > procedures for addressing the financial aspects of major business risks, including financial policies and procedures, delegation practices, and segregation of duties and these are supported by appropriate oversight;
- > management at all levels are responsible for internal control over its respective business functions and provide annual management assurance statements and a self-assessment questionnaire; and
- > procedures for monitoring the effectiveness of the internal control systems include management reviews, the use of external consultants and Internal Audit and the work of the Risk and Audit Committee.

Internal audit considers the Group's control systems by examining key internal controls on a cyclical basis, by testing the accuracy of transactions and by otherwise obtaining management's assurance that the control systems are operating in accordance with the Group's policies and control requirements. Internal audit report directly to the Risk and Audit Committee on the risk based internal audit plan including the operation of internal controls and make recommendations on improvements to the control environment if appropriate. Where weaknesses in internal control systems have been identified action plans for strengthening them are put in place and regularly monitored until completed.

The Group has a framework in place to review the adequacy of internal controls covering financial, operational, risk management and compliance controls. Management are responsible for establishing formal procedures for monitoring control processes and control deficiencies. In the financial year an independent consultant examined the system of internal control and evaluated whether it operated effectively throughout the reporting period. This included the system of internal reporting in place and assessing whether it gave adequate early warning of control failures and emerging risks. The findings were communicated to those responsible for taking corrective action and to management and the Board, where relevant, in a timely way.

The Directors 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 senior management of periodic and annual performance and financial reports which indicate performance against budgets/forecasts.

The Directors confirm that Bord na Móna has procedures to monitor the effectiveness of its risk management and control procedures. Bord na Móna's monitoring and review of the effectiveness of the system of internal control is informed by the work of the internal and external auditors, external consultants, the Risk and Audit Committee which oversees their work, and the Senior Leadership Team within Bord na Móna responsible for the development and maintenance of the internal control framework.

The Directors confirm that the Board conducted an annual review of the effectiveness of the internal controls for the period ended 31 March 2021 and up to the date of approval of the financial statements. The process used to review the effectiveness of the system of internal controls includes:

- > review and consideration of the internal audit work programme and consideration of its reports and findings;
- > review of the regular reporting from internal audit on the status of the internal control environment and the status of recommendations raised previously from their own reports and reports from the external auditor;
- > review of reports from the external auditor which contain details of any material internal control issues identified by them in their work as auditors;
- > a designated Risk Management function in Bord na Móna;
- > review of the risk register reports, the counter measures in place to mitigate the risk, the remaining residual risk and actions required or being taken to further mitigate the risks;
- > a review of the Procurement compliance update provided half yearly to the Risk and Audit Committee;
- > a review of Group Health and Safety as presented quarterly to the Health and Safety Committee and the Board;
- > a review of compliance with the Company's obligations under the Companies Acts as presented to the Risk and Audit Committee; and
- > a Financial and Operational review carried out monthly with senior management, quarterly with the Finance Committee and with the Board at each Board meeting.

No material weaknesses in internal control were identified in relation to the reporting period that require disclosure in the financial statements.

Going Concern

The Directors, having made enquiries, believe that Bord na Móna has adequate resources to continue in operation for the foreseeable future and that it is appropriate to continue to adopt the going concern basis in preparing the financial statements. The directors are undertaking continuous reviews of the Group's operational, commercial and financial performance and have considered the potential impact of COVID-19 and regulatory uncertainties on the Group's ability to continue as a going concern.

Disclosures required under the Code of Practice for the Governance of State Bodies (2016)

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

Travel and Subsistence

The total costs incurred in relation to travel and subsistence in the Bord na Móna Group in the financial year ended 31 March 2021 was €855,289 (FY20: €1,353,722).

Hospitality

The aggregate total expenditure incurred in the Bord na Móna Group in relation to hospitality (including expenditure on staff well-being, contribution to sports and social clubs, Christmas parties, One4all vouchers etc.) in the financial year ended 31 March 2021 was as follows:

- > Staff hospitality €578,385 (FY20: €226,509)
- > Client hospitality €nil (FY20: €46,133).

Consultancy Costs

Expenditure on external consultants' fees including the cost of external advice to management and excluding outsourced business as usual functions in the Bord na Móna Group in the financial year ended 31 March 2021 was €1,340,696 (FY20: €748,066).

Risks and Uncertainties

The Board has overall responsibility for risk management including determining the nature and extent of significant risks that it is willing to accept in pursuit of its strategic and operational objectives. To address this, the Board has established a Risk Management System that provides for continuous identification, assessment, implementation of mitigating actions and controls, and the monitoring and reporting of significant risks within Bord na Móna. Details of the principal risks facing the Group and the operation of the Risk Management System of Bord na Móna plc in the financial year ended 31 March 2021 are given on pages 7-10.

Directors' and Secretary's Shareholdings

The Bord na Móna Employee Share Ownership Plan (ESOP) continues to hold 5% of the total ordinary shares in Bord na Móna plc on behalf of 1,968 eligible participants (serving and retired employees) in the Bord na Móna Employee Share Ownership Trust or the Bord na Móna Approved Profit Sharing Scheme (APSS).

Philip Casey, Kevin Healy, Paddy Rowland and the Secretary are participants in the Bord na Móna Employee Share Ownership Plan. At the start and end of the financial year each had a notional allocation of 1,771 ordinary shares in Bord na Móna plc. These shares are held in the Bord na Móna Approved Profit Sharing

Scheme. The other Directors and their families had no interests in the shares of Bord na Móna plc or any other Group company during the year ended 31 March 2021 or in the prior year.

Subsequent Events

On 5 May 2021, the Group closed a project financing arrangement of €100 million for the Cloncreen Wind Farm located in Co. Offaly. This does not require adjustment to the financial statements.

There have been no other events requiring disclosure between the balance sheet date and the date on which the financial statements were approved.

Prompt Payments of Accounts

The Directors acknowledge their responsibility for ensuring compliance, in all material respects, with the provisions of the Prompt Payments of Accounts Act 1997, the European Communities (Late Payment in Commercial Transactions) Regulations 2002 and the European Communities (Late Payment in Commercial Transactions) Regulations 2012-2016 (the "Regulations"). Procedures have been implemented to identify the dates upon which invoices fall due for payment and to ensure that payments are made by such dates. Such procedures provide reasonable but not absolute assurance against material non-compliance with the Regulations. The Directors are satisfied that Bord na Móna Plc has complied in all material respects with the relevant requirements of the Regulations in relation to external supplier payments within the EU. In 2015, the Government launched the Prompt Payment Code of Conduct and Bord na Móna is a signatory to this code and undertakes to pay suppliers within agreed terms.

Principal Subsidiaries and Partnerships

Details of the Group's principal operating subsidiaries (including overseas branches) and partnerships are set out in note 24 of the financial statements.

Research and Development

The research and development costs incurred during the year by the Group were €6.9 million (FY20: €7.7 million).

Political Donations

The Board made no political donations during the year (FY20: €nil).

Auditors

In accordance with Section 383(2) of the Companies Act 2014, the auditor KPMG, Chartered Accountants, who were re-appointed in January 2021, will continue in office.

On behalf of the Board

Geoffrey Meagher
Chairman and Director

Tom Donnellan
Chief Executive
22 June 2021

Statement of Directors' Responsibilities

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the Group and Company financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and applicable law.

Under company law the directors must not approve the Group and Company financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Group and Company and of the Group's profit or loss for that year. In preparing each of the Group and Company financial statements, the directors are required to:

- > select suitable accounting policies and then apply them consistently;
- > make judgements and estimates that are reasonable and prudent;
- > state whether they have been prepared in accordance with IFRS as adopted by the EU; and
- > prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company and which enable them to ensure that the financial statements of the Group are prepared in accordance with applicable IFRS, as adopted by the EU and comply with the provisions of the Companies Act 2014. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and the Company and to prevent and detect fraud and other irregularities. The directors are also responsible for preparing a directors' report that complies with the requirements of the Companies Act 2014.

The directors are responsible for the maintenance and integrity

of the corporate and financial information included on the Company's website. Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Board considers that the consolidated financial statements for the Bord na Móna Group give a true and fair view of the financial performance and the financial position of the Group as at 31 March 2021.

On behalf of the board

Geoffrey Meagher
Chairman and Director

Tom Donnellan
Chief Executive

22 June 2021

Independent Auditor's Report to the Members of Bord na Móna plc

for the year ended 31 March 2021

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Bord na Móna plc ('the Company') and its consolidated undertakings ('the Group') for the year ended 31 March 2021 set out on pages 21-71, which comprise the Consolidated and Company Balance Sheets, the Consolidated Income Statement, the Consolidated Statement of Total Comprehensive Income, the Consolidated Statement of Cash Flows, the Consolidated and Company's Statements of Changes in Equity, and related notes, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation of the Group financial statements is Irish Law and International Financial Reporting Standards (IFRS) as adopted by the European Union and, as regards the Parent Company financial statements, Irish Law and FRS 101 Reduced Disclosure Framework.

In our opinion:

- > the Group and Company financial statements give a true and fair view of the assets, liabilities and financial position of the Group and Company as at 31 March 2021 and of the Group's profit for the year then ended;
- > the Group financial statements have been properly prepared in accordance with IFRS Standards as adopted by the European Union;
- > the Company financial statements has been properly prepared in accordance with FRS 101 Reduced Disclosure Framework; and
- > the Group financial statements and Company financial statements have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements 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 Group's or the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the statement from the chairperson and the statement from the chief executive, the risk management report and the directors' report. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Based solely on our work on the other information undertaken during the course of the audit, we report that:

- > we have not identified material misstatements in the directors' report;
- > in our opinion, the information given in the directors' report is consistent with the financial statements;
- > in our opinion, the directors' report has been prepared in accordance with the Companies Act 2014.

Independent Auditor's Report to the Members of Bord na Móna plc

for the year ended 31 March 2021 continued

Report on the audit of the financial statements continued

Opinions on other matters prescribed by the Companies Act 2014

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

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

Matters on which we are required to report by exception

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

Under the Code of Practice for the Governance of State Bodies ("the Code") we are required to report to you if the statement regarding the system of internal financial control required under the Code as included in the Directors' Report on pages 11-16 does not reflect the Group's compliance with paragraph 13.1 (iii) of the Code or if it is not consistent with the information of which we are aware from our audit work on the financial statements and we report if it does not. We have nothing to report in this regard.

Respective responsibilities and restrictions on use

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 17, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; 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; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 these financial statements.

A fuller description of our responsibilities is provided on IAASA's website at www.iaasa.ie/Publications/Auditing-standards/International-Standards-on-Auditing-for-use-in-Ire/Description-of-the-auditor-s-responsibilities-for.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members 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 Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Eamon Dillon
for and on behalf of KPMG
Chartered Accountants, Statutory Audit Firm
 1 Stokes Place
 St. Stephen's Green
 Dublin 2

23 June 2021

Consolidated Financial Statements

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Consolidated Income Statement for the year ended 31 March 2021

	Note	31 March 2021 €'000	25 March 2020 €'000
Continuing Operations			
Revenue	3	323,879	351,019
Cost of sales		(224,082)	(254,408)
Gross profit		99,797	96,611
Other income	7	6,978	4,217
Distribution expenses		(29,893)	(29,745)
Administrative expenses	7	(49,159)	(49,767)
Impairment of property, plant and equipment	7 & 10	(490)	(9,214)
Impairment of goodwill and intangible assets	7 & 11	-	(3,052)
Restructuring costs	7 & 18	-	(34,589)
Operating profit/(loss)		27,233	(25,539)
Finance income	8	662	1,154
Finance costs	8	(4,377)	(5,666)
Net finance costs		(3,715)	(4,512)
Share of profit of equity-accounted investees	14	4,232	3,779
Profit/(loss) before tax		27,750	(26,272)
Income tax (expense)/credit	9	(5,302)	3,816
Profit/(loss) for the year		22,448	(22,456)
Profit/(loss) attributable to:			
Owners of the Company		22,111	(22,652)
Non-controlling interests		337	196
		22,448	(22,456)

The accompanying notes are an integral part of these financial statements.

On behalf of the board

Geoffrey Meagher **Tom Donnellan**
Chairman Chief Executive

22 June 2021

Consolidated Statement of Total Comprehensive Income for the year ended 31 March 2021

	Note	31 March 2021 €'000	25 March 2020 €'000
Profit/(loss) for the year		22,448	(22,456)
Items that will never be reclassified to profit or loss			
Remeasurements of defined benefit pension liability	25	(12,652)	24,358
Related tax on remeasurements of defined benefit pension liability	9	1,527	(3,029)
		(11,125)	21,329
Items that are or may be reclassified to profit or loss			
Foreign operations - foreign currency translation		306	(1,275)
Cash flow hedges - effective portion of changes in fair value		-	1,278
Related tax on changes in fair value of hedges		-	(156)
Cash flow hedges - reclassified to profit or loss (cash payments)		-	(579)
Related tax on cash flow hedges reclassified to profit or loss (cash payments)		-	72
Cash flow hedges - reclassified to profit or loss (foreign exchange)		-	(458)
Related tax on cash flow hedges reclassified to profit or loss (foreign exchange)		-	57
Share of other comprehensive income/ (expense) of equity-accounted investees	14	435	(1,722)
		741	(2,783)
Other comprehensive (expense)/income net of tax		(10,384)	18,546
Total comprehensive income/(expense) for the year		12,064	(3,910)
Total comprehensive income/(expense) attributable to:			
Owners of the Company		11,727	(4,106)
Non-controlling interests		337	196
		12,064	(3,910)

The accompanying notes are an integral part of these financial statements.

Consolidated Balance Sheet as at 31 March 2021

	Note	31 March 2021 €'000	25 March 2020 €'000
Assets			
Non-current assets			
Property, plant and equipment	10	213,892	217,461
Right of use assets	12	9,185	8,892
Goodwill and intangible assets	11	20,135	21,937
Equity-accounted investees	14	23,459	24,985
Retirement benefit asset	25	10,722	17,560
Total non-current assets		277,393	290,835
Current assets			
Inventories	13	20,612	29,578
Trade and other receivables	15	82,189	61,233
Cash and cash equivalents	22	18,119	36,657
Total current assets		120,920	127,468
Total assets		398,313	418,303
Equity			
Equity attributable to owners of the company			
Share capital	20	82,804	82,804
Share premium	20	1,959	1,959
Cash flow hedge reserve		(6,789)	(7,224)
Other reserves		(414)	(720)
Foreign currency translation reserve		91,399	80,413
Retained earnings		168,959	157,232
Equity attributable to owners of the Company		168,959	157,232
Non-controlling interests		431	94
Total equity		169,390	157,326
Liabilities			
Non-current liabilities			
Retirement benefit obligations	25	3,133	2,850
Loans and borrowings	19	-	24,522
Lease liabilities	12	7,544	7,302
Capital grant	17	1,975	3,873
Provisions	18	95,425	66,884
Deferred tax liabilities	9	4,471	2,838
Total non-current liabilities		112,548	108,269
Current liabilities			
Loans and borrowings	19	495	495
Bank overdraft	19	3,560	10,634
Lease liabilities	12	2,230	1,909
Provisions	18	20,236	59,089
Trade and other payables	16	89,854	80,581
Total current liabilities		116,375	152,708
Total liabilities		228,923	260,977
Total equity and liabilities		398,313	418,303

The accompanying notes are an integral part of these financial statements.

