



Consolidated Financial Statements
of
National University of Ireland, Maynooth
(commonly known as Maynooth University)
for the year ended 30th September 2017

(Prepared under Generally Accepted Accounting Principles)

C & AG



Contents

	Page(s)
General Information	2
Report of the Bursar	3 – 6
Statement of Responsibilities	7
Statement of Governance and Internal Control	8 - 16
Auditors' Report	17 – 19
Consolidated and University Statement of Comprehensive Income and Expenditure	20
Consolidated and University Statement of Changes in Reserves	21
Consolidated and University Statement of Financial Position	22
Consolidated Statement of Cash Flows	23
Notes to the Financial Statements	24 – 44

General Information

Auditors

Comptroller and Auditor General,
3A Upper Mayor Street,
Dublin 1.

Bankers

Allied Irish Banks Plc,
Main Street,
Maynooth,
Co. Kildare.

Legal Advisers

McCann FitzGerald,
Solicitors,
Riverside One,
Sir John Rogerson's Quay,
Dublin 2.

Report of the Bursar

I have the pleasure to present the Annual Financial Statements of the National University of Ireland Maynooth for the year ended 30th September 2017 prepared in accordance with Financial Reporting Standard FRS 102 and the Statement of Recommended Practice (SORP) – Accounting for Further and Higher Education 2015 with one presentation exception which is the disclosure of deferred State Capital Grants in reserves rather than within creditors as recommended by the SORP.

1. Review of the year

The final outcome for the year indicates a breakeven position with a small surplus of €0.035m which compares to a surplus of €6m in the previous year (as restated). The surplus in the previous year largely arose from the recognition of a once off €3.549m donation income from the Congregation of Dominican Sisters and a €2m grant for the purchase of land from the HEA. Accumulated revenue reserves are now €113.6m consistent with the previous year. Total income at €126.8m is up €8.5m on the previous year (before accounting for deferred pension funding and excluding the once off donation and land grant in 15/16 of €3.549m and €2.0m respectively). Of that €8.5m, €4.16m relates to an increase in student fees, €2.14m relates to research income, €1.1m relates to other income and €1.1m relates to state grant. Deferred pension funding of €24.5m is up €3.4m on the previous year. Total expenditure at €151.8m is up €12.5m on the previous year. When deferred pension costs are excluded the increase is €9.0m. This is largely attributable to the increase in research activity of €2.1m, a €2.3m increase in staff costs, an increase in depreciation of €1.6m and an increase in repairs and maintenance of €1.2m. Other expenses increased by €1.1m. An increase of €0.7m in interest and other finance costs accounts for the difference.

Student fees are the dominant income source for universities, with fees accounting for 43% of income in 2016/17 (2016: 42%). Student fee income increased by €4.2m to €64.6m representing a 7% increase over the previous year. Undergraduate fees accounted for €52.6m (2016: €51.3m) whilst postgraduate fees accounted for €9.3m (2016: €8.5m). In 2016/17 €39.8m was paid directly to the university on behalf of students by parties other than the Higher Education Authority. The State chose to pay €24.8m of student fees on behalf of students, which is up from €23.6m in 2015/16. Also, €11.6m was received through *Student Universal Support Ireland*, consistent with the previous year. Of the €39.8m paid by or on behalf of students, non-EU students paid €4.2m (2016: €3.7m). The individual EU student contribution remained at €3,000. The “free fees” element of student fees paid through the Higher Education Authority increased by €1.2m from €23.6m for the previous year as a result of increased student numbers. Both student fee income and State grant income are largely driven by student numbers.

Other income at €13.2m increased by €1.1m primarily due to the additional income from apartments as a result of the addition of the Courtyard Apartments (296 beds) on a phased basis in October 2016.

Income from Research Grants and Projects showed an increase of €2.1m or 9% over the previous year. This arises from the inclusion of a full year of Irish Research e-Library expenditure in the year compared to nine months in 2015/16. This contributed €11.8m in the year (2016: €9.8m). State agency support (excluding the Irish Research e-Library) has increased marginally by €0.7m to €8.9m (2016: €8.2m). EU funding decreased by 5.5% to €2.2m (2016: €2.3m). Research income from industry is down €0.3m year on year. The university's citations remain strong and the university has signalled its commitment to research by the establishment of four research institutes and the appointment of senior researchers to lead those institutes. The university hopes to see a further improvement in Research Income in the next two to three years.

Report of the Bursar (continued)

Recurrent expenditure for the year amounted to €151.8m, a €12.5m or 8.9% increase year on year. Staff costs were €89m, up by €7.4m or 9% over 2015/16. The increased costs relate primarily to an additional €5.2m to reflect the costs of pensions under FRS102. Pay costs increased during the year by €2.3m or 3% which is in line with the increase in average staff numbers of 4%. Non-pay costs increased by €4.5m or 10% compared to 2015/16. Table 1 below outlines the main movements in non-pay costs. Non-pay costs represent 31% of recurrent expenditure (2016: 31%). This increase comprises an additional €2.1m expenditure on Research E-Library Journals reflecting 12 months costs versus nine months in 15/16, €1.2m increased in repairs and maintenance reflecting four extensive refurbishments completed in the year, increased scholarship activity of €0.7m and a net increase in other expenses of €0.5m.