On behalf of the board

Geoffrey Meagher **Tom Donnellan**
Chairman Chief Executive

22 June 2021

Consolidated Statement of Changes in Equity

for the year ended 31 March 2021

	Share capital	Share premium	Cashflow hedge reserve	Other reserves	Foreign currency translation reserve	Retained earnings	Total	Non-controlling interests	Total
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
At 27 March 2019	82,804	1,959	(214)	(5,502)	555	81,736	161,338	(102)	161,236
Total comprehensive income									-
Loss for the year	-	-	-	-	-	(22,652)	(22,652)	196	(22,456)
Other comprehensive income									
Remeasurements of defined benefit liability	-	-	-	-	-	21,329	21,329	-	21,329
Foreign operations - foreign currency translation difference	-	-	-	-	(1,275)	-	(1,275)	-	(1,275)
Cash flow hedge - effective portion of changes in fair value	-	-	-	-	-	-	-	-	-
Cash flow hedge - reclassified to profit or loss (cash payments)	-	-	1,122	-	-	-	1,122	-	1,122
Cash flow hedge - reclassified to profit or loss (foreign exchange)	-	-	(507)	-	-	-	(507)	-	(507)
Share of other comprehensive income of equity-accounted investees	-	-	(401)	-	-	-	(401)	-	(401)
Reclassification of other comprehensive income following the disposal of joint venture interest	-	-	-	(1,722)	-	-	(1,722)	-	(1,722)
At 25 March 2020	82,804	1,959	-	(7,224)	(720)	80,413	157,232	94	157,326
Total comprehensive income									
Profit for the year	-	-	-	-	-	22,111	22,111	337	22,448
Other comprehensive income									
Remeasurements of defined benefit liability	-	-	-	-	-	(11,125)	(11,125)	-	(11,125)
Foreign operations - foreign currency translation difference	-	-	-	-	306	-	306	-	306
Cash flow hedge - effective portion of changes in fair value	-	-	-	-	-	-	-	-	-
Cash flow hedge - reclassified to profit or loss (cash payments)	-	-	-	-	-	-	-	-	-
Cash flow hedge - reclassified to profit or loss (foreign exchange)	-	-	-	-	-	-	-	-	-
Share of other comprehensive income of equity-accounted investees	-	-	-	435	-	-	435	-	435
At 31 March 2021	82,804	1,959	-	(6,789)	(414)	91,399	168,959	431	169,390

The accompanying notes are an integral part of these financial statements.

Consolidated Statement of Cash Flows

for the year ended 31 March 2021

	Note	31 March 2021	25 March 2020
		€'000	€'000
Cash flows from operating activities			
Profit/(Loss) for the year		22,448	(22,456)
Adjustment for:			
Depreciation of property, plant and equipment	10	29,673	29,959
Amortisation of intangible assets	11	2,141	3,009
Profit on sale of property, plant and equipment	10	(2,152)	(2,222)
Capital grants amortisation	17	(1,939)	(2,528)
Impairment of property, plant and equipment	10	490	9,214
Impairment of intangible assets	11	-	3,052
Emission allowances	11	2,586	12,236
Profit of equity-accounted investees	14	(4,232)	(3,779)
Net finance costs	8	3,715	4,512
Tax charge/(credit)	9	5,302	(3,816)
Operating cash flows before changes in working capital and provisions		58,032	27,181
Changes In:			
Trade and other payables		(23,689)	(13,793)
Trade and other receivables		10,135	6,013
Inventories		8,966	30,247
Provisions		(10,582)	4,152
Excess of cash contributions over pension charge	25	(5,109)	(6,302)
		(20,279)	20,317
Interest paid		(832)	(3,658)
Tax recovered		61	1,883
Cash generated from operating activities		36,982	45,723
Cash flows from investing activities			
Proceeds on disposal of property, plant and equipment	10	2,183	2,466
Intangible asset purchase	11	(2,742)	(15,846)
Capital grant received	17	-	(89)
Purchase of property, plant and equipment	10	(26,085)	(20,988)
Repayments/advances of loans to equity-accounted investees	14	6,192	(329)
Interest received	8	238	575
Net cash from investing activities		(20,214)	(34,211)
Cash flows from financing activities			
Repayment of unsecured loan notes		-	(69,265)
Funds (repaid)/received on revolving credit facility		(25,000)	25,000
Cash receipts on derivatives	8	-	14,589
Repayment of lease liabilities		(3,232)	(2,708)
Net cash used in financing activities		(28,232)	(32,384)
Net decrease in cash and cash equivalents		(11,464)	(20,872)
Cash and cash equivalents at the beginning of year		26,023	46,895
Cash and cash equivalents at the end of year	22	14,559	26,023

The accompanying notes are an integral part of these financial statements.

Notes forming part of the Financial Statements for the year ended 31 March 2021

1. Reporting entity

Bord na Móna plc (the “Company”) is a company domiciled in Ireland. The financial statements as at and for the year ended 31 March 2021 comprise the financial statements of the Company and its subsidiaries (together referred to as the “Group” and individually as “Group entities”) and the Group’s interest in equity-accounted investees. The Company’s registered office is Main Street, Newbridge, Co. Kildare, W12 XR59. The registered number of the Company is 297717.

One ordinary share is held by the Minister for Environment, Climate and Communications. 5% of the ordinary shares are held by the employees of the Group through an Employee Share Ownership Plan (ESOP). The remainder of the issued share capital is held by the Minister for Finance (whose shares stand transferred to the Minister for Public Expenditure and Reform under the Ministers and Secretaries Act 2011).

2. Significant accounting policies (including use of estimates and judgements)

The accounting policies set out below have been consistently applied to all years presented in these consolidated financial statements and have been consistently applied by all Group entities.

Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the European Union.

The individual financial statements of the Company have been prepared in accordance with FRS 101 Reduced Disclosure Framework (“FRS 101”). A separate Company income statement is not presented in these financial statements as the Company has availed of the exemption provided by section 304 of the Companies Act 2014.

Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following material items on the balance sheet:

- > the defined benefit plan liability is recognised as the net of the fair value of plan assets and the present value of the defined benefit obligation; and
- > derivatives are measured at fair value.

Functional currency

The financial statements are presented in Euro, which is the functional currency of the Group. All financial information presented in Euro has been rounded to the nearest thousand, except where otherwise indicated.

Use of estimates and judgements

The preparation of the consolidated financial statements and Company financial statements in conformity with IFRS and FRS 101 respectively requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

The judgements in applying accounting policies that have the most significant effect on amounts recognised in the consolidated and Company financial statements are:

- > The Group has determined that peat does not meet the definition of a biological asset under IFRS as there is no manual intervention involved in the creation of peat. In addition, peat in its current form is not considered a living animal or plant.
- > The execution of the decarbonisation strategy, including enhanced bog rehabilitation and a move to biomass only power in Edenderry post 2023, will lead to the decarbonisation of our business activities. This is the basis for our provisions for restructuring, redundancy and other decarbonisation costs which were recognised in the previous financial year.

The key estimates in applying accounting policies that have the most significant effect on amounts recognised in the consolidated and Company financial statements are:

- > Useful lives of property, plant and equipment and intangible assets. See notes 10 and 11.
- > Measurement of provisions. See note 18.
- > Valuation of pension scheme assets and liabilities. See note 25.

Measurement of fair values

A number of the Group’s accounting policies and disclosures require the measurement of fair values. When measuring the fair value of an asset or liability the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: 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. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Notes forming part of the Financial Statements for the year ended 31 March 2021 continued

2. Significant accounting policies (including use of estimates and judgements) continued

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Further information about the assumptions made in measuring fair values is included in the note on Financial Instruments and Risk Management (See Note 27).

For financial assets and liabilities not measured at fair value, the carrying amount presented in these financial statements is a reasonable approximation of fair value.

Accounting year

The financial year ends on the last Wednesday in March. These financial statements cover the 53-week period from 26 March 2020 to 31 March 2021 (prior year: 52-week period from 28 March 2019 to 25 March 2020).

Going concern

The financial statements have been prepared on the going concern basis.

Changes in Accounting Policies

(i) Standards effective during the year

The Group has applied the following standards and amendments for the first time for the financial year commencing 26 March 2020:

- > Amendments to IAS 1 and IAS 8: *Definition of material*
- > Amendments to IFRS 3: *Definition of a business*
- > Amendments to IFRS 9 and IFRS 7: *Interest rate benchmark reform*
- > Revised *Conceptual framework for financial reporting*

The Group has also elected to adopt the following amendments early:

- > Annual improvements to IFRS Standards 2018–2020 Cycle

(ii) Standards not yet effective

The following standards are not effective for 31 March 2021 reporting period and have not been adopted early by the Group:

- > IFRS 17: *Insurance Contracts*

These standards and amendments are not expected to have a material impact on the financial statements.

Basis of consolidation

Business combinations

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Gains and losses on such settlements are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not subsequently re-measured and settlement is accounted for within equity.

Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Joint ventures

A joint venture is an arrangement over which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its individual assets and obligations for its liabilities.

Interests in joint ventures are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group’s share of the profit or loss and other comprehensive income (“OCI”) of equity-accounted investees, until the date on which joint control ceases.

Associate

An associate is an entity in which the Group has significant influence but not control or joint control. Interests in associates are accounted for using the equity method.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any interest retained in the former subsidiary is measured at fair value when control is lost. Any resulting gain or loss is recognised in profit or loss.

Non-controlling interests

Non-controlling interests (“NCI”) are measured at their proportionate share of the acquiree’s identifiable net assets at the date of acquisition. Subsequently they are allocated their share of total comprehensive income.

Changes in the Group’s interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

2. Significant accounting policies (including use of estimates and judgements) continued

Basis of consolidation continued

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Investments in subsidiaries are carried at cost less impairment in the financial statements of the Company.

Foreign currency

i. Foreign Currency Transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are recognised in profit or loss. Non-monetary items that are measured based on historical cost in a foreign currency are not retranslated.

However, foreign currency differences arising from the translation of the following items are recognised in OCI:

- > available-for-sale equity investments (except on impairment, in which case foreign currency differences that have been recognised in OCI are reclassified to profit or loss);
- > a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- > qualifying cash flow hedges to the extent that the hedges are effective.

ii. Foreign Operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into euro at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into euro at the exchange rates at the dates of the transactions.

Foreign currency differences are recognised in OCI and accumulated in the translation reserve, except to the extent that the translation difference is allocated to NCI.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI.

Exceptional items

The Group has adopted an Income Statement format which highlights significant items within the Group's results for the year. Exceptional items are those items of income and expense that the Group considers are material and/or of such a nature that their separate disclosure is relevant to a better understanding of the Group's financial performance. Judgement is used by the Group in assessing the particular items which, by virtue of their materiality and/or nature, are disclosed in the Group Income Statement and related notes as exceptional items. The tax element of exceptional items is included as exceptional tax.

Leases

At inception of an arrangement, the Group determines whether the arrangement is or contains a lease. An arrangement is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. In assessing whether an arrangement conveys the right to control the use of an identified asset, the Group uses the definition of a lease contained in IFRS 16.

An arrangement may contain both lease and non-lease components. The Group allocates the consideration per the arrangement to the lease and non-lease components based on their relative stand alone prices. For property leases the Group has elected not to separate lease and non-lease components and accounts for these as a single lease component.

The Group recognises a lease liability and right of use asset at the lease commencement date. The lease liability is initially measured at the present value of following lease payments:

- > fixed payments, including in-substance fixed payments, less any incentives receivable;
- > variable lease payments which are based on an index or rate, initially measured using the index or rate as at the commencement date;
- > amounts expected to be payable under a residual value guarantee;
- > the exercise price of a purchase option if the Group is reasonably certain to exercise that option;
- > payments in an optional renewal period, if the Group is reasonably certain to exercise an extension option; and
- > penalty payments for early termination of the lease, unless the Group is reasonably certain not to terminate early.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the Group's incremental borrowing rate is used.

To determine the incremental borrowing rate, the Group obtains interest rates from various external financing sources and makes adjustments to reflect the terms of the lease and the nature of the leased asset.

2. Significant accounting policies (including use of estimates and judgements) continued

The lease liability is subsequently measured at amortised cost using the effective interest method. The Group is exposed to potential future increases in variable lease payments based on an index or rate; which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right of use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period to achieve a constant rate of interest on the remaining balance of the liability.

The right of use asset is initially measured at cost comprising the following amounts:

- > the initial measurement of the lease liability;
- > lease payments made on or before the commencement date less any lease incentive received;
- > initial direct costs; and
- > restoration costs.

The right of use asset is subsequently depreciated using the straight-line method over the shorter of the lease term or the useful life of the asset. If the Group is reasonably certain to exercise a purchase option, the right of use asset is depreciated over its useful life. In addition, the right of use asset may be periodically reduced by impairment losses, if any, and adjusted for reassessments of the lease liability.

The Group has elected not to recognise lease liabilities and right of use assets for short term leases and leases of low value assets. Lease payments associated with these leases are expensed on a straight-line basis over the lease term.

Finance income and finance costs

The Group's finance income and finance costs include:

- > interest income;
- > interest expense;
- > the unwind of discounts or provisions;
- > the net interest cost on defined benefit pensions;
- > the net gain or loss on financial assets at fair value through Profit and Loss;
- > the foreign currency gain or loss on financial assets and financial liabilities;
- > the net gain or loss on hedging instruments that are recognised in profit or loss; and
- > the reclassification of amounts related to cash-flow hedges previously recognised in OCI.

Interest income or expenses are recognised using the effective interest method.

The Group's finance cost excludes interest capitalised on assets in the course of construction.

Taxation

Income tax expense comprises current tax and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity or in OCI.

Current tax

Current tax represents the amount expected to be payable or receivable in respect of taxable profit or loss for the year and any adjustment to the tax payable and receivable in respect of previous years. It is calculated using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- > temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- > temporary differences related to investments in subsidiaries, associates and joint ventures to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- > taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Group has not rebutted this presumption.

Deferred tax assets and liabilities are offset only if certain criteria are met.

2. Significant accounting policies (including use of estimates and judgements) continued**Revenue****Generation and Trading – Revenue from power generation (Republic of Ireland)****Integrated-Single Electricity Market (“I-SEM”)**

The I-SEM is the wholesale electricity market arrangement for the Republic of Ireland and Northern Ireland and went live on 1 October 2018. This replaced the previous SEM with multiple markets or auctions, each spanning different trading time frames, with separate (although related) clearing and settlement mechanisms. There are two ex-ante markets for energy; the Day-Ahead Market and the Intraday Market. In addition, energy balancing services are offered into the Balancing Market by generators (energy producers) and suppliers (energy consumers). Capacity is a commitment by a generator or interconnector owner to be available to deliver energy into the grid, if called on to do so. Capacity providers who are successful in the Capacity Market Auctions receive a regular capacity payment, which assists with funding generation capacity. Revenue from the sale of electricity in the I-SEM markets are recognised over time on consumption of electricity and an I-SEM receivable is recognised on the balance sheet and settled daily for the ex-ante market and weekly for the ex-post market. Capacity income is received through the ‘Capacity Remuneration Mechanism’ (“CRM”) where a capacity payment is made to a participant in respect of a Generator Unit in each Capacity Period on the basis of the Unit’s Eligible Availability, which is based on the Unit’s Availability Profile. Revenue is recognised over time, recognised as an I-SEM receivable on the balance sheet and settled within one month.

Ancillary income is received through ‘Delivering a Secure Sustainable Electricity System’ (“DS3”) programme for provision of services to the grid. Ancillary income is recognised over time in line with services provided. Ancillary income is recognised as a receivable on the balance sheet and settled within one month.

Sale of peat and biomass

Customers obtain control of peat and biomass when the goods are delivered to and have been accepted at the customer’s premises. Invoices are usually payable on typical industry terms. Adjustments to the price of peat and biomass may be provided where quality specifications are not met. There is no right of return for the goods.

Revenue is recognised at the point in time when the goods are delivered and have been accepted by the customer at their premises. The amount of revenue recognised is adjusted for expected sales price adjustments.

Sale of fuels and growing media products

Customers obtain control of fuels and growing media product when the goods are delivered to and have been accepted at the customer’s premises. Invoices are usually payable on typical industry terms. Rebates are provided in certain circumstances. There is no right of return for the goods.

Revenue is recognised net of rebates at the point in time when the goods are delivered and have been accepted by the customer at their premises.

Resource recovery**Domestic and commercial waste collection**

Customers obtain the benefit of domestic and commercial waste collection services when waste is collected from their premises. Invoices are usually payable on typical industry terms. Discounts are provided in certain circumstances.

Revenue is recognised (net of discounts) over time as the services are rendered. If the services under a single arrangement are rendered in different reporting periods, then the consideration is allocated based on their relative stand-alone selling prices. Revenue related to the payment for services received in advance of the service being rendered are recognised as a contract liability until the benefit has passed to the customer.

Landfill revenue

Customers obtain the benefit of landfill services when the waste is delivered at the landfill. Invoices are usually payable on typical industry terms. Discounts are provided in certain circumstances.

Revenue is recognised (net of discounts) over time as the services are rendered. If the services under a single arrangement are rendered in different reporting periods, then the consideration is allocated based on their relative stand-alone selling prices. Revenue related to the payment for services received in advance of the service being rendered are recognised as a contract liability until the benefit has passed to the customer.

Deferred revenue and accrued revenue

On receipt of payment from customers in advance of the performance of the Group’s contractual performance obligations to its customers, the Group recognises deferred revenue on the balance sheet, representing the Group’s unperformed obligations under the contract terms. When the Group performs its obligations and thereby obtains the right to consideration, the related revenue is recognised in the income statement. The costs associated with the delivery of the services are charged to cost of sales as incurred.

Revenue earned on goods and services delivered but unbilled is recognised in accordance with contractual terms as accrued revenue on the balance sheet.

2. Significant accounting policies (including use of estimates and judgements) continued**Property, plant and equipment****Recognition and measurement**

Freehold land other than peatland is measured at cost less any accumulated impairment losses. Peatland and all other items of property, plant and equipment are measured at cost less accumulated depreciation, depletion and any accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes:

- > the cost of materials and labour;
- > any other costs directly attributable to bringing the assets to a working condition for their intended use;
- > when the Group has an obligation to remove the asset or restore the site, an estimate of the costs associated with this; and
- > capitalised borrowing costs.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) and depreciated separately.

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

Borrowings costs that are directly attributable to the construction of property, plant and equipment are capitalised as part of the cost of those assets. Where funds are borrowed specifically for the purpose of financing the construction of property, plant and equipment, the amount of finance costs capitalised is limited to the actual costs incurred on the borrowings during the period in respect of expenditure on the property, plant and equipment. The capitalisation of borrowing costs ceases when the asset is commissioned or where active development has been interrupted for an extended period of time.

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Depletion and depreciation

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over the estimated useful lives. Depreciation is recognised in profit or loss. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Land is not depreciated.

Property, plant and equipment is depreciated from the date that they are available for use or in respect of assets in the course of construction from the date that the asset is completed and ready for use.

There are a number of different useful lives used over which the assets are depreciated as below:

Assets on a straight-line basis

Other items of property, plant and equipment are depreciated on a straight-line basis at the rates indicated:

Plant and machinery	5% to 33%	per annum
Wind farms	5%	per annum
Motor Vehicles	20%	per annum
Buildings	5% to 10%	per annum
IT equipment	20% to 33%	per annum

Other asset categories**Generating assets**

The Group’s power plant at Edenderry is depreciated on an electrical output basis in order to relate the depreciation to the estimated production capability of the plant.

The Group’s peaking plant at Edenderry and all wind farms are depreciated on a straight-line basis with the charge calculated to write the cost of the asset to its estimated residual value. The use of the straight-line basis of depreciation reflects the anticipated consumption of the economic benefit of the assets on a consistent basis over the useful life (twenty years) of the plants and wind farms based on its availability to the grid.

Landfill

The infrastructural cost of the landfill asset is depreciated over the licensed life of twenty years. The landfill cells and the related capitalised costs for which there is a related environmental provision such as capping are depreciated on the basis of the usage of void space.

Peatlands – accounting policy applicable before 26 March 2020

A depreciation charge is recorded in respect of peatland based on the peat reserves that will be consumed to meet the Group’s supply obligations under Peat Supply Agreements.

Peatlands are fully depreciated in line with the above accounting policy as a result of the cessation of Peat production.

Assets in course of construction

No depreciation is charged on assets in the course of construction.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

2. Significant accounting policies (including use of estimates and judgements) continued

Intangible assets and goodwill

i. Recognition and measurement

Goodwill

Goodwill arising on the acquisition of subsidiaries is measured at cost less accumulated impairment losses.

Research and development

Expenditure on research and development activities is recognised in profit or loss as incurred.

Other intangible assets (excluding emissions allowances)

Other intangible assets, including contracts, grid connections, customer lists and software are measured at cost less accumulated amortisation and any accumulated impairment losses.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is recognised in profit or loss.

The estimated useful lives are as follows:

- > Grid connection – 20 years
- > Software – 3-8 years
- > Customer relationships – 3 years

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. Goodwill is not amortised but is subject to annual impairment reviews.

Emission allowances

Purchased

Emissions allowances purchased are recorded as intangible assets at cost and are not amortised as they are held for settlement of the emission liability. As emissions arise, a charge is recorded in the income statement to reflect the amount required to settle the liability to the Government Authority. This liability will include the carrying amount of the emission allowances held plus the current market value of any additional allowances required to settle the obligation. These allowances, together with any additional allowances received, are returned to the relevant authority within four months of the end of that calendar year, in order to cover the liability for actual emissions during that year. The intangible asset is reduced on settlement of the liability. The related expense is recognised in the income statement using specific identification method.

Granted

In accordance with the provisions of the European Union emissions trading scheme, emissions allowances covering a percentage of the expected emissions during the year are granted to the Group or one of the Group entities at the beginning of each year by the relevant Government Authority. Emissions allowances granted are recognised at nil. The corresponding liability that will be settled using granted allowances is also recognised at nil.

Impairment

i. Non-derivative financial assets

Financial assets not classified as at fair value through profit or loss are assessed at each reporting date to determine whether there is objective evidence of impairment.

ii. Non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than investment property, inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Unit ("CGUs"). Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2. Significant accounting policies (including use of estimates and judgements) continued

Inventories

Inventories and work in progress are valued at the lower of cost and net realisable value.

Cost of milled peat includes all direct expenditure incurred in bringing products to their existing location and condition under normal operating conditions. The cost of milled peat stock harvested is determined at each peatland location as the cost of the annual harvest allocated over the normal levels of harvest production calculated based on standard tonnage. The unit cost is reduced to actual cost where actual cost per tonne is lower than standard cost per tonne. The costs of milled peat stocks include a peat depletion charge, direct labour, other costs and related production overheads. Variations from standard tonnage (i.e. up tonnages where the actual output tonnages are greater due to lower moisture content) are recognised on measurement of the peat when the stock pile is fully used. The additional bonuses of work groups which only arise when up-tonnage is recognised are provided for when the related up tonnages are identified and recognised as part of this measurement process.

Briquette inventories are valued on the lower of actual costs or the standard normalised cost.

Growing media horticulture inventories are valued at weighted average actual costs.

Bioenergy inventories are valued at weighted average actual cost.

Net realisable value is based on estimated selling price in the ordinary course of business less the estimated cost of completion necessary to make the sale and any penalty payments.

Employee benefits

The Group has both defined benefit and defined contribution pension arrangements.

(i) Short term employee benefits

Short term employee benefits are expensed as the related services are provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Defined contribution schemes

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(iii) Defined benefit schemes

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Where the scheme rules require a surplus arising in the scheme to be shared between employer and the members, the amount attributable to the members is treated as an increase in the scheme liabilities. The movement in the share attributable to members is recognised in the Statement of Total Comprehensive Income ("OCI").

Re-measurements of the net defined liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit liability (asset) at the previous reporting date, taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iv) Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of these benefits and when the Group recognises costs for restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, they are discounted.

Financial instruments

Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

2. Significant accounting policies (including use of estimates and judgements) continued**Financial instruments continued****Financial instruments – Classification and subsequent measurement**

On initial recognition, a financial asset is classified as measured at amortised cost, fair value through other comprehensive income (“FVOCI”), or fair value through profit and loss. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- > it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- > its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets (see Note 27). On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets – Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- > the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management’s strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- > how the performance of the portfolio is evaluated and reported to the Group’s management;
- > the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- > how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- > the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group’s continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, ‘principal’ is defined as the fair value of the financial asset on initial recognition. ‘Interest’ is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- > contingent events that would change the amount or timing of cash flows;
- > terms that may adjust the contractual coupon rate, including variable-rate features;
- > prepayment and extension features; and
- > terms that limit the Group’s claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets - Subsequent measurement and gains and losses**Financial assets at FVTPL**

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

2. Significant accounting policies (including use of estimates and judgements) continued**Financial liabilities – Classification, subsequent measurement and gains and losses**

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

See Note 27 for financial liabilities designated as hedging instruments.

Derecognition**Financial assets**

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Financial assets at amortised cost

The Group recognises loss allowances for expected credit losses (“ECLs”) on financial assets measured at amortised cost. Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs. When determining whether the credit risk of a financial

asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group’s historical experience and informed credit assessment and including forward looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 120 days past due. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is ‘credit impaired’ when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit impaired includes the following observable data:

- > significant financial difficulty of the borrower or issuer;
- > a breach of contract such as a default or being more than 120 days past due;
- > the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- > it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- > the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the Balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Group has a policy of writing off the gross carrying amount when the financial asset is 120 days past due based on historical experience of recoveries of similar assets. For corporate customers, the Group individually makes an assessment with respect to the timing and amount of write off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group’s procedures for recovery of amounts due.

Notes forming part of the Financial Statements for the year ended 31 March 2021 continued

2. Significant accounting policies (including use of estimates and judgements) continued

Cash and cash equivalents

Cash and cash equivalents comprise of cash at bank and in hand and short-term deposits.

Cash equivalents are short-term highly liquid investments with an original maturity of three months or less from the date of acquisition that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

In the statement of cash flows cash and cash equivalents are shown net of short-term overdrafts which are repayable on demand.

Derivative financial instruments and hedge accounting

The Group may hold derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if certain criteria are met.

Derivatives are recognised initially at fair value; any directly attributable transaction costs are recognised in profit or loss as they are incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognised in profit or loss unless hedge accounting is being applied.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

The amount accumulated in equity is retained in OCI and reclassified to profit or loss in the same period or periods during which the hedged item affects profit or loss.

If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, or the designation is revoked, then hedge accounting is discontinued prospectively. If the forecast transaction is no longer expected to occur, then the amount accumulated in equity is reclassified to profit or loss.

The Group uses derivative financial instruments to hedge its exposure to commodity price, foreign exchange and interest rate risk arising from operational, financing and investing activities. The principal derivatives used include interest rate swaps, inflation-linked interest rate swaps, currency swaps and forward foreign currency contracts. Commodity contracts are also used to hedge the Group's exposures to the purchase of fuel and sale of electricity.

Within its regular course of business, the Group routinely enters into sale and purchase contracts for commodities, including gas and electricity. Where the contract was entered into and continues to be held for the purposes of receipt or delivery of the commodities in accordance with the Group's expected sale, purchase or usage requirements, the contracts are designated as own use contracts and are accounted for as executory contracts. These contracts are therefore not within the scope of IFRS 9 Financial Instruments.

Commodity contracts which are not designated as own use contracts are accounted for as trading derivatives and are recognised in the balance sheet at fair value. The changes in fair value when a hedge accounting relationship exists will be recognised in accordance with IFRS 9 as cash flow hedges or fair value hedges.

Financial derivative instruments are used by the Group to hedge interest rate and currency exposures. All such derivatives are recognised at fair value and are re-measured to fair value at the balance sheet date. The majority of other derivative financial instruments are designated as being held for hedging purposes.

The designation of the hedge relationship is established at the inception of the contract. The treatment of gains and losses on subsequent re-measurement is dependent on the classification of the hedge and whether the hedge relationship is designated as either a fair value or cash flow hedge. All fair value movements on derivatives that are not part of hedging relationships are recorded through the income statement.

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from retained earnings, net of any tax effects.

Ordinary dividends declared as final dividends are recognised as a liability in the period in which they are approved by shareholders. Interim dividends are recognised as a liability when paid.

Provisions and contingent liabilities

A provision is recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and the amount of that outflow can be measured reliably. If the effect is material, provisions are measured by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of an outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of an outflow of economic benefits is remote.

Grants

Government grants other than emission allowances are initially recognised as deferred income at fair value if there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant; they are then recognised in profit or loss as other income on a systematic basis over the useful life of the asset.

Grants that compensate the Group for expenses incurred are recognised in profit or loss on a systematic basis in the periods in which the expenses are recognised.

Notes forming part of the Financial Statements for the year ended 31 March 2021 continued

3. Revenue

	31 March 2021 €'000	25 March 2020 €'000
Energy:		
Peat and Biomass	9,510	55,219
Powergen Operations	102,777	96,219
Fuels	39,311	43,524
Growing Media	77,072	63,277
Total Energy	228,670	258,239
Resource Recovery	92,521	89,356
Other	2,688	3,424
Total	323,879	351,019

Revenue disaggregated by geographical location, as follows:

	31 March 2021 €'000	25 March 2020 €'000
Ireland	253,363	289,751
United Kingdom	54,875	43,745
Rest of Europe	15,197	16,971
Rest of World	444	552
Total	323,879	351,019

4. Employee benefit expenses

The average number of persons employed by the Group during the year, analysed by category, is as follows:

	31 March 2021 Number	25 March 2020 Number
Manufacturing and production	925	1,125
Administration	358	365
Total	1,283	1,490
Peak Employment	2,170	1,831

	31 March 2021 €'000	25 March 2020 €'000
The aggregated payroll costs of these persons were as follows:		
Wages and salaries	59,850	68,627
Social security costs	6,693	7,796
Pension costs (defined contribution)	1,588	1,688
Pension costs (defined benefit)	1,062	1,454
Redundancy costs (charge to income statement)	-	26,326
Staff costs capitalised	69,193 (1,038)	105,891 (1,236)
Net staff costs	68,155	104,655

During the year ended 31 March 2021 the Group received €0.8 million through the Temporary COVID-19 Wage Subsidy Scheme (TWSS). This amount is netted within employee costs for the year.