	2016/17	2015/16	Variance	Percentage	Explanation
	€'000	€'000	€'000		
Travel & Subsistence	2,439	2,221	218	10%	As expected due to increased staff numbers
Hospitality & Entertainment	134	79	55	70%	Not significant
Consumables	4,059	4,715	(656)	(14%)	In line with increased cost control in this area
Repairs & General Maintenance	3,702	2,467	1,235	50%	Extensive refurbishments in year following EIB drawdown
Utilities	2,093	2,261	(168)	(7%)	Reflects reduced consumption emanating from energy efficiency projects
Cleaning	1,465	1,008	457	45%	Once-off additional cost of apartments deep clean together with new buildings opened in year
Research Library e-Journals	11,887	9,789	2,098	21%	9 months expenditure in Irish Research e-Library in 15/16
Books & Periodicals	1,358	1,390	(32)	(2%)	Not significant
Audit, Professional & Consulting	3,453	3,324	129	4%	No material variance
Rent, Rates & Insurance	2,220	2,275	(55)	(2%)	No material variance
Capitation	1,833	1,716	117	7%	Impact of additional students in current year
Scholarships	6,121	5,382	739	14%	Increased activity in the year
Equipment	2,509	2,653	(144)	(5%)	No material variance
Other Employee Related	490	470	20	4%	No material variance
Recruitment Cost	241	222	19	9%	Not significant
Advertising & PR	901	751	150	20%	In line with increased international and graduate students campaign activity
Other Expenses & Charges	2,433	2,122	311	15%	As expected due to increased student and staff numbers.
Total	47,338	42,845	4,493		

Table 1: Movements in Non-Pay costs 2016/17 vs 2015/16

Capital expenditure during the year amounted to €7.5m, with €6.9m invested in new buildings and €0.6m on capital equipment (including research capital equipment). The €6.9m additions related the costs to complete the Courtyard Student Apartments and the new School of Education opened in 16/17. Note 26 sets out the capital commitments as at the year end. Capital commitments at the 30 September 2017 amounted to €0.5m (2016: €3.9m), none is being funded by capital grants from the State.

Cash and cash equivalents held at 30 September 2017 are €68.9m, up by €27.4m on the same date last year. The Statement of Cash Flow, on page 23, explains the movement which in summary arises from the drawdown of €26.7m (2016: €50m) of the European Investment Bank loan offset by the funding of capital projects €7.4m (2016: €34.7m), a net cash inflow from operating activities €9.6m (2016: €6.4m) and interest paid of €1.5m (2016: €0.8m).

The overall level of debtors and prepayment has decreased marginally by €0.1m to €16.8 from €16.9m in the previous year. This increase is largely accounted for by an increase of €2.3m in prepayments due to additional Irish Research e-Library activity, an increase in research projects receivable of €0.8m offset by a reduction in state capital grants receivable of €1.1m and a €2m reduction in other debtors. The full movements and explanations are outlined in Table 2 below.

Report of the Bursar (continued)

	2016/17 €'000	2015/16 €'000	Variance €'000	Percentage	Explanation
Projects Receivable	2,983	2,146	837	39%	Retentions due on 2 large EU projects completed in year. In addition, more projects nearer completion in 16/17.
Accounts Receivable	2,722	2,631	91	3%	No material variance
Prepayments	5,660	3,405	2,255	66%	€1.9m in relation to Irish Research e-Library invoices prepaid
Staff House Loans	32	75	(43)	(57%)	Not significant
Other Debtors	3,265	5,233	(1,968)	(38%)	Accrued Income increase of €0.6m offset by €2.5m decrease in accrued donation in 15/16
State Capital Grant	1,520	2,673	(1,153)	(43%)	Balance due for capital funding from HEA and EI for ICT Building
Academic Fees Receivable	626	463	163	35%	Increase in student numbers and number of students on instalment plans
State Grant Due	-	237	(237)	(100%)	HEA cash funding moved to "in advance" position at year end
Total	16,808	16,863	(55)		

Table 2: Debtors and prepayments as at 30.9.2017 vs 30.9.2016

The overall level of creditors and accruals has increased by €3.2m to €49.7m (2016: €46.5m). This increase is largely accounted for by an increase of €2.4m in academic fees in advance, an increase of €3.1m in deferred income on research grants, a decrease in accruals of €1.5m and a decrease in net pension liability of €1.2m. The full movements and explanations are outlined in Table 3 below.