Notes forming part of the Financial Statements for the year ended 31 March 2021 continued

5. Directors' remuneration

	31 March 2021 €'000	25 March 2020 €'000
Directors' fees	145	141
Salary	225	225
Company contributions to pension schemes	70	74
Taxable benefits	63	56
Termination benefits	112	369
Other remuneration	199	297
	814	1,162

The directors' remuneration disclosure is made up of remuneration paid by Bord na Móna plc to all the directors of the Company, namely the Worker Participation directors, non-executive directors and executive directors. The number of directors to whom retirement benefits accrued amounted to 5 (2020: 5). Some of the directors are currently in the defined benefit pension schemes. The aggregate amount paid or payable for past directors' retirement benefits (excluding amounts where the scheme was adequately funded) was €206,000 (2020: €206,000).

	Fees €'000	Other Remuneration €'000	Company Contribution to pension €'000	Termination benefits €'000	Total €'000
Non-executive Directors:					
(i) Directors appointed in accordance with the Worker Participation (State Enterprise) Acts 1977 and 1988 (4) (Number of worker directors; 2021: 4/2020: 3)					
31 March 2021	48	199	14	112	373
25 March 2020	50	297	18	369	734
ii. Other non-executive Directors (Number of other non-executive directors; 2021: 7/2020: 8)					
31 March 2021	97	-	-	-	97
25 March 2020	91	-	-	-	91

	Fees €'000	Salary €'000	Performance related pay €'000	Company contributions to pension schemes €'000	Taxable benefits €'000	Total €'000
Executive directors						
Tom Donnellan	-	225	-	56	63	344
Year Ended 31 March 2021	-	225	-	56	63	344
Tom Donnellan	-	225	-	56	56	337
Year Ended 25 March 2020	-	225	-	56	56	337

The non-executive chairman receives an annual fee of €21,600 and each of the Directors, excluding the Chief Executive, receive an annual fee of €12,600. These amounts are adjusted on a pro rata basis where a term of office commences or concludes during the year.

Notes forming part of the Financial Statements for the year ended 31 March 2021 continued

5. Directors' remuneration continued

The directors who held office at the end of the financial year had the following interest in the ordinary shares at the start of the year, or at their date of appointment if later, and at the end of the year to 31 March 2021:

	31 March 2021 Shares	25 March 2020 Shares
Paddy Rowland	1,771	1,771
Phillip Casey*	-	1,771
Kevin Healy	1,771	1,771
Total	3,542	5,313

*Retired as director during the year

The above shares owned by the directors are held through the Employee Share Ownership Programme ("ESOP").

6. Statutory and other information

The profit/(loss) for the year is arrived at after charging/(crediting):

	31 March 2021 €'000	25 March 2020 €'000
Depreciation (note 10)	29,673	29,959
Profit on disposal of property, plant and equipment (note 7)	2,152	(2,222)
Amortisation of intangible assets (note 11)	2,141	3,009
Impairment of property, plant and equipment (note 10)	490	9,214
Impairment of intangible assets (note 11)	-	3,052
Research and business development expenditure	6,906	7,745
Capital grants amortised (note 17)	(1,939)	(2,528)
Impairment losses on trade receivables arising on contracts with customers	607	444
Foreign exchange gain	(343)	(937)

	31 March 2021 €'000	25 March 2020 €'000
Auditor's remuneration		
Audit services	245	245
Other assurance services	16	16
Other	205	-
Tax services	141	120
Total	607	381

The audit fee for the Company is €13,000 (2020: €13,000)

The above includes out-of-pocket expenses of €5,000 (2020: €5,000) that were reimbursed to the auditor.

Notes forming part of the Financial Statements for the year ended 31 March 2021 continued

7. Other income and exceptional items

	31 March 2021 €'000	25 March 2020 €'000
(a) Other income		
Other Income	4,826	1,995
Profit on disposal of property, plant and equipment	2,152	2,222
Total	6,978	4,217

Other income includes amounts receivable from the Peatlands Climate Action Scheme in respect of rehabilitation works carried out during the year.

	31 March 2021 €'000	25 March 2020 €'000
(b) Exceptional items		
Cost of sales (a)	-	16,813
Administrative expenses (a)	-	2,294
Impairment of property, plant and equipment (b)	-	9,214
Impairment of intangible assets (b)	-	3,052
Restructuring costs (c)	-	34,589
Exceptional costs before tax	-	65,962
Tax on exceptional items	-	(6,269)
Exceptional costs after tax	-	59,693

Exceptional items

The exceptional items arose in the prior year primarily due to the Board decision to restructure the Group as part of a long term "decarbonisation restructuring" plan.

A) Prior year exceptional items in cost of sales and administrative expenses were comprised of:

- €15.2 million of inventory adjustments related to the decarbonisation restructuring;
- €1.6 million of costs related to onerous contracts related to the decarbonisation restructuring; and
- €2.3m of transition costs related to the decarbonisation restructuring.

B) Prior year impairments of Property, Plant and Equipment and Intangible Assets were comprised of:

- €9.2 million of impairments related to the decarbonisation restructuring; and
- €3.0 million of intangible asset software impairments related to decarbonisation restructuring and the exit of loss making businesses.

C) Prior year restructuring costs were comprised of:

- €26.3 million of redundancy costs related to the decarbonisation restructuring. This figure includes a curtailment loss on the pension scheme of €2.1 million, see note 25.
- €8.2 million of site closure costs associated with the decarbonisation restructuring.

8. Net finance costs

	31 March 2021 €'000	25 March 2020 €'000
Finance income:		
Interest income	238	575
Net interest income on defined benefit pensions	424	-
Cash flow hedges - reclassified to profit or loss (cash receipts)	-	579
	662	1,154
Finance costs:		
Interest on overdraft facilities	(832)	(896)
Interest on unsecured loan notes	-	(2,172)
Foreign exchange movement on unsecured loan notes	-	(458)
Cash flow hedges - reclassified to profit or loss (foreign exchange)	-	458
Unwind of discount on provisions (note 18)	(2,311)	(1,276)
Net interest cost on defined benefit pensions	-	(141)
Amortisation of issue costs	(192)	(244)
Interest on lease liabilities	(1,042)	(937)
	(4,377)	(5,666)
Net finance cost	(3,715)	(4,512)

Notes forming part of the Financial Statements for the year ended 31 March 2021 continued

9. Income taxes

(a) Amounts recognised in income statement

	31 March 2021 €'000	25 March 2020 €'000
Current tax:		
Irish corporation tax	2,156	(47)
Adjustments in respect of prior years	(13)	(1,082)
Total current tax	2,143	(1,129)
Deferred tax		
Origination and reversal of temporary differences:		
Property, plant and equipment - allowances	2,024	95
Derivatives	-	(2,280)
Release of pension obligations	672	491
Provisions, unutilised losses & other	463	(993)
Total deferred tax	3,159	(2,687)
Income tax expense on continuing operations	5,302	(3,816)

(b) Reconciliation of effective tax rate

	31 March 2021 €'000	25 March 2020 €'000
Profit/(loss) on ordinary activities before tax	27,750	(26,272)
Tax using standard corporation tax rate in Ireland of 12.5% (2020: 12.5%)	3,469	(3,284)
<i>Tax effect of:</i>		
Impairments of property, plant & equipment, intangible assets and goodwill	-	116
Amortisation of intangible assets	-	129
Other non deductible expenses	1,379	131
Deferred tax on derivatives	-	(2,280)
Corporation tax on derivatives	-	(186)
Deferred tax on reduction in pension liability	-	491
Unrelieved provisions carried forward	-	5
Changes in estimates related to prior years	(42)	179
Utilisation of tax losses	(204)	264
Pension payment in excess of pension cost charge	(401)	(647)
Non-taxable income	-	-
Ineligible depreciation	828	703
Impact of different tax rates	273	563
Income tax expense	5,302	(3,816)
Effective tax rate	19%	15%

Notes forming part of the Financial Statements for the year ended 31 March 2021 continued

9. Income taxes continued

(c) Movements in deferred tax balances

	Balance at 25 March 2020 €'000	Reclassification to corporation tax €'000	Recognised in profit or loss €'000	Recognised in OCI €'000	Recognised in equity €'000	Balance at 31 March 2021 €'000
Deferred Tax assets						
Property, plant and equipment - capital allowances	3,823	-	(868)	-	-	2,955
Provisions	5,053	-	(217)	-	-	4,836
Unutilised losses	3,147	-	(149)	-	-	2,998
Defined benefit pensions	-	-	-	-	-	-
Total	12,023	-	(1,234)	-	-	10,789
Deferred tax liabilities						
Property, plant and equipment - capital allowances	(12,646)	-	(1,157)	-	-	(13,803)
Provisions	(22)	-	(97)	-	-	(119)
Defined benefit pensions	(2,193)	-	(672)	1,527	-	(1,338)
Derivatives	-	-	-	-	-	-
Total	(14,861)	-	(1,926)	1,527	-	(15,260)

The combined net deferred tax liability of €4.5 million has been shown on the balance sheet.

	Balance at 27 March 2019 €'000	Reclassification to corporation tax €'000	Recognised in profit or loss €'000	Recognised in OCI €'000	Recognised in equity €'000	Balance at 25 March 2020 €'000
Deferred tax assets						
Property, plant and equipment - capital allowances	3,230	-	593	-	-	3,823
Provisions	2,988	-	2,065	-	-	5,053
Unutilised losses	4,208	-	(1,061)	-	-	3,147
Defined benefit pensions	1,410	-	-	(1,410)	-	-
Total	11,836	-	1,597	(1,410)	-	12,023
Deferred tax liabilities						
Property, plant and equipment - capital allowances	(11,956)	-	(690)	-	-	(12,646)
Provisions	(13)	-	(9)	-	-	(22)
Defined benefit pensions	(83)	-	(491)	(1,619)	-	(2,193)
Derivatives	(1,667)	(613)	2,280	-	-	-
Total	(13,719)	(613)	1,090	(1,619)	-	(14,861)

The combined net deferred tax liability of €2.8 million has been shown on the balance sheet.

(d) Unrecognised deferred tax assets

The following deferred tax assets have not been recognised because it is not probable that future taxable profit will be available against which the Group can use the benefits therefrom:

	31 March 2021 €'000	25 March 2020 €'000
Deferred tax assets		
Unused tax losses	6,489	6,824
Total	6,489	6,824

The losses are not time bound but subject to the respective trades returning to profitability.

Notes forming part of the Financial Statements for the year ended 31 March 2021 continued

10. Property, plant and equipment

	Peatland, drainage and production buildings €'000	Landfill €'000	Railway, plant and machinery €'000	Generating assets €'000	Freehold land, administration and research buildings €'000	Assets in course of construction €'000	Group Total €'000
2021							
Cost							
At 25 March 2020	150,430	61,104	237,866	353,665	17,932	8,496	829,493
Additions	414	1,286	4,337	1,393	35	19,116	26,581
Disposals/retirements	(426)	-	(3,880)	(385)	(341)	-	(5,032)
Reclassification	(1,770)	-	141	1,606	23	-	-
Transfers out of assets under construction	110	1,524	439	1,408	598	(4,079)	-
Exchange adjustments	332	-	628	-	-	-	960
At 31 March 2021	149,090	63,914	239,531	357,687	18,247	23,533	852,002
Depreciation and impairment							
At 25 March 2020	139,094	53,014	214,646	195,865	9,413	-	612,032
Depreciation charge for year	838	3,406	7,257	17,361	811	-	29,673
Impairment charge for year	-	-	-	-	490	-	490
Disposals/retirements	(426)	-	(3,848)	(381)	-	-	(4,655)
Reclassification	(813)	-	(407)	1,220	-	-	-
Exchange adjustments	64	-	506	-	-	-	570
At 31 March 2021	138,757	56,420	218,154	214,065	10,714	-	638,110
Carrying amount							
At 31 March 2021	10,333	7,494	21,377	143,622	7,533	23,533	213,892
At 25 March 2020	11,336	8,090	23,220	157,800	8,519	8,496	217,461

	Peatland, drainage and production buildings €'000	Landfill €'000	Railway, plant and machinery €'000	Generating assets €'000	Freehold land, administration and research buildings €'000	Assets in course of construction €'000	Group Total €'000
2020							
Cost							
At 27 March 2019	149,357	61,100	239,568	346,249	16,852	4,860	817,986
Additions	2,801	-	5,371	7,416	14	6,689	22,291
Disposals/retirements	(1,554)	(79)	(8,246)	-	-	-	(9,879)
Reclassification	41	-	(41)	-	-	-	-
Transfers out of assets under construction	134	83	1,770	-	1,066	(3,053)	-
Exchange adjustments	(349)	-	(556)	-	-	-	(905)
At 25 March 2020	150,430	61,104	237,866	353,665	17,932	8,496	829,493
Depreciation and impairment							
At 27 March 2019	136,376	48,990	210,437	178,488	8,632	-	582,923
Depreciation charge for year	1,056	3,273	7,487	17,377	766	-	29,959
Impairment charge for year	3,093	751	5,355	-	15	-	9,214
Disposals/retirements	(1,397)	-	(8,159)	-	-	-	(9,556)
Reclassification	57	-	(57)	-	-	-	-
Exchange adjustments	(91)	-	(417)	-	-	-	(508)
At 25 March 2020	139,094	53,014	214,646	195,865	9,413	-	612,032
Carrying amount							
At 25 March 2020	11,336	8,090	23,220	157,800	8,519	8,496	217,461
At 27 March 2019	12,981	12,110	29,131	167,761	8,220	4,860	235,063

Additions include:

- A sum of €1.1 million (2020: €1.6 million) in respect of decommissioning and restoration assets.
- There was no capitalisation of borrowing costs in the current year (2020: nil) in respect of assets in the course of construction during the year.
- Transfers from assets in course of construction include complex works and engineered landfill cells which became operational during the year. The balance at year-end represents engineered landfill cells, wind development and complex works.

Notes forming part of the Financial Statements for the year ended 31 March 2021 continued

10. Property, plant and equipment continued

No property, plant and equipment is held as security for any loans or borrowings of the Group. The Group's debt arrangement does however, restrict the Group from selling more than 10% of the Group's gross assets without prior consent.

In accordance with the Group's accounting policies, the Directors undertake an annual review of the carrying amount of all property, plant and equipment at the reporting date to determine whether there is any indication of impairment.

The Group has reviewed its tangible assets for indicators of impairment and noted that a reasonable change in assumptions would not result in an impairment.

In determining an asset's recoverable amount the directors are required to make judgements, estimates and assumptions that impact on the carrying value of the property, plant and equipment. The estimates and assumptions used are based on historical experience, industry knowledge and other factors that are believed to be reasonable based on information available.