	2016/17 €'000	2015/16 €'000	Variance €'000	Percentage	Explanation
Research Grants & Projects unexpended	13,739	10,603	3,136	30%	Increase of €2.3m funding in advance related to Irish Research e-Library
Net Pension Liability	4,364	5,572	(1,208)	(22%)	Continued reduction in pension control accounts as pensions in payment greater than EE and ER contributions
Deferred Income	5,721	5,849	(128)	(2%)	No material variance
Academic Fees received in advance	14,446	12,034	2,412	20%	In line with increased student numbers and additional international student intake for 17/18
Trade Creditors	3,491	4,041	(550)	(14%)	Decrease in capital creditors of €0.5m
Accruals	3,961	5,508	(1,547)	(28%)	€2.1m decrease in capital accruals offset by €0.5m increase in maintenance accruals.
Unsecured Loans	625	-	625	100%	EIB loan repayments
State Grant in Advance	665	-	665	100%	Timing of HEA cash payments
Other Creditors	534	382	152	40%	Not significant
Other tax and social security	2,137	2,501	(364)	(15%)	No material variance
Total	49,683	46,490	3,193		

Table 3: Creditors and Accruals as at 30.9.2017 vs 30.9.2016

Report of the Bursar (continued)

2. Pensions

On 31st December 2009 the assets of the Maynooth University Pension Plan transferred to the National Pension Reserve Fund. On the basis that the Oireachtas will make good any deficiency arising to meet the university's obligations to pay pension benefits of the Closed Scheme and that future pension liabilities of the Model Scheme and the Single Scheme are funded on a pay-as-you-go basis through monies provided to the university by the Higher Education Authority for that purpose, I have recommended to Governing Authority that an asset equal to our pension liabilities as calculated for FRS102 reporting purposes should be included in the consolidated statement of financial position as at 30th September 2017. The overall pension liability is €445m (2016: €455m). Of this amount €83.1m (2016: €82.2m) is attributable to the Model Scheme and €4.2m (2016: €2.4m) is attributable to the Single Scheme. The Model Scheme was established as a pay-as-you-go scheme on the instructions of the Higher Education Authority. The instruction was circulated by letter to five universities with funded pension schemes on the 29th November 2004. The correspondence does not specifically guarantee the payment of pensions independent of university funding to be received in future years. However, it is my belief that the normal superannuation accounting for public bodies effectively provides a guarantee. The Single Scheme is the only pension scheme for new staff (new to the public service) as and from the 1st January 2013. This scheme is sometimes referred to as the Career-Average Scheme. Correspondence received from the HEA, dated 31st August 2016, has indicated that the Single Scheme will be deemed to be a pay-as-you-go scheme with no Employer Contribution for core-funded staff. To be consistent with the treatment of the other two pension schemes, the university treats the Single Scheme as a funded scheme for the purpose of recognition of pension assets and liabilities. The accounting treatment I have recommended reflects the actual and de-facto State guarantees that exists for the pension liabilities existing at Maynooth University on the 30 September 2017. Further details are provided in Note 22 (pages 39 - 42). Readers of these accounts will notice that the university's auditors have drawn attention to this treatment without qualifying their opinion (pages 17 to 19).

3. Future

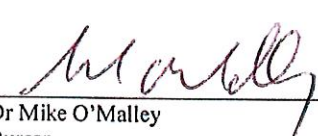
Maynooth University introduced a new curriculum for a new age designed to better prepare graduates for the world of work and for life during 2016/17. The university also established four focused Research Institutes linked to the teaching mission of the university. An ambitious campus development programme is underway. The university is funding a new Strategic Plan 2018-22. The university and the State must plan for the sustainable future of Maynooth University. Whereas Maynooth University has prepared detailed financial plans to 2019 and high level financial plans for the following 20 years, it has to be acknowledged that the credibility of these plans is subject to the Higher Education Authority and Government providing adequate resources to fund a truly world class tertiary educational experience consistent with the promises made to citizens in the *National Strategy for Higher Education to 2030*.

A positive aspect of the changing landscape for Maynooth University is that the university continues to be at the heart of the fastest growing region in Ireland and that demand for study places in the university is growing faster than any other university within the State. The Higher Education Authority, in planning for the sustainable future for Irish higher education must bear in mind the choices of students and their families and invest in institutions that students actually want to attend. The Bursar has written to the HEA seeking an end to the moderator in the Recurrent Grant Allocation Model and the President has prepared a document on the historical under-investment in the campus at Maynooth University by the State and how that might be corrected.

4. Conclusion

The university again managed its affairs well in 2016/17 despite pressures, particularly on funded research income. We will continue to manage our cost base in these difficult financial times. Readers can be sure that the university remains focused on its core teaching and research activities, academic standards, the quality of the student experience and the implementation of its new Strategic Plan 2018-22.

I wish to thank the staff in my office for their efforts in completing these Financial Statements. I feel a great sense of pride in my staff and am humbled by their enormous efforts over the past four months in particular.


Dr Mike O'Malley
Bursar


Date

Statement of Responsibilities

The university is required to comply with the *Universities Act, 1997*, and to keep in such form as may be approved of by An tÚdarás Um Ard-Oideachas, all proper and usual accounts of money received and expended by it. In preparing those Accounts, the university is required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless that basis is inappropriate and
- follow applicable accounting standards, subject to any material departures being disclosed and explained in the financial statements.

The university is responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the university and which enable it to ensure that its financial statements comply with the *Universities Act, 1997*, FRS102 and the related Statement of Recommended Practice (generally accepted accounting statements in Ireland and the UK). The university is also responsible for ensuring that the business of the university is conducted in a proper and regular manner and for safeguarding all assets under its operational control and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the Governing Authority on the 26th April, 2018.



Professor Philip Nolan
President



Dr Mike O'Malley
Bursar

Statement of Governance and Internal Control

Maynooth University is committed to operating best practice in all aspects of corporate governance. This summary describes the manner in which the university has applied the principles set out in the "*Governance of Irish Universities 2012*" document agreed between the Irish Universities Association and the Higher Education Authority and adopted by the Governing Authority of Maynooth University in November 2012. The purpose of this Statement of Governance and Internal Control is to help the reader of the financial statements to better understand how the principles have been applied and to obtain a clearer understanding of the governance and legal structure of the university. The IUA are in negotiations to update the "*Governance of Irish Universities 2012*" Code for the additional disclosure requirements included in the *Code of Practice for the Governance of State Bodies 2016* (the State Bodies Code). The IUA and the HEA have been negotiating changes to the *Governance of Irish Universities 2012 Code* throughout 2017 and into 2018 to reflect the new State Bodies Code to the maximum extent possible. The HEA introduced a number of new requirements in January 2018 which were not previously discussed. They are now under discussion between the parties and it is intended that the Statement of Governance and Internal Control published by Maynooth University with its Annual Financial Statements for the year ended 30th September 2018 will be in compliance with the State Bodies Code as amended.

The Governing Authority acknowledges its responsibility for the university's system of internal control; covering all material controls including financial, operational and compliance controls and risk management systems, that support the achievement of the university's policies, aims and objectives, while safeguarding the public and other funds and assets for which the Governing Authority is responsible.

The system of internal control manages rather than eliminates the risk of failure to achieve policies, aims and objectives or to conduct affairs in an orderly and legitimate manner. To that extent it can, therefore, only provide reasonable and not absolute assurance of effectiveness.

The Governing Authority is of the view that there is an ongoing process for identifying, evaluating and managing the university's significant risks to the achievement of strategy, policies, aims and objectives, that has been in place for the year ended 30th September 2017 and up to the date of approval of the annual accounts, and that it is regularly reviewed by the Governing Authority. No financially significant developments other than those disclosed in the annual Accounts took place in the financial year to 30th September 2017. No new joint ventures were entered into during the year.

The university operates a devolved budget control system where budgets for recurrent and capital purposes are given to individual budget holders who are expected to operate and deliver within that budget. Regular analysis of under and over spending is carried out and, if appropriate, brought to the attention of the University Executive and governance structures of the university. Whereas overspending on certain budget headings has occurred, active management of the situation has led to savings in other areas to match the overruns. The university does not operate a centralised Purchase Order Processing System. This is a control weakness and is being addressed. POP will be introduced from the summer of 2018 and rolled out throughout the university after that date. Budgets are prepared using systems data extracted by the Bursar's Office and assumptions made. A working budget is adopted by Governing Authority, usually in September before the commencement of the financial year. This working budget is then updated following the outcome of the Higher Education Authority Annual Recurrent Grant distribution process. A revised budget is presented to Governing Authority in February or April each year. The Bursar updates the Authority on material variances from the budget at other meetings. Prior to the year-end an estimated outturn versus the budget is presented.

The key information systems in use at the university are the Student Records System, the General Ledger and Payments System, the Payroll System, the HR System, the funded Grants Applications System, the e-Learning System, the library system, email and the Financial Reporting System. The systems are managed by IT Services. The Director of IT Services reports to the Chief Information and Innovation Officer. IT Services reports to the Information Technology Management Steering Committee (ITMSC), a sub-committee of the University Executive. The Chief Information and Innovation Officer chairs the Committee. The Committee met on four occasions during the year.

Confirmation of Review of the Effectiveness of the System of Internal Control: The Governing Authority has undertaken a review of the effectiveness of the system of internal control. The Governing Authority review of the effectiveness of the system of internal control is informed by the university's Internal Auditors in conjunction with the work of senior officers and other assurance functions.

Statement of Governance and Internal Control (continued)

The Internal Auditors submit regular reports which include an independent opinion on the adequacy and effectiveness of the university's system of internal control, with recommendations for improvement. The Governing Authority review of the effectiveness of the system of internal control is also informed by the work of the University Executive within the university, who have responsibility for the development and maintenance of the internal control framework, and by comments made by the External Auditors in their management letter and other reports. As a result of the overall review of the effectiveness of the system of internal control, the Governing Authority, external audit, internal audit and the University Executive have identified no material weaknesses. The Governing Authority formally approved the review of Internal Controls on the 26th April 2018.