11. Goodwill and intangible assets

	Software €'000	Grid Connection €'000	Other €'000	Goodwill €'000	Assets in course of construction €'000	Total €'000
2021						
Cost						
At beginning of the year	40,313	22,869	85,926	11,068	1,592	161,768
Additions	131	-	2,438	-	338	2,907
Disposals	-	-	-	-	-	-
Transfers out of assets under construction	269	-	-	-	(269)	-
Settlement of emission allowances	-	-	(2,568)	-	-	(2,568)
At end of the year	40,713	22,869	85,796	11,068	1,661	162,107
Amortisation and impairment						
At beginning of the year	38,061	10,227	80,825	10,718	-	139,831
Charge for year	1,057	920	164	-	-	2,141
Disposals	-	-	-	-	-	-
Impairment	-	-	-	-	-	-
At end of the year	39,118	11,147	80,989	10,718	-	141,972
Carrying amounts						
At 31 March 2021	1,595	11,722	4,807	350	1,661	20,135
At 25 March 2020	2,252	12,642	5,101	350	1,592	21,937
2020						
Cost						
At beginning of the year	42,509	22,869	84,197	11,068	-	160,643
Additions	85	-	13,965	-	1,796	15,846
Disposals	(2,485)	-	-	-	-	(2,485)
Transfers out of assets under construction	204	-	-	-	(204)	-
Settlement of emission allowances	-	-	(12,236)	-	-	(12,236)
At end of the year	40,313	22,869	85,926	11,068	1,592	161,768
Amortisation and impairment						
At beginning of the year	35,519	9,309	80,709	10,718	-	136,255
Charge for year	1,975	918	116	-	-	3,009
Disposals	(2,485)	-	-	-	-	(2,485)
Impairment	3,052	-	-	-	-	3,052
At end of the year	38,061	10,227	80,825	10,718	-	139,831
Carrying amounts						
At 25 March 2020	2,252	12,642	5,101	350	1,592	21,937
At 27 March 2019	6,990	13,560	3,488	350	-	24,388

Other includes investments in customer lists and carbon emissions credits. Upon settlement of emissions liabilities the credits are released from intangible assets.

In accordance with the Group's accounting policies, the Directors undertake an annual review of the carrying amount of all intangible assets at the reporting date to determine whether there is any indication of impairment.

The Group has reviewed its intangible assets for indicators of impairment and noted that a reasonable change in assumptions would not result in an impairment.

Notes forming part of the Financial Statements for the year ended 31 March 2021 continued

12. Leases

The Group leases land and buildings, plant and machinery and motor vehicles, which have average lease periods of 14 years, 4 years and 4.5 years respectively. Leases do not contain renewal or extension options but may contain options for early termination. The Group does not consider that early terminations options, where available, are reasonably certain to be exercised. The following tables provide information for leases where the group is a lessee.

	Land and buildings €'000	Plant and machinery €'000	Motor vehicles €'000	Total €'000
31 March 2021				
Right of use assets				
At 25 March 2020	3,745	738	4,409	8,892
Depreciation	(521)	(181)	(1,757)	(2,459)
Additions	-	306	2,458	2,764
Terminations	-	-	(12)	(12)
At 31 March 2021	3,224	863	5,098	9,185
	Land and buildings €'000	Plant and machinery €'000	Motor vehicles €'000	Total €'000
25 March 2020				
Right of use assets				
At 27 March 2019	4,266	737	3,155	8,158
Depreciation	(521)	(165)	(1,396)	(2,082)
Additions	-	341	2,664	3,005
Terminations	-	(175)	(14)	(189)
At 25 March 2020	3,745	738	4,409	8,892
			31 March 2021 €'000	25 March 2020 €'000
Lease liabilities				
Opening lease liability			9,211	8,158
Interest expense			1,042	937
Repayments			(3,232)	(2,708)
Additions			2,764	3,005
Terminations			(11)	(181)
Closing lease liability			9,774	9,211
Of which:				
Current			2,230	1,909
Non-current			7,544	7,302

The lease interest expense for the year was €1.0 million (2020: €0.9 million) and is included within finance costs on the consolidated income statement.

Total cash outflow for leases for the year ended 31 March 2021 was €3.2 million (2020: €2.7 million).

13. Inventory

	31 March 2021 €'000	25 March 2020 €'000
Raw materials	8,216	7,144
Finished goods	10,182	19,801
Maintenance spares – consumables	2,214	2,633
Total	20,612	29,578

Inventory balances are net of provisions of €20.1 million (2020: €24.9 million).

During the year, there was a write down of fuels stocks of €0.1 million (2020: €0.3 million), peat stocks of €nil (2020: €17.5 million), biomass stocks of €0.3 million (2020: €0.6 million), horticulture stocks of €0.9 million (2020: €nil) and maintenance consumables in Edenderry of €nil (2020: €0.1 million).

During the year, inventories of €106.1 million (2020: €114.8 million) were recognised as an expense and included in cost of sales.

Maintenance spares – consumables represent small items included in the operating cycle.

Notes forming part of the Financial Statements for the year ended 31 March 2021 continued

14. Equity accounted investees

	31 March 2021 €'000	25 March 2020 €'000
Joint venture undertakings (a)	12,079	12,296
Associate undertakings (b)	11,380	12,689
	23,459	24,985
(a) Joint venture undertakings		
At the beginning of the year	12,296	8,682
Movement in investments	(4,413)	571
Share of profit	4,050	4,487
Share of equity-accounted investees other comprehensive income	146	(1,444)
At the end of the year	12,079	12,296
(b) Associate undertakings		
At the beginning of the year	12,689	14,575
Movement in investments	(1,779)	(900)
Share of profit/(loss)	182	(708)
Share of equity-accounted investees other comprehensive income	288	(278)
At the end of the year	11,380	12,689

The Group has significant joint ventures and associates, as follows:

The Group owns a 50% interest in Oweninny Power DAC ("Oweninny") which was incorporated in September 2011 as a joint venture between Bord na Móna Powergen Limited and ESB Wind Development Limited to develop a 172MW wind farm in Oweninny, Co. Mayo. The joint venture commenced operations in November 2019. As at 31 March 2021, the Group holds an investment of €7.9 million (2020: €12.3 million) in Oweninny by way of a shareholder loan.

Oweninny

	31 March 2021 €'000	25 March 2020 €'000
i. Summarised Income Statement		
Percentage ownership interest	50%	50%
Revenue	25,517	13,205
Cost of sales	(4,363)	(5,332)
Depreciation and amortisation	(7,540)	-
Interest expense	(3,998)	(1,730)
Other expenses	(92)	(22)
Income tax expense	(1,999)	(827)
Cashflow hedge movement	293	(2,888)
	7,818	2,406
Group's share of profit and total comprehensive income (50%)	3,909	1,203
ii. Summarised Balance Sheet		
Percentage ownership interest	50%	50%
Non-current assets	146,927	157,650
Current assets	32,372	40,624
Non-current liabilities	(152,143)	(157,449)
Current liabilities	(28,803)	(50,289)
Net liabilities (100%)	(1,647)	(9,464)
Group's share of net liabilities (50%)	(824)	(4,732)
Group's loans in joint venture	7,865	12,276
Carrying amount	7,041	7,544

The Group owns a 50% interest in the shares of Electricity Exchange DAC ("Electricity Exchange"). The Company participates in the all-island Single Electricity Market (SEM) as a Demand Side Unit (DSU) and focuses on the development of smart technologies and the provision of flexible support services to the national grid. As at 31 March 2021, the Group holds an investment of €0.6 million (2020: €0.6 million) in Electricity Exchange by way of a shareholder loan.

Notes forming part of the Financial Statements for the year ended 31 March 2021 continued

14. Equity accounted investees continued

	31 March 2021 €'000	25 March 2020 €'000
Electricity Exchange		
i. Summarised Income Statement		
Percentage ownership interest	50%	50%
Revenue	10,283	10,830
Cost of sales	(5,139)	(6,833)
Depreciation and amortisation	(65)	(10)
Interest expense	(13)	-
Other expenses	(4,400)	-
Income tax expense	(92)	(308)
	574	3,679
Group's share of profit and total comprehensive income (50%)	287	1,840

	31 March 2021 €'000	25 March 2020 €'000
ii. Summarised Balance Sheet		
Percentage ownership interest	50%	50%
Non-current assets	182	70
Current assets	10,280	9,267
Current liabilities	(1,576)	(1,024)
Net assets (100%)	8,886	8,313
Group's share of net assets (50%)	4,443	4,157
Group's loans in joint venture	595	595
Carrying amount	5,038	4,752

The Group owns a 37.5% interest in Sliabh Bawn Wind Holdings DAC ("Sliabh Bawn"), which has developed and operates a 64MW wind farm in Strokestown, Co. Roscommon. Commercial operations commenced on 1 March 2017. As at 31 March 2021, the Group holds an investment of €12.2 million (2020: €14.0 million) in Sliabh Bawn by way of a shareholder loan.

Sliabh Bawn

	31 March 2021 €'000	25 March 2020 €'000
i. Summarised Income Statement		
Percentage ownership interest	37.5%	37.5%
Revenue	15,219	15,455
Cost of sales	(5,306)	(5,955)
Depreciation and amortisation	(6,066)	(6,010)
Interest expense	(2,882)	(2,280)
Other expenses	(33)	(1,810)
Income tax expense	(448)	(1,289)
Cashflow hedge movement	769	(743)
	1,253	(2,632)
Group's share of (loss)/profit and total comprehensive income (37.5%)	470	(987)

	31 March 2021 €'000	25 March 2020 €'000
ii. Summarised Balance Sheet		
Percentage ownership interest	37.5%	37.5%
Non-current assets	96,532	101,352
Current assets	15,319	12,274
Non-current liabilities	(65,008)	(67,107)
Current liabilities	(49,132)	(50,063)
Net liabilities (100%)	(2,289)	(3,544)
Group's share of net liabilities (37.5%)	(858)	(1,329)
Group's loans in associate/joint venture	12,238	14,018
Carrying amount	11,380	12,689

Notes forming part of the Financial Statements for the year ended 31 March 2021 continued

15. Trade and other receivables

	31 March 2021 €'000	25 March 2020 €'000
Trade receivables	40,683	37,149
Prepayments	5,930	3,617
Amounts owed by equity-accounted investees	2,159	939
Other receivables	1,339	1,881
Accrued revenue	31,091	14,484
Value added tax	845	3,051
Corporation tax	142	112
Total	82,189	61,233

Accrued revenue represents revenue earned under Renewable Energy Feed In Tariff (REFIT) arrangements. The settlement and payment terms for all trading balances relating to this revenue is governed by the I-SEM settlement calendar as well as annual REFIT payments.

16. Trade and other payables

	31 March 2021 €'000	25 March 2020 €'000
Trade payables	20,999	13,019
Accruals	31,696	31,377
Deferred income	8,616	12,246
Grants (note 17)	4,357	2,435
Other payables	16,792	14,405
Creditors in respect of tax and social welfare	7,394	7,099
Total	89,854	80,581
Creditors in respect of tax and social welfare comprise:		
Income tax deducted under PAYE	812	757
Pay-related social insurance	938	876
Corporation tax	2,878	794
Value-added tax	2,766	4,656
Other taxes	-	16
Total	7,394	7,099

17. Grants

(a) Capital grants

	31 March 2021 €'000	25 March 2020 €'000
At beginning of the year	6,308	8,747
Received during the year	-	89
Amortised during the year	(1,939)	(2,528)
At end of the year	4,369	6,308
Amounts due as follows:		
Within one year	2,394	2,435
After more than one year	1,975	3,873
Total	4,369	6,308

Edenderry Power Limited received a European Union grant for €26.0 million as part of the Economic Infrastructure Operational Programme (EIOP) in the period 1999 to 2002. All conditions under the grant agreement have been satisfied.

(b) Income grants

Bord na Móna, in its capacity as co-ordinating beneficiary, received an advance payment of €2.0 million from the European Union in respect of the EU LIFE IP Peatlands and People project. There are four other beneficiaries to the grant. To date, no monies have been drawn down from this fund by Bord na Móna or other beneficiaries. The amount is included with trade and other payables on the consolidated balance sheet at year end.

Notes forming part of the Financial Statements for the year ended 31 March 2021 continued

18. Provisions

	Environmental reinstatement €'000	Reorganisation and redundancy €'000	Insurance €'000	Other €'000	Total €'000
2021					
At beginning of the year	71,025	40,892	9,772	4,284	125,973
Provisions made during the year	4,680	210	1,843	226	6,959
Provisions used during the year	(3,012)	(10,045)	(1,280)	(1,671)	(16,008)
Provisions reversed during the year	(2,041)	-	(1,500)	(1,154)	(4,695)
Unwind of discount	2,311	-	-	-	2,311
Capitalised during the year	1,121	-	-	-	1,121
At end of the year	74,084	31,057	8,835	1,685	115,661
Amounts due as follows:					
Current	12,319	4,166	2,843	908	20,236
Non-current	61,765	26,891	5,992	777	95,425
Total	74,084	31,057	8,835	1,685	115,661

	Environmental reinstatement €'000	Reorganisation and redundancy €'000	Insurance €'000	Other €'000	Total €'000
2020					
At beginning of the year	62,406	40,607	9,914	5,993	118,920
Provisions made during the year	11,794	34,798	2,400	1,314	50,306
Provisions used during the year	(2,850)	(26,158)	(2,542)	(325)	(31,875)
Provisions reversed during the year	(2,969)	(8,355)	-	(2,749)	(14,073)
Unwind of discount	1,276	-	-	-	1,276
Capitalised during the year	1,368	-	-	51	1,419
At end of the year	71,025	40,892	9,772	4,284	125,973
Amounts due as follows:					
Current	11,893	40,892	2,670	3,634	59,089
Non-current	59,133	-	7,102	649	66,884
Total	71,026	40,892	9,772	4,283	125,973

(a) Environmental Reinstatement

Environmental reinstatement costs include:

(i) Peatlands

Costs that will be incurred at the end of the economic lives of the peatlands. Under IAS 37, provision is made for these costs when the circumstances occur giving rise to the obligation under the Group's Integrated Pollution Prevention Control licence to decommission and reinstate the peatlands post peat production. The provision of €33.8 million (2020: €30.5 million) as at 31 March 2021 represents the present value of the expected future costs of decommissioning and reinstatement.

The key assumptions included within the provision are the cost of machine hours and man hours and the related level of activity required to carry out the decommissioning and rehabilitation works. The majority of the obligation will unwind over a ten-year timeframe but the exact timing of the payment is not certain.

(ii) Waste Facilities Environmental Provisions

Environmental provisions of €3.8 million (2020: €4.0 million) recognised in accordance with IAS 37 in respect of the Group's assessment of environmental liabilities in relation to (a) the waste facilities which were in existence prior to the Group's acquisition of the AES business in May 2007; and (b) environmental obligations under existing waste licences.

Item (a) will unwind within the next year. Item (b) will unwind over a twenty-year timeframe.