Processes to Identify Organisational Risks and to Evaluate their Financial Implications: A formal process is undertaken on a regular basis to identify, evaluate and mitigate risks. The Risk Register is updated following wide consultation in the university. Matters raised by the university community are collated by a sub-committee of the University Executive and a primary risk register and summary risk register are presented to Governing Authority. The process leading to the final document is reviewed by the Audit and Risk Assessment Committee. The Secretary is the custodian of the Risk Register and monitors movements throughout the year. Any significant change in risk weighting is brought to the attention of the University Executive, the Audit and Risk Assessment Committee and Governing Authority. Procedures exist for the evaluation of the financial implications of risk in significant business decisions. These include examining alternatives (including doing nothing), consideration of management of the project initiatives, gathering intelligence of the business partners involved, challenging the projections and recording and monitoring income and expenditure. The university is currently examining its risk management policy. A new approach to the development of the Risk Register will be piloted in 2018.

Procedures for Monitoring the Effectiveness of Internal Control: The following processes have been established by Governing Authority for reviewing and evaluating the effectiveness of the systems of internal control:

- The Audit and Risk Assessment Committee has been established with terms of reference and an Audit Charter consistent with the governance guidelines laid down in Governance of Irish Universities 2012:
- During the year under review and up to the date of approving the Statement of Governance and Internal Control, the independent internal auditors, Mazars have presented the following reports to the Audit and Risk Assessment Committee:
 - *High Level Review of Key Internal Financial Controls 2015-16 Review (April 2017);*
 - *University Executive Internal Control Questionnaire Review (April 2017);*
 - *Departments, Schools and Support Functions General Internal Control Questionnaire Review (April 2017);*
 - *Research Commercialisation Review (December 2016 and April 2017).*
 - *Disaster Recovery Audit Report (October 2017, February 2018 and April 2018)*
 - *High Level Review of Key Internal Financial Controls 2016-17 (February 2018 and April 2018)*
 - *Capital Projects – project management (April 2018)*
- Mazars and the Audit and Risk Assessment Committee have both expressed themselves satisfied with management responses and action plans, if implemented, to address all the risk areas identified. Management have confirmed that work is completed or ongoing in all areas in line with the documented management responses.
- The Comptroller and Auditor General completed the external audit of the Consolidated Financial Statements for 2015/16 in April 2017. A 'management letter' was received by the university in May 2017 on the completion of the audit for 2015/16. No material misstatement, error or fraud was reported. A number of internal control findings were made. The report was presented to the Audit and Risk Assessment Committee during 2017. The Auditors and Committee expressed themselves satisfied with the management response and actions to address the weaknesses identified. Management have confirmed work is either completed or ongoing in relation to the findings.
- The Comptroller and Auditor General issued a 'management letter' on the completion of the 16/17 audit in April 18. No material misstatement, error or fraud was reported. A number of internal control findings were made. Management have confirmed work is either completed or ongoing in relation to the findings.
- Since the year end, the Comptroller & Auditor General carried out audit field work in relation to the Statutory Audit of the Financial Statements for the year ended 30th September 2017. He has carried out preliminary audit fieldwork in November and December 2017 and final audit fieldwork in the period January to March 2018.

Statement of Governance and Internal Control (continued)

- A number of audits into the control of research expenditure have been carried out at the behest of the funding agencies. A register of such audits is presented to the Audit and Risk Assessment Committee at intervals for review and any management letters received are presented to the Audit and Risk Assessment Committee for consideration. University Executive meetings, chaired by the President, are held to address ongoing issues and the implementation of objectives agreed with the Governing Authority. Control issues emerging are addressed at these meetings. The meetings are minuted and the minutes are available to the Audit and Risk Assessment Committee, Internal Auditors, External Auditors and the Comptroller & Auditor General. The University Executive met on 40 separate occasions during the year.
- Quality is of primary importance to the university and responsibility for this function is held by the Director of Strategy & Quality. Academic Departments are externally reviewed on a cyclical basis, normally on a seven-year cycle. Administration and support units follow a similar cycle. Findings are brought to the attention of the President. They also feed into the annual budget setting process if required.

In order to comply with Section 2.11 of the Code 'Governance of Irish Universities 2012' the Governing Authority of Maynooth University states:

Statutory Obligations:

The university is recognised as an independent legal entity under the *Universities Act, 1997*. Section 14.1 of that act provides that a university shall "have the right and responsibility to preserve and promote the traditional principles of academic freedom in the conduct of its internal and external affairs and be entitled to regulate its affairs in accordance with its independent ethos and tradition". The university is fully aware of the obligations under the Equality Sections of the Universities Acts 1997 – 2006 and other equality legislation.

Code of Governance and Codes of Conduct:

A Code of Conduct for members of the Governing Authority was approved in June 2009 and brought to the attention of all members of the fifth Governing Authority on its establishment in October 2015 or for members joining the Governing Authority mid-term, prior to their attendance at their first meeting. The code includes conflict of interest and ethics in public office policies. A Code of Conduct for staff was approved in September 2009 and is brought to the attention of all new staff as they join the university. The code includes conflict of interest and ethics in public office policies.

Government Policy on Pay:

The university and its subsidiary companies comply with public pay guidelines and the Framework for Departures from Approved Levels of Remuneration agreed with the Higher Education Authority under Section 25 of the *Universities Act, 1997*. The university is fully compliant with the public sector pay ceiling of €185k as communicated to the university. In relation to researcher salary scales, the university acknowledges that no Section 25 approved pay scales exist. The University Executive have created a set of pay scales consistent with the ministerial approved academic pay scales and the sectorally agreed (seven universities) Irish Universities Association pay scales for researchers. These scales are used in budget-setting in research proposals and, on award of research funding, these scales are used to recruit and pay researchers. State research funding agencies such as the Higher Education Authority and Science Foundation Ireland recognise these scales for budget purposes. A small number of administrative staff receive remuneration for teaching over and above their public salary. The teaching is carried out in the evenings or worked back where it takes place during the day. The HEA approved these payments in November 2017.

Financial Reporting and Internal Audit:

The university has appropriate procedures for the timely production of annual financial statements. The university outsources its internal audit service to Mazars following a public tender competition. The Internal Auditors are fully aware of the *Code of Governance 2012* and the expectations in relation to internal audit and the annual Statement of Internal Control. Internal Auditors carry out an annual programme of risk based audits with reporting to the Audit and Risk Assessment Committee who notify any significant items to Governing Authority.

The university is compliant with the procedures for internal audit. During 2016/17, no significant items were reported to the Governing Authority by the Audit and Risk Assessment Committee other than two exceptions in the procurement area as detailed in the paragraph below.

Statement of Governance and Internal Control (continued)

Procurement:

The university confirms that procurement procedures are in place and have been communicated to all budget holders. The procedures reflect EU Directives, legislation and Government policy as we understand them with the exception of non-compliance with Department of Finance Circular 02/16. This circular which was only brought to the attention of the university on January 2018, is the subject of ongoing discussion between the IUA, the HEA and the Department of Public Expenditure and Reform. The Internal Auditors carried out a study into the operation of the procurement procedures during 2016/17 after the year end in December 2017 to February 2018. The draft report is being finalised and will be presented to the Audit and Risk Assessment Committee in June 2018. To the best of Maynooth University's knowledge and belief the university has been compliant with the published procedures.

The Comptroller & Auditor General identified four cases of non-compliance with procurement rules at Maynooth University with a total value of €217,604. A mobile telephony contract to the value of €106,503 was found to be not tendered in accordance with procurement rules. A consultancy service to the value of €36,000 was found to have a procurement competition associated with purchases up to €25,000 and therefore was not compliant with procurement rules. In addition, an electrical supply company was paid a total of €35,648 during the year. This arose because two suppliers merged and its combined supply to Maynooth University exceeded €25,000 making the procurement non-compliant. Finally, a total €39,453 was paid to a pop-up display company during the year. Whereas the services themselves may not have required aggregation the university accepts the finding that the procurement was non-compliant.

Maynooth University absorbed IReL during 2016/17 and is working to ensure that the procurement of books and periodicals (on-line) for the seven Irish Universities and other State Bodies is compliant with public procurement guidelines. However, this is something that will be complex to achieve as the procurement per university depends on what the university was buying at a point in time. In effect, this means that one university might be involved in an "IReL" procurement of an on-line publication and another university excluded from the same publication through this service. Determining who is entitled to access and who is not entitled to access to publications will be the key to successful procurement of on-line library resources.

Maynooth University attempted to join an OGP Framework for cleaning services in 2017. However, the compilation of data required by the OGP Framework suppliers is extremely onerous. Procedures had to be put in place to gather the relevant data. Maynooth University will establish a cleaning contract in accordance with its OGP Framework in 2018. Meanwhile, Maynooth University extended its 2016 contract with its cleaning service supplier for 2017/18. Maynooth University spent €1.024m on cleaning services with one contracted supplier in 2016/17.

In 2016, the university recruited a Procurement and Contracts Officer to develop a contracts database (in association with OGP and EPS) setting out the start date, final date and membership of frameworks, including sole supplier frameworks, in addition to other duties. The Procurement and Contracts Officer is currently working with the EPS on the finalisation of the database and a related Corporate Procurement Plan.

Asset Disposals:

The disposal of university assets to third parties and employees is governed by procedures communicated to all staff. To the best of Maynooth University's knowledge and belief, the university has been compliant with these procedures.

Guidelines for the Appraisal and Management of Capital Project:

Maynooth University has put in place processes and procedures to ensure compliance with the Guideline of the Appraisal and Management of Capital Projects issued by the Department of Finance in February 2005. The university engages external experts to support it in managing the complex processes associated with all aspects of capital project design, tendering, assessment and outcome.

Value for Money and Compliance with Tax Law:

Maynooth University has to the best of its knowledge and belief followed the Guidelines in achieving value for money in public expenditure as set out in the Department of Public Expenditure and Reform Public Spending Code. Maynooth University seeks to be compliant with taxation laws and is committed to ensuring that all known tax liabilities are paid at the relevant due dates.