Notes forming part of the Financial Statements for the year ended 31 March 2021 continued

18. Provisions continued

(a) Environmental Reinstatement continued

(iii) Drehid Landfill

Provisions are held in respect of the cost of maintaining the landfill facility post closure and the cost of capping existing engineered cells in use. The Group's estimate of minimum unavoidable costs measured at present value amount to €23.6 million (2020: €23.9 million) at 31 March 2021. The Group continues to review the composition and quantum of these costs which may be impacted by a number of factors including changes in legislation and technology. The key assumptions included in the total post closure costs of landfill sites, including such items as monitoring, gas and leachate management and licensing, have been estimated by management based on current best practice and technology available. The dates of payments of these aftercare costs are uncertain but are anticipated to be over a period of approximately thirty years after the expiry of the operational license in 2028.

(iv) Environmental Restoration

Certain other environmental restoration costs of €2.1 million (2020: €2.1 million) are recognised in accordance with IAS 37, being the Group's estimate of waste removal and waste management costs associated with certain of its lands. These costs may be impacted by a number of factors including changes in legislation and technology. These estimates are reviewed annually based on advice from third party environmental experts. The majority of the obligation will unwind over a three-year timeframe but the exact timing of the payments is not certain.

(v) Power Station and Wind-farm closure

A provision of €6.7 million (2020: €5.5 million) is held for the power station and wind-farm closure/decommissioning costs based on the present value of the current estimate of the costs of closure/decommissioning of generating assets at the end of their useful economic lives. The key assumptions in determining these costs include management's best estimate of future engineering costs required to dismantle the facilities.

The majority of the obligation will unwind over a twenty five year timeframe but the exact timing of the payments is not certain.

(vi) Briquette and Horticulture Plant closure costs

A provision of €3.9 million (2020: €4.8 million) is held for plant closure costs based on the present value of the current estimate of the costs of closure of briquette and horticulture compost plants at the end of their useful economic lives.

The majority of the obligations will unwind over the medium term but the exact timing of the payments is not certain.

(b) Reorganisation and Redundancy

The Board have taken the decision in previous years to restructure the Group as part of a long-term decarbonisation plan. A provision is held which represents the directors best estimate of the cost of these measures and it is expected to be utilised within the short to medium term. The key assumptions are the number of redundancies and the cost per person. The utilisation of the reorganisation and redundancy provision is linked to the timing of the closure of the plants noted in (a) (vi) above.

(c) Insurance

The insurance provision relates to employer, public and product liability claims covered under the Group's self-insurance policy. This provision is determined on completion of a case by case assessment. The provision includes a sum for incidents incurred but not reported at the balance sheet date.

(d) Other

Other provisions include various anticipated costs.

Notes forming part of the Financial Statements for the year ended 31 March 2021 continued

19. Loans and borrowings

	31 March 2021 €'000	25 March 2020 €'000
Non-current liabilities		
Credit facility	-	24,522
Total	-	24,522
Current liabilities		
Overdrafts	3,560	10,634
Unsecured loan notes	495	495
Total	4,055	11,129

	At beginning of year €'000	Cash Flow €'000	Non Cash €'000	At end of year €'000
Analysis of changes in net cash/(debt)				
Unsecured loan notes	(495)	-	-	(495)
Credit facility	(24,522)	25,000	(478)	-
Overdrafts	(10,634)	7,074	-	(3,560)
Total loans and borrowings	(35,651)	32,074	(478)	(4,055)
Cash	36,657	(18,538)	-	18,119
Net cash	1,006	13,536	(478)	14,064

Unsecured loan notes comprise medium term loans of €0.5 million (2020: €0.5 million).

20. Capital and reserves

Called up share capital and share premium

	31 March 2021 €'000	25 March 2020 €'000
Share capital	82,804	82,804
Share premium	1,959	1,959
	84,763	84,763
Authorised share capital		
300,000,000 ordinary shares of €1.27 each	380,921	380,921
Issued and fully paid		
65,212,639 ordinary shares of €1.27 each	82,804	82,804

Ordinary Share Capital

The company has one class of shares referred to as Ordinary shares. All shares rank equally. The holders of Ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

Nature and purpose of reserves

Foreign currency translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Other reserve

The other reserve comprises the Group's share of the other comprehensive income of equity-accounted investments.

Notes forming part of the Financial Statements for the year ended 31 March 2021 continued

21. Guarantees and contingent liabilities

In the normal course of business the Company provides guarantees in respect of liabilities of certain of its subsidiaries.

From time to time Group companies are party to various negotiations over contractual commitments or obligations, various legal proceedings and in respect of industrial relations matters arising in the normal course of business. It is the opinion of the Directors that these negotiations and proceedings will have no material adverse impact on the financial position of the Group.

22. Cash and cash equivalents

	31 March 2021 €'000	25 March 2020 €'000
Cash	18,119	36,657
Overdrafts	(3,560)	(10,634)
Cash and cash equivalents	14,559	26,023

23. Commitments

Capital expenditure commitments

	31 March 2021 €'000	25 March 2020 €'000
Authorised and contracted for	27,636	10,745
Authorised and not contracted for	-	-
	27,636	10,745

24. Subsidiaries and investees

The following is a list of principal subsidiaries and investees of the Group at 31 March 2021:

Pursuant to the provisions of Section 357 of the Companies Act, 2014, the Company has guaranteed the liabilities of its Irish subsidiaries. As a result, these companies will be exempted from the filing provisions of Sections 347 and 348 of the Companies Act, 2014. It has not guaranteed the liabilities of its joint ventures.

The company has a shareholding in the following companies:

Subsidiary undertaking	Business	Registered office	Shareholding
Bord na Móna Energy Limited ¹	Production and sale of milled peat	Newbridge, Co Kildare	100%
Bord na Móna Biomass Limited	Production and sale of milled peat	Newbridge, Co Kildare	100%
Bord na Móna Powergen Limited ¹	Power generation	Newbridge, Co Kildare	100%
Edenderry Power Limited	Power generation	Newbridge, Co Kildare	100%
Edenderry Power Operations Limited	Maintenance of power plants	Newbridge, Co Kildare	100%
Cushaling Power Limited	Power generation	Newbridge, Co Kildare	100%
Edenderry Supply Company Limited	Wholesale distribution of electricity	Newbridge, Co Kildare	100%
Renewable Energy Ireland Limited	Power generation	Newbridge, Co Kildare	100%
Mount Lucas Wind Farm Limited	Power generation	Newbridge, Co Kildare	100%
Mount Lucas Supply Company Limited	Business, wholesale distribution of electricity	Newbridge, Co Kildare	100%
Bruckana Wind Farm Limited	Power generation	Newbridge, Co Kildare	100%
Bruckana Supply Company Limited	Wholesale distribution of electricity	Newbridge, Co Kildare	100%
Bord na Móna Fuels Limited	Production, sale and distribution of solid fuels	Newbridge, Co Kildare	100%
BnM Fuels Limited	Dormant	Newbridge, Co Kildare	100%
Bord na Móna Horticulture Limited	Production and sale of horticultural products	Newbridge, Co Kildare	100%
Bord na Móna UK Limited	Marketing, sale and supply of growing media and heating products to UK market	Simonswood Moss Perimeter Road, Kirkby, Liverpool, England L33 3AN	100%
Bord na Móna Environmental Limited	Environmental analytical services	Newbridge, Co Kildare	100%
The Greener Gardening Company (Kirkby) Limited	Production and sale of horticultural products	Simonswood Moss Perimeter Road, Kirkby, Liverpool, England L33 3AN	100%

Notes forming part of the Financial Statements for the year ended 31 March 2021 continued

24. Subsidiaries and investees continued

Subsidiary undertaking	Business	Registered office	Shareholding
White Moss Nominee One Limited	Dormant	Liverpool, Merseyside, L33 3AN, England	100%
White Moss Nominee Two Limited	Dormant	Liverpool, Merseyside, L33 3AN, England	100%
Bord na Móna ESOP Trustee DAC	Trustee of employee share ownership plan	Newbridge, Co Kildare	100%
Bord na Móna Resource Recovery Limited	Resource recovery and recycling company	Newbridge, Co Kildare	100%
Bord na Móna Recycling Limited (formerly Advanced Environmental Solutions Irl Limited)	Resource recovery and recycling company	Newbridge, Co Kildare	100%
Bord na Móna Property DAC	Dormant	Newbridge, Co Kildare	100%
Bord na Móna Treasury DAC ¹	Treasury holdings	Newbridge, Co Kildare	100%
Deryarkin Sand and Gravel DAC	Extraction and sale of sand and gravel	Newbridge, Co Kildare	55%
Bord na Móna Trustee Company DAC	Trustee of defined contribution pension schemes	Newbridge, Co Kildare	100%
Cloncreen Wind Farm DAC	Power generation	Newbridge, Co Kildare	100%
Cloncreen Wind Farm Holdings DAC	Holding company	Newbridge, Co Kildare	100%
Bord na Móna New Business Limited	Business development	Newbridge, Co Kildare	100%

Joint venture/associate company	Business	Registered office	Shareholding
Oweninny Power Holdings DAC	Power generation	Two Gateway, East Wall Road, Dublin 3	50%
Oweninny Power DAC	Power generation	Two Gateway, East Wall Road, Dublin 3	50%
Oweninny Power 2 DAC	Power generation	Two Gateway, East Wall Road, Dublin 3	50%
Sliabh Bawn Wind Holdings DAC	Power generation	Dublin Road, Newtownmountkennedy, Co Wicklow	37.5%
Sliabh Bawn Power DAC	Power generation	Dublin Road, Newtownmountkennedy, Co Wicklow	37.5%
Sliabh Bawn Supply DAC	Wholesale distribution of electricity	Dublin Road, Newtownmountkennedy, Co Wicklow	37.5%
Electricity Exchange DAC	Electricity management services	Newbridge, Co Kildare	50%
Sundew Solar DAC	Power generation	Two Gateway, East Wall Road, Dublin 3	50%

¹ Shareholding held directly by Bord na Móna plc.

25. Retirement benefit obligations

	31 March 2021 €'000	25 March 2020 €'000
Total market value of pension scheme assets	351,368	319,559
Present value of defined benefit obligation	(334,554)	(296,840)
Excess of scheme liabilities over assets	16,814	22,719
Members share of surplus on RWESS scheme	(9,225)	(8,009)
Employee retirement benefit asset before tax	7,589	14,710

The net defined benefit asset of €7.6 million (2020: €14.7 million) comprises defined benefit pension schemes in an asset position of €10.7 million (2020: €17.6 million) and defined benefit schemes in a deficit of €3.1 million (2020: €2.8 million). The pension asset and liability are shown separately in the Group balance sheet as €10.7 million and €3.1 million respectively.

(a) Description of the Bord na Móna Pension schemes

The Group operates three contributory defined benefit pension schemes covering the majority of employees, each of which is funded by contributions from the Group and the members. Contributions are based on the advice of a professional qualified actuary obtained at regular intervals at average rates of pensionable emoluments.

The three schemes in operation are;

- > the General Employees Superannuation Scheme (GESS) which covers management, professional and clerical employees;
- > the Regular Works Employees Superannuation Scheme (RWESS) which covers remaining categories of employees; and
- > the BnM Fuels Pension scheme which covers employees who became Group employees on the acquisition of the Coal Distributors Group, Stafford North East, Sutton Group and Sheehan and Sullivan.

On retirement from one of the defined benefit schemes a member is entitled to a pension equal to the number of pensionable years' service divided by 80 of net retiring salary and a gratuity equal to 3/80 of retiring salary for each year of pensionable service.

Bord na Móna plc has also awarded unfunded pension benefits to certain retired employees including former chief executives and their dependants. The future cost of funding these pensions is recognised in the balance sheet at €3.1 million based on an actuarial valuation at 31 March 2021 (2020: €2.8 million).

Actuarial valuations and funding position of schemes

At 31 March 2021, the ratio of the fair value of assets to the defined benefit obligation was 105.0% (2020: 107.7%). The actuarial method used (aggregate method) determines a contributory rate which should, if continued until the last of the present members retires, provide a fund which is sufficient to provide their benefits. The assumptions which have the most significant effect on the results of the actuarial valuation are those relating to the return on investments and the rate of increase in remuneration.

The most recent funding valuation for the GESS and RWESS schemes are dated 31 March 2020 and the BnM Fuels scheme valuation dated 1 April 2018. These valuations are updated for the most recent census data. In the actuarial valuations for the GESS and RWESS schemes it was assumed that the schemes' investments will earn a nominal rate of investment return of 1.2% and 1.65% respectively. In the latest actuarial valuations for GESS, RWESS and BnM Fuels the market value of the schemes' investments was €320.7 million.

The most recent actuarial valuations of these three schemes showed the following:

1. A deficit of €5.5 million on the GESS scheme
2. A surplus of €3.5 million on the RWESS scheme
3. A deficit of €0.6 million on the BnM Fuels scheme

At 31 March 2020 after allowing for expected future increases in earnings and pensions in payment, the valuations indicated that the actuarial value of total scheme assets was sufficient to cover 96%, 102% and 95% of the benefits that had accrued to the members of the GESS, RWESS and BnM Fuels (April 2018) schemes respectively at the valuation dates.

Liabilities are computed using the aggregate method, which is considered an appropriate method for defined benefit pension schemes that are closed to new entrants and would expect the average age increase. The GESS and BnM Fuels schemes are now in deficit while the RWESS is in surplus, when the total value of the respective scheme assets is compared to the actuarial value of the accrued benefits of the members.

25. Retirement benefit obligations continued

(a) Description of the Bord na Móna Pension schemes continued

A funding proposal to address the RWESS scheme benefits is in place since 2010, with the Group and active members paying an additional annual sum of 1.5% of their pensionable salary.

The increased benefits provided to those active members, effective from 1 January 2010, accrue over future service from 1 January 2010 until the sixtieth birthday of each member. The present value of the estimated cost at 31 March 2021 was €3.8 million. No additional liability has been recognised over and above the IAS 19 liability in accordance with the accounting requirements of IAS 19 and IFRIC 14.

A GESS funding proposal to address the scheme deficit was approved by the Board, shareholders, active members and the Pension Board in May 2015. The revised funding arrangement required a number of changes to the scheme, namely:

- (i) Three year pensionable salary freeze from April 2013 until April 2016.
- (ii) Pensionable salary cap until November 2023 restricted to CPI or a maximum rate increase of 2% whichever is the lower.
- (iii) A Section 50 cut to the order of 10% to deferred members' benefits.
- (iv) Pensionable salary: A Section 50 adjustment to pensions-in-payments in line with 2013 priority order legislation.
- (v) The scheme remains open to future accrual.

In addition to the scheme changes, the Group will make payments of €36 million (€33.2 million paid to date) over an eight year period, with a payment of €10.2 million made in May 2015, payments of €5.1 million made annually between 2016 and 2019 and payment of €2.6 million in May 2020. No additional liability has been recognised for the funding commitments over and above the IAS 19 liability in accordance with the accounting requirements of IAS 19 and IFRIC 14.

The BnM Fuels pension scheme is closed to future accrual with effect from June 2013. An approved funding proposal for Group contributions of €2.3 million was agreed with all parties with annual payments until December 2023. Included in other accruals (Note 16) is an additional liability of €0.4 million (2020: €0.4 million) which has been recognised over and above the IAS 19 liability in accordance with the accounting requirements of IAS 19 and IFRIC 14.

The Group expects to pay €2.9 million in contributions to its defined benefit plans in the year ended 30 March 2022.