Statement of Governance and Internal Control (continued)

Travel Policy:

The university has adopted travel and subsistence policies which are consistent with Department of Finance Circular 07/2009: Motor travel and subsistence rates. The scheme differs to the Civil Services Scheme in some respects as allowed in paragraph 2 of the notes accompanying the circular. In general, mileage and subsistence rates paid are lower than the Civil Service rates. This policy governs claims made to members of Governing Authority as well as staff of the university for 2016/17. We will amend our current policy in 2018. Circular 15/2015 covering subsistence allowances will be incorporated into a revised expenditure policy which is planned for later in 2018. However, we will continue to pay actual subsistence (capped at Circular 15/2015 rates other than in exceptional circumstances) rather than per diem rates. DPER circular 05/2017 will be incorporated into the new automated expenses module which is at pilot stage and planned to be rolled out in 2018. The "reduced mileage" rates element of the circular for travel not solely related to the performance of duties e.g. attending training courses will not be implemented.

Child Protection:

Maynooth University approved a revised Child Protection Policy and Procedures in June 2014. The policy was updated for changes in legislation in December 2017 and this policy can be viewed at www.maynoothuniversity.ie or is available by request from Governing.Authority@mu.ie.

Governing Authority Fees and Expenses:

The Chairperson receives remuneration of €20,500 per annum in accordance with Section 17(5) of the *Universities Act, 1997* and a decision of Governing Authority taken at its meeting held in November 2015. No expenses were paid to external members during the year in connection with the business of Governing Authority. Expenses (when paid) are paid at rates that are less than rates approved by the Minister for Finance. Meetings of Governing Authority take place in Maynooth University and meetings of the Audit & Risk Assessment Committee take place in Dublin city centre.

During the year, Professor Philip Nolan, President was paid in accordance with a letter of sanction received from the Department of Education and Skills dated February 2011. He received total gross remuneration of €178,413 in the year.

Subsidiary Companies:

Innovation Value Services Limited was established as a commercial entity in February 2016. An independent Board of Directors was appointed including an independent Chairperson. The Board is made up of four members, two of which are employees of the university and two of which are external to the university. The Chairperson is one of the Directors who is external to the university. The objective of IV Services Limited is to exploit, for the benefit of members and the university, the research outputs of the IVI Research Centre, a research centre funded by Enterprise Ireland as a national Competence Centre. IVI Research Centre is supported by members who help direct its research programme. It has company specific HR, remuneration and pension policies which are separate and different from the policies in the university and from public pay policy. It also has its own procurement policies

Other than Innovation Value Services Limited, the subsidiary companies did not employ any staff directly during 2016/17. Staff of the university carry out duties related to the activities of the subsidiary companies and the university charges the subsidiary for these services. The Governing Authority confirm that:

1. Each subsidiary (excluding Innovation Value Services Limited) has a Board of Directors drawn from members of the University Executive, who are also members of Governing Authority and the Code of Governance agreed between the Higher Education Authority and the university applies to the activities of the company as does the Code of Conduct for staff and the Code of Conduct for members of the Governing Authority. The normal policies and procedures of the university apply to these subsidiary companies.
2. Each subsidiary produces its own financial statements. All subsidiaries are included in the Consolidated Financial Statements. The Financial Statements of all subsidiaries up to year ended September 2017 have been certified by an External Auditor.
3. Formal institutional arrangements are in place for reporting including reporting to the Audit and Risk Assessment Committee and the Governing Authority on an annual basis.

Statement of Governance and Internal Control (continued)

The directors of the subsidiaries (other than Innovation Value Services Limited) have written to the Governing Authority acknowledging the responsibilities of the Directors for governance to the standards demanded by the university's own Code of Governance.

Good Faith Reporting – Protected Disclosures Act 2014:

Maynooth University approved a Protected Disclosure (Whistleblowing) Policy in February 2016 and this policy can be viewed at www.maynoothuniversity.ie or is available by request from Governing.Authority@mu.ie. The policy is fully consistent with legislation. This is the policy under which employees and other workers would provide Good Faith Reporting in relation to concerns about possible irregularities in financial reporting and for ensuring meaningful follow-up of matters raised in this way. The existence of the policy and the reporting mechanisms contained therein are promoted through the university's webpage, through University News, the staff newsletter and through staff induction training. Formal training on the policy will commence during 2018. Maynooth University confirms that the annual reports required under Section 22(i) of the Protection Disclosures Act 2014 have been published. No protected disclosures were received during the year.

Student and Staff Data:

Maynooth University has satisfied itself as to the integrity and robustness of the student data provided to the HEA for the purpose of calculating and allocating the core grant. In addition, Maynooth University has satisfied itself as to the integrity and robustness of staff numbers provided to the HEA as required.