	Defined benefit liability		Fair value of plan assets		Net defined benefit obligation	
	31 March 2021 €'000	25 March 2020 €'000	31 March 2021 €'000	25 March 2020 €'000	31 March 2021 €'000	25 March 2020 €'000
Movement in net defined benefit liability						
Balance at the beginning of the financial year	(304,850)	(351,116)	319,558	337,371	14,708	(13,745)
Included in income statement						
Current Service Costs	(849)	(1,454)	-	-	(849)	(1,454)
Interest Cost	(4,929)	(4,248)	-	-	(4,929)	(4,248)
Interest Income	-	-	5,353	4,107	5,353	4,107
Past service cost - curtailments ¹	-	(2,066)	-	-	-	(2,066)
	(5,778)	(7,768)	5,353	4,107	(425)	(3,661)
Included in OCI						
Remeasurements Actuarial Gain/(loss) arising from:						
Financial Assumptions	(46,409)	26,596	-	-	(46,409)	26,596
Experience adjustment	(3,306)	14,479	-	-	(3,306)	14,479
Demographic assumptions	-	-	-	-	-	-
Return on plan assets excluding interest income	-	-	38,279	(9,640)	38,279	(9,640)
Impact of members	(1,216)	(7,077)	-	-	(1,216)	(7,077)
	(50,931)	33,998	38,279	(9,640)	(12,652)	24,358
Other						
Contributions by members	(1,113)	(1,579)	1,113	1,579	-	-
Contributions paid by the employer	-	-	5,958	7,756	5,958	7,756
Benefits paid	18,893	21,615	(18,893)	(21,615)	-	-
	17,780	20,036	(11,822)	(12,280)	5,958	7,756
Balance at end of financial year	(343,779)	(304,850)	351,368	319,558	7,589	14,708

¹ The curtailment cost relates to the decarbonisation restructuring of the peat business which reduced the expected years of future service of present employees.

Notes forming part of the Financial Statements for the year ended 31 March 2021 continued

25. Retirement benefit obligations continued

(a) Description of the Bord na Móna Pension schemes continued

Plan assets	31 March 2021 €'000	25 March 2020 €'000
Equity securities	47,083	53,047
Debt securities	146,169	122,071
Property	15,812	19,493
Other	142,304	124,947
	351,368	319,558

All equity securities and bonds have quoted prices in active markets. All government bonds are issued by European governments and are rated BBB, AAA or AA. Property assets are based in Ireland. The investments in the RWESS, GESS and BnM Fuels scheme include an increased allocation to bonds which match the profile of some benefit obligations. The investment strategy is to divest from equities and move the funds to bonds and other long term matching assets.

(b) Investment Strategy

- (i) GESS - The plan is to move to a 100% matched position over the term of the funding plan to 2023. The scheme uses passive management for both equities and bonds, with active managers being used for absolute return/diversified growth funds and alternative long term assets. Currently the holding is 55% match assets, 41% growth assets and 4% transition assets which we will reallocate to matching based on market conditions.
- (ii) RWESS - At present the asset allocation is 38% matched assets, 29% growth assets and 33% transition assets which will reallocate to matching based on market conditions.
- (iii) BnM Fuels Scheme - At present the scheme holds 77% in matching assets and 23% in growth assets. The scheme uses passive management for both equities and bonds with active managers being used for absolute return/diversified growth funds.

Defined benefit obligation

i. Actuarial assumptions	2021	2020
Discount rate	0.90%	1.70%
Inflation rate (CPI)	1.50%	0.50%
Rate of increase in salaries	2.00%	1.00%
Rate of increase in pensions in payment - RWESS	1.20%	0.70%
Rate of increase in pensions in payment - GESS	0.00%	0.00%
RWESS		
Life expectancy at age 65 for pensioners currently aged 65 years		
Male	21.8	21.7
Female	24.2	24.0
Other		
Life expectancy at age 65 for pensioners currently aged 65 years		
Male	21.8	21.7
Female	24.2	24.0
RWESS		
Life expectancy at age 65 for pensioners currently aged 45 years		
Male	24.1	24.1
Female	26.2	26.1
Other		
Life expectancy at age 65 for pensioners currently aged 45 years		
Male	24.1	24.1
Female	26.2	26.1

At 31 March 2021, the weighted average duration of the defined benefit obligation was in 13 years (2020: 13 years).

Notes forming part of the Financial Statements for the year ended 31 March 2021 continued

25. Retirement benefit obligations continued

(a) Investment Strategy continued

(ii) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumption constant, would have affected the defined benefit obligation by the amounts shown.

Impact in thousands of euro on gross defined benefit obligations	2021	%
Discount rate (0.25% increase)	(11,054)	-3%
Salary inflation (0.25% increase)	1361	0%
Pension escalation (0.25% increase)	9314	3%

Impact in thousands of euro on gross defined benefit obligations	2020	%
Discount rate (0.25% increase)	(9,058)	-3%
Salary inflation (0.25% increase)	905	0%
Pension escalation (0.25% increase)	7,840	3%

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

(c) Pension Risks

The following are the risks associated with the pension plans:

Asset Volatility

The Plan's liabilities are calculated using a discount rate set with reference to corporate bond yields; if a Plan's assets underperform this yield, this will create a deficit. The Plans hold a significant proportion of equities and absolute return funds which are expected to outperform corporate bonds in the long-term while increasing volatility and risk in the short-term. As the Plans mature, the Trustees of the Plans are likely to reduce the level of investment risk by investing more in assets that better match the liabilities.

The Trustees believe that due to the long-term nature of the Plans' liabilities and the strength of the supporting Company, a level of continuing equity and absolute return fund investment is an appropriate element of the Trustees' long term strategy to manage the Plan efficiently.

Changes in Bond Yields

A decrease in corporate bond yields will increase the Plans' liabilities. A decrease in corporate bond yields will also increase the Plans' assets to the extent that a Plan is invested in corporate bonds. At the valuation date, the Plans holds corporate bonds, although the level of investment in corporate bonds is relatively small.

Inflation Risk

Some of the pension obligations are linked to inflation, and higher inflation will lead to higher liabilities (although caps on the level of inflationary increases are in place to protect the Plan against extreme inflation).

Life Expectancy

The majority of the Plan's obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the Plan's liabilities.

Investment Risk

Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets. The assets of the Plan are invested in a wide range of asset classes including equities, bonds, property and absolute return bonds.

Notes forming part of the Financial Statements for the year ended 31 March 2021 continued

26. Related party disclosure

(a) Transactions with key management personnel

(i) Key management personnel compensation

Key management personnel comprise the worker participation directors, non-executive directors and the executive director and their direct reports. The compensation attributable to these personnel comprised the following:

	31 March 2021 €'000	25 March 2020 €'000
Short-term employee benefits	1,849	2,178
Post-employment benefits	179	204
Termination benefits	112	419
	2,140	2,801

(ii) Key management personnel interests

See Note 5 for information on the interests of the directors in the ordinary shares of the Company.

(iii) Key management personnel transactions

There are no key management personnel transactions other than disclosed above.

(b) Parent and ultimate controlling party

The Group is a state-owned company. 95% of the issued share capital is held by the Minister for Finance (whose shares stand transferred to the Minister for Public Expenditure and Reform under the Ministers and Secretaries Act 2011). The other 5% is held by Bord na Móna ESOP on behalf of the employees. One ordinary share is held by the Minister for Communications, Climate Action and Environment.

(c) Other related party transactions

Transactions between the company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

Associates and Joint Ventures

The Group provided services amounting to €0.4 million (2020: €0.9 million) in the areas of planning, project management, legal, finance and administration to its associates and joint ventures. These services are charged in accordance with arrangements agreed between the shareholders of the associates and joint ventures. Further sales of €0.3 million for the provision of electricity, and purchases of €0.1 million for the provision of services occurred and were settled during the year.

The associates and joint ventures owed the group €23.5 million at 31 March 2021 (2020: €27.0 million). During the year shareholder loans of €1.3 million were advanced to Oweninny Power 2 DAC (2020: €nil).

Entities controlled by the Irish Government

In the ordinary course of its business the Group sold goods and property and provided services to entities controlled by the Irish Government.

The Group operates a long-term agreement with ESB in relation to the sale of peat, biomass and provision of ancillary services to the power stations. Supply of these services in the year to 31 March 2021 amounted to €10.4 million (2020: €54.3 million) and amounts due to the Group at 31 March 2021 for these goods and services amounted to €0.1 million (2020: €0.4 million). The Group also sold electricity to ESB during the year in the amount of €0.7 million, of which €0.1 million was receivable at year end.

The Group provides ancillary services to Eirgrid under the terms of a supply contract, in the year ended 31 March 2021 these services amounted to €4.3 million of which no amount was receivable at year end. The Group also purchases transmission services from Eirgrid and the amount of services purchased and settled in the year was €3.4 million.

In the year ended 31 March 2021 the Group purchased goods from Coillte in the amount of €3.6 million during the year, of which no amount was payable at year end.

The Group engaged Irish Water in the provision of leachate treatment and disposal services during the year. Supply of these services amounted to €0.7 million and €0.1 million was payable by the Group at year end.

From time to time the Group places monies on deposit with financial institutions controlled by the State. At year end the Group had €0.9 million on deposit (2020: €0.9 million) with such institutions.

Notes forming part of the Financial Statements for the year ended 31 March 2021 continued

26. Related party disclosure continued

(c) Other related party transactions continued

Other Entities

During the year to March 2021, services were received from AMCS, a software/hardware provider for the Resource Recovery business unit to the value of €0.3 million (2020: €0.1 million). Elaine Treacy, a director of Bord na Móna plc, is a member of the senior management team in AMCS.

Duncan O'Toole, a director of Electricity Exchange, is also a director of Captured Carbon Ltd which purchases power from EPL under a contract for differences arrangement. During the year to March 2021, sales to the value of €0.6 million (2020: €1.0 million) and purchases to the value of €0.1 million (2020: €0.1 million) were recorded.

There were no dividends paid by the Company during the years ended 31 March 2021 and 25 March 2020.

27. Financial instrument and risk management

	Carrying Amount			Fair Value			
	Assets at amortised cost €'000	Liabilities at amortised cost €'000	Total carrying amount €'000	Level 1 €'000	Level 2 €'000	Level 3 €'000	Total €'000
31 March 2021							
Trade receivables	40,683	-	40,683	-	40,683	-	40,683
Cash and cash equivalents	18,119	-	18,119	18,119	-	-	18,119
Accrued revenue	31,091	-	31,091	-	31,091	-	31,091
Other receivables	9,076	-	9,076	-	9,076	-	9,076
Trade payables	-	(20,999)	(20,999)	-	(20,999)	-	(20,999)
Other payables	-	(55,882)	(55,882)	-	(55,882)	-	(55,882)
Revolving credit facility	-	-	-	-	-	-	-
Unsecured loan note (note 19)	-	(495)	(495)	-	(495)	-	(495)
Overdrafts	-	(3,560)	(3,560)	(3,560)	-	-	(3,560)
	98,969	(80,936)	18,033	14,559	3,474	-	18,033
25 March 2020							
Trade receivables	37,149	-	37,149	-	37,149	-	37,149
Cash and cash equivalents	36,657	-	36,657	36,657	-	-	36,657
Accrued revenue	14,484	-	14,484	-	14,484	-	14,484
Other receivables	5,983	-	5,983	-	5,983	-	5,983
Trade payables	-	(13,019)	(13,019)	-	(13,019)	-	(13,019)
Other payables	-	(54,052)	(54,052)	-	(54,052)	-	(54,052)
Revolving credit facility	-	(24,522)	(24,522)	(24,522)	-	-	(24,522)
Unsecured loan note (note 19)	-	(495)	(495)	-	(495)	-	(495)
Overdrafts	-	(10,634)	(10,634)	(10,634)	-	-	(10,634)
	94,273	(102,722)	(8,449)	1,501	(9,950)	-	(8,449)

Estimation of fair values

The principal methods and assumptions used in estimating the fair values of financial assets and liabilities are explained below.

Cash and cash equivalents including the short-term bank deposits

For short term bank deposits and cash and cash equivalents, all of which have a maturity of less than three months, the carrying value is deemed to reflect a reasonable approximation of fair value.

Trade and other receivables/payables

For the receivables and payables with a remaining term of less than one year or demand balances, the carrying amount less impairment allowances, where appropriate, is a reasonable approximation of fair value.

Loans

The fair value of borrowings is calculated based on discounted future principal and interest cash flows.

27. Financial instrument and risk management continued**(a) Financial risk management**

The Group's operations expose it to various financial risks that include credit risk, liquidity risk and market risk. The Group has a risk management framework in place which seeks to limit the impact of these risks on the financial performance of the Group. It is the policy of the Group to manage these risks in a non-speculative manner.

This note presents information about the Group's exposure to each of the above risks and the objectives, policies and processes for measuring and managing the risks. Further quantitative and qualitative disclosures are included throughout this note.

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group Risk and Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group Risk and Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Risk and Audit Committee.

(b) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and cash and cash equivalents.

The carrying amounts of financial assets represent the maximum credit exposure.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors which may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

The Group has established a credit policy under which each new customer is vetted individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings and trade references when available. Credit limits are established for each customer and reviewed annually or by exception when required. Credit limits are approved via an approval matrix which contains members of the Senior Management Teams, both in the business and in the Group Centre. In monitoring customer credit risk, customers are grouped according to their characteristics, including their geographic location, industry, trading history with the Group and existence of previous financial difficulties.

At 31 March 2021, the exposure to credit risk for trade receivables and contract assets by geographic region was as follows:

	31 March 2021 €'000	25 March 2020 €'000
Ireland	22,331	25,788
UK	15,308	9,123
Rest Of Europe	3,044	4,909
	40,683	39,820

Expected credit loss ("ECL") assessment for individual customers

The Group uses an allowance matrix to measure the ECLs of trade receivables from individual customers, which comprise a very large number of small balances.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Roll rates are calculated separately for exposures in different segments based on the following common credit risk characteristics – geographic region, age of customer relationship and type of product purchased.

27. Financial instrument and risk management continued**(a) Financial risk management** continued

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets from individual customers as at 31 March 2021 and 25 March 2020.

	Weighted average loss rate	Gross carrying amount €'000	Loss allowance €'000	Credit impaired
At 31 March 2021				
Current (not past due)	0.2%	32,253	65	No
1-30 days past due	4.0%	6,025	241	No
31-60 days past due	10.0%	943	94	No
61-90 days past due	25.0%	50	13	No
More than 90 days past due	66.0%	1,412	932	No
		40,683	1,345	
At 25 March 2020				
Current (not past due)	0.2%	30,932	62	No
1-30 days past due	4.0%	3,718	149	No
31-60 days past due	9.5%	1,171	111	No
61-90 days past due	20.0%	502	100	No
More than 90 days past due	66.0%	826	545	No
		37,149	967	

Loss rates are based on actual credit loss experience over the last year. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Movements in the allowance for impairment in respect of trade receivables

The movement in the allowance for impairment in respect of trade receivables and contract assets during the year was as follows.

	€'000
Balance at 25 March 2020	967
Impairment loss recognised	607
Utilisation of the provision	(229)
Balance at 31 March 2021	1,345

Cash and cash equivalents

The Group held cash and cash equivalents of €14.6 million at 31 March 2021 (2020: €26.1 million). The cash and cash equivalents are held with banking and financial institution counterparties, which are rated BBB+ or higher, based on Standard & Poors ratings.

Impairment on cash and cash equivalents has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

The Group uses a similar approach for assessment of ECLs for cash and cash equivalents to those used for debt securities.

Notes forming part of the Financial Statements for the year ended 31 March 2021 continued

27. Financial instrument and risk management continued

(c) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Available liquidity

The Group has the following undrawn overdraft and loan facilities:

Facility	Drawn amount at 31 March 2021 €'000	Total of Facility €'000	Available Headroom €'000
Revolving credit facility	-	125,000	125,000
Bank overdraft	3,560	40,000	36,440
Total	3,560	165,000	161,440

The Company and certain subsidiary companies have entered into a "Cashpool Agreement" with their principal bankers. The Cashpool Agreement includes a master cash netting agreement in respect of specified accounts contained within that agreement. All Irish subsidiaries are included in this Cashpool Agreement.

Contractual maturities

The following are the contractual maturities of the Group financial liabilities including estimated interest payments.

At 31 March 2021	Carrying Amount €'000	Contractual Cash Flows €'000	Less than 1 Year €'000	1-2 Years €'000	2-5 Years €'000	More than 5 Years €'000
Borrowings:						
Revolving credit facility	-	-	-	-	-	-
Total	-	-	-	-	-	-
Trade and other payables	76,881	(76,881)	(76,881)	-	-	-
Bank overdraft	3,560	(3,560)	(3,560)	-	-	-
Total	80,441	(80,441)	(80,441)	-	-	-

At 25 March 2020	Carrying Amount €'000	Contractual Cash Flows €'000	Less than 1 Year €'000	1-2 Years €'000	2-5 Years €'000	More than 5 Years €'000
Borrowings:						
Revolving credit facility	25,000	(25,000)	(25,000)	-	-	-
Total	25,000	(25,000)	(25,000)	-	-	-
Trade and other payables	67,071	(67,071)	(67,071)	-	-	-
Bank overdraft	10,634	(10,634)	(10,634)	-	-	-
Total	77,705	(77,705)	(77,705)	-	-	-

(d) Market risk

Market risk is the risk that changes in market prices and indices, such as foreign exchange rates, and interest rates will affect the Group and Company's income or the value of its holdings of financial instruments.

Foreign exchange rate risk

The Group is exposed to translation foreign exchange rate risk on its UK operations and transaction exchange rate risk on purchases and sales. The effect of the translation of foreign operation risk and transaction exchange rate risk on purchase and sales are not considered material to the Group.

Notes forming part of the Financial Statements for the year ended 31 March 2021 continued

27. Financial instrument and risk management continued

(d) Market risk continued

	31 March 2021		25 March 2020	
	€'000 USD	€'000 GBP	€'000 USD	€'000 GBP
Trade receivables	-	1,716	133	6,985
Trade payables	(413)	(546)	(21)	(847)
Net balance sheet exposure	(413)	1,170	112	6,138
Net six months forecast sales	-	4,262	-	26,032
Next six months forecast purchases	-	(244)	-	(14,578)
Net Forecast transaction exposure	-	4,018	-	11,454
Forward exchange contracts	-	-	-	(6,557)
Net Forecast exposure	-	4,018	-	4,897

The following significant exchange rates have been applied during the year:

	Average rate		Year end spot rate	
	2021	2020	2021	2020
USD	1.1665	1.1115	1.1725	1.0827
GBP	0.8921	0.8747	0.8521	0.9150

Sensitivity analysis

The Group have no exposure to movements in US dollars at year end. A reasonably possible strengthening (weakening) of Sterling against Euro at 31 March 2021 would have affected the measurement of financial instruments denominated in sterling and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
Wednesday, 31 March 2021				
GBP (+/-5% Movement)	118	(108)	-	-
Wednesday, 25 March 2020				
GBP (+/-5% Movement)	411	(374)	-	-

28. Subsequent events

On 5 May 2021, the Group closed a project financing arrangement of €100 million for the Cloncreen Wind Farm located in Co. Offaly. This does not require adjustment to the financial statements.

There have been no other events between the reporting date and the date on which the financial statements were approved by the Board, which would require disclosure in and/or adjustment to the financial statements.

29. Approval of financial statements

The financial statements of the Company were approved by the directors on 22 June 2021.

Entity Financial Statements of the Company

For the year ended 31 March 2021

Company Balance Sheet as at 31 March 2021

	Note	31 March 2021 €'000	25 March 2020 €'000
Assets			
Non-current assets			
Property, plant and equipment	30 (c)	4,084	5,706
Right of use assets		29	101
Intangible assets	30 (d)	1,307	1,788
Financial assets	30 (b)	87,777	87,777
Amounts due from group companies		235,508	152,629
Retirement benefit asset	25	9,638	15,992
Deferred tax assets	30 (g)	844	1,117
Total non-current assets		339,187	265,110
Current assets			
Trade and other receivables	30 (e)	26,337	27,612
Cash and cash equivalents		768	44,780
Total current assets		27,105	72,392
Total assets		366,292	337,502
Equity			
Equity attributable to owners of the company			
Share capital	20	82,804	82,804
Share premium	20	1,959	1,959
Foreign currency translation reserve		17	(247)
Retained earnings		88,291	80,838
Total equity		173,071	165,354
Liabilities			
Non-current liabilities			
Retirement benefit obligations	30 (i)	3,133	2,850
Loans and borrowings		495	24,522
Right of use liabilities		1	41
Amounts due to group companies		39,000	-
Provisions	30 (h)	5,992	7,102
Deferred tax liabilities	30 (g)	1,205	1,999
Total non-current liabilities		49,826	36,514
Current liabilities			
Right of use liabilities		32	65
Bank overdraft		11,684	1,197
Provisions	30 (h)	9,838	10,738
Trade and other payables	30 (f)	121,841	123,634
Total current liabilities		143,395	135,634
Total liabilities		193,221	172,148
Total equity and liabilities		366,292	337,502

The accompanying notes are an integral part of these financial statements

On behalf of the board

Geoffrey Meagher **Tom Donnellan**
Chairman Chief Executive

22 June 2021

Company Statement of Changes in Equity for the year ended 31 March 2021

	Share Capital €'000	Share Premium €'000	Cashflow hedge reserve €'000	Foreign currency reserve €'000	Retained Earnings €'000	Total €'000
At 27 March 2019	82,804	1,959	(214)	-	54,794	139,343
Total comprehensive income						
Profit for the year	-	-	-	-	5,321	5,321
Other comprehensive income						
Remeasurements of defined benefit liability	-	-	-	-	20,723	20,723
Cash flow hedge - effective portion of changes in fair value	-	-	214	-	-	214
Foreign currency reserve - movement in foreign operations	-	-	-	(247)	-	(247)
Transactions with owners of the company						
Dividends paid to shareholders	-	-	-	-	-	-
At 25 March 2020	82,804	1,959	-	(247)	80,838	165,354
Total comprehensive income						
Profit for the Year	-	-	-	-	17,953	17,953
Other comprehensive income						
Remeasurements of defined benefit liability	-	-	-	-	(10,500)	(10,500)
Cash flow hedge - effective portion of changes in fair value	-	-	-	-	-	-
Foreign currency reserve - movement in foreign operations	-	-	-	264	-	264
Transactions with owners of the company						
Dividends paid to shareholders	-	-	-	-	-	-
At 31 March 2021	82,804	1,959	-	17	88,291	173,071

The accompanying notes are an integral part of these financial statements.

Notes forming part of the Company Financial Statements for the year ended 31 March 2021

30.(a) Statement of compliance

The individual financial statements of the Company have been prepared in accordance with FRS 101 Reduced Disclosure Framework ("FRS 101"). The Company financial statements have adopted certain disclosure exemptions available under FRS 101. These include:

- > a cashflow statement and related notes;
- > disclosures in respect of the compensation of key management personnel;
- > disclosures in respect of transactions with wholly owned subsidiaries;
- > disclosures in respect of capital management;
- > certain comparative information; and
- > the effects of new but not yet effective IFRSs.

As the consolidated financial statements include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- > Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures;
- > Certain disclosures required by IFRS 15 Revenue from Contracts with Customers and IFRS 16 Leases.

30.(b) Financial assets

	Subsidiary undertakings			
	Unlisted shares €'000	Convertible loan stock €'000	Loans €'000	Total €'000
2021				
At the beginning of the financial year	11	-	87,766	87,777
Repaid during the year	-	-	-	-
At the end of the financial year	11	-	87,766	87,777

	Subsidiary undertakings			
	Unlisted shares €'000	Convertible loan stock €'000	Loans €'000	Total €'000
2020				
At the beginning of the financial year	11	-	87,766	87,777
Repaid during the year	-	-	-	-
At the end of the financial year	11	-	87,766	87,777

At 31 March 2021, the carrying amount of the investment in subsidiary undertakings was reviewed for impairment in accordance with Group accounting policies. No impairment loss was recognised in 2021 (2020: €nil). A list of the entity's subsidiary undertakings is set out in note 24.

Notes forming part of the Company Financial Statements

for the year ended 31 March 2021 continued

30.(c) Property, Plant and Equipment

	Peatland, drainage and production buildings €'000	Railway, plant and machinery €'000	Freehold land, administration and research buildings €'000	Assets in course of construction €'000	Group Total €'000
2021					
Cost					
At 25 March 2020	559	2,984	11,629	846	16,018
Additions	-	93	-	-	93
Disposals/retirements	-	(15)	(341)	-	(356)
Intragroup transfers	-	(138)	(1,821)	-	(1,959)
Transfers out of assets under construction	-	-	598	(598)	-
At 31 March 2021	559	2,924	10,065	248	13,796
Depreciation and impairment					
At 25 March 2020	-	2,845	7,467	-	10,312
Depreciation charge	-	77	562	-	639
Disposals/retirements	-	(15)	-	-	(15)
Intragroup transfers	-	(116)	(1,108)	-	(1,224)
At 31 March 2021	-	2,791	6,921	-	9,712
Carrying amount					
At 31 March 2021	559	133	3,144	248	4,084
At 25 March 2020	559	139	4,162	846	5,706

	Peatland, drainage and production buildings €'000	Railway, plant and machinery €'000	Freehold land, administration and research buildings €'000	Assets in course of construction €'000	Group Total €'000
2020					
Cost					
At 27 March 2019	559	2,924	10,563	918	14,964
Additions	-	60	-	994	1,054
Transfers out of assets under construction	-	-	1,066	(1,066)	-
At 25 March 2020	559	2,984	11,629	846	16,018
Depreciation and impairment					
At 27 March 2019	-	2,725	6,934	-	9,659
Depreciation charge	-	120	533	-	653
At 25 March 2020	-	2,845	7,467	-	10,312
Carrying amount					
At 25 March 2020	559	139	4,162	846	5,706
At 27 March 2019	559	199	3,629	918	5,305

Notes forming part of the Company Financial Statements

for the year ended 31 March 2021 continued

30.(d) Intangible assets

	Assets in course of construction €'000	Software €'000	Total €'000
2021			
Cost			
At beginning of the year	255	30,468	30,723
Additions	309	158	467
Transfers out of assets under construction	(269)	269	-
At end of the year	295	30,895	31,190
Amortisation and impairment			
At beginning of the year	-	28,935	28,935
Charge for year	-	948	948
Impairment (note 7)	-	-	-
At end of the year	-	29,883	29,883
Carrying amounts			
At 31 March 2021	295	1,012	1,307
At 25 March 2020	255	1,533	1,788

	Assets in course of construction €'000	Software €'000	Total €'000
2020			
Cost			
At beginning of the year	-	30,214	30,214
Additions	459	50	509
Transfers out of assets under construction	(204)	204	-
At end of the year	255	30,468	30,723
Amortisation and impairment			
At beginning of the year	-	24,611	24,611
Charge for year	-	1,672	1,672
Impairment (note 7)	-	2,652	2,652
At end of the year	-	28,935	28,935
Carrying amounts			
At 25 March 2020	255	1,533	1,788
At 27 March 2019	-	5,603	5,603

30.(e) Trade and other receivables

	31 March 2021 €'000	25 March 2020 €'000
Trade receivables	-	3
Prepayments	1,249	1,084
Amounts owed by group companies	21,814	23,803
Amounts owed by joint ventures	2,072	939
Other receivables	811	474
Accrued revenue	149	-
Value added tax	242	1,309
Total	26,337	27,612

Notes forming part of the Company Financial Statements for the year ended 31 March 2021 continued

30.(f) Trade and other payables

	31 March 2021 €'000	25 March 2020 €'000
Trade payables	1,984	1,747
Accruals	4,515	9,603
Deferred Income	-	131
Capital grants	-	354
Other payables	2,157	1,045
Amounts due to group companies	111,512	109,114
Creditors in respect of tax and social welfare	1,673	1,640
Total	121,841	123,634
Creditors in respect of tax and social welfare comprise:		
Income tax deducted under PAYE	784	757
Pay-related social insurance	889	883
Corporation tax	-	-
Total	1,673	1,640

30.(g) Deferred tax

	31 March 2021 €'000	25 March 2020 €'000
Deferred tax asset at beginning of financial year	882	(1,020)
Recognised in profit or loss	916	(1,505)
Recognised in other comprehensive income	(1,437)	3,407
Deferred tax liability/(asset) at end of financial year	361	882

30.(h) Provisions

	Environmental reinstatement €'000	Reorganisation and redundancy €'000	Insurance €'000	Total €'000
2021				
At beginning of the year	2,115	5,953	9,772	17,840
Provisions made during the year	-	-	1,843	1,843
Provisions used during the year	-	(1,073)	(1,280)	(2,353)
Provisions released during the year	-	-	(1,500)	(1,500)
At end of the year	2,115	4,880	8,835	15,830
Amounts due as follows:				
Current	2,115	4,880	2,843	9,838
Non-current	-	-	5,992	5,992
Total	2,115	4,880	8,835	15,830
2020				
At beginning of the year	2,115	7,582	9,913	19,610
Provisions made during the year	-	2,722	2,400	5,122
Provisions used during the year	-	(4,351)	(2,541)	(6,892)
At end of the year	2,115	5,953	9,772	17,840
Amounts due as follows:				
Current	2,115	5,953	2,670	10,738
Non-current	-	-	7,102	7,102
Total	2,115	5,953	9,772	17,840

For further detail on the above provisions, see Note 18 in the group financial statements.

Notes forming part of the Company Financial Statements for the year ended 31 March 2021 continued

30.(i) Pension fund liabilities

There are two pension schemes held within the balance sheet of Bord na Móna plc (RWESS and GESS). In addition to this, the unfunded scheme is also recognised on the balance sheet. The third pension scheme (BnM Fuels pension scheme) has been recognised on the balance sheet of Bord na Móna Fuels Limited. Information has been provided on these pension schemes as per Note 25 of the consolidated financial statements. As there are no material differences between the information given in the consolidated notes and the company information it has been chosen not to reproduce this information.

30.(j) Approval of financial statements

The financial statements were approved by the directors on 22 June 2021.

¹Certain policies and Standards are not published externally