Governing Authority Meetings:

The Maynooth University Governing Authority is the main governance and decision-making entity within the university. Under the *Universities Act, 1997* "the functions of a university shall be performed by or on the direction of its governing authority" and "all acts and things done by a governing authority, or in the name of or on behalf of the university with the express or implied authority of the governing authority, shall be deemed to have been done by the university". The Governing Authority is responsible for and is satisfied that the university is in compliance with statutory obligations applicable to the university that may be set out in legislation governing the establishment of the university or in other relevant legislation.

The membership of the fifth Governing Authority of Maynooth University is made up of 31 members and is as representative as possible consistent with the provisions of the *Universities Act, 1997*. There is an independent Chairperson. Baroness Nuala O'Loan was elected Chairperson in December 2010 and chaired her first meeting in February 2011. She was re-elected at the meeting of Governing Authority held in November 2015.

Half of the membership is drawn from outside of the university (lay membership) and half is drawn from the university. The decisions of the Governing Authority are published on the university's website www.maynoothuniversity.ie. Under section 34 of the *Universities Act, 1997* the Governing Authority shall approve the strategic plan of the university and ensure a copy of the strategic plan is sent to the Minister for Education and Skills and to the Higher Education Authority. A Strategic Plan covering the period 2012 to 2017 was presented by the President and approved by the Governing Authority for publication in November 2012. The Plan was formally launched by the Minister for Education and Skills in June 2013. The title of the plan is "*National University of Ireland Maynooth Strategic Plan 2012 – 2017*" and it can be accessed at www.maynoothuniversity.ie or is available by request to Governing.Authority@mu.ie. A new plan for the period 2018 – 2022 is under development and is scheduled to be completed in April 2018.

The University Bursar and Secretary acts as Secretary of the Governing Authority. The Governing Authority met on six occasions during the year. Table 1 on page 14 shows the attendance record of members over the year.

Statement of Governance and Internal Control (continued)

	Governing Authority Member	Number of Meetings Eligible to Attend	Number of Meetings Attended	Percentage Attendance
Chairperson (1)	Baroness Nuala O'Loan	6	6	100%
Ex Officio (3)	Professor Philip Nolan	6	6	100%
	Professor Aidan Mulkeen	6	6	100%
	Dr Mike O'Malley	6	6	100%
Members of academic staff who are Professors or Associate Professors (2)	Professor Chris Morris	6	6	100%
	Professor Sharon Todd	6	6	100%
Permanent or full-time members of academic staff other than Professors or Associate Professors (4)	Mr Séamus Taylor	6	6	100%
	Professor Mary Gilmartin ¹	1	1	100%
	Dr Úna Crowley	4	3	75%
	Professor Fiona Lyddy ²	1	1	100%
	Dr Jeneen Naji	4	4	100%
	Professor Tomás Ward ³	1	1	100%
	Dr Anthony Malone	5	3	60%
Permanent or full-time employees of the University who are not academic staff (2)	Mr James Cotter	6	6	100%
	Ms Paula Murray	6	6	100%
Elected officers of the Students' Union (3)	Mr Dillon Grace ⁴	5	5	100%
	Mr Leon Diop	1	1	100%
	Ms Niamh Halpenny	6	6	100%
	Ms Karen Kane ⁵	5	5	100%
	Ms Aoife Fennell	1	1	100%
Postgraduate student (1)	Ms Roxanne Paul ⁶	1	1	100%
	Ms Robyn Duke	5	3	60%
IBEC nominee (1)	Ms Christine Moran	6	3	50%
ICTU nominee (1)	Ms Sheila Nunan	6	4	67%
Nominees of the Trustees of St Patrick's College (3)	Monsignor Hugh Connolly ⁷	5	3	60%
	Rev Professor Michael Mullaney	1	1	100%
	Monsignor Jim Cassin (excused)	6	1	17%
	Dr Marie Griffin	6	5	83%
Graduates of the University (2)	Ms Maura Moore	6	6	100%
	Mr Michael Smyth	6	5	83%
Nominees of NUI Senate (2)	Professor Mary Corcoran	6	6	100%
	Professor Martin Curley	6	3	50%
Minister's nominees (2)⁸	Vacant			
	Vacant			
Other external members (4)	Mr Peter Cassells	6	4	67%
	Mr Richard George	6	5	83%
	Mr Eugene Magee	6	4	67%
	Ms Madeleine Mulrennan	6	5	83%

Table 1: Attendance Records of Members of the Governing Authority during 2016/17

¹ Dr Úna Crowley replaced Professor Mary Gilmartin

² Dr Jeneen Naji replaced Professor Fiona Lyddy

³ Dr Anthony Malone replaced Professor Tomás Ward

⁴ Mr Leon Diop replaced Mr Dillon Grace

⁵ Ms Aoife Fennell replaced Ms Karen Kane

⁶ Ms Robyn Duke replaced Ms Roxanne Paul

⁷ Monsignor Michael Mullaney replaced Monsignor Hugh Connolly

⁸ The Minister's Nominees are still outstanding

Statement of Governance and Internal Control (continued)

The term of office of the Governing Authority is four years to the 30th October 2019. A Code of Conduct for members of the Governing Authority has been put in place and is implemented. It was approved by the Governing Authority in June 2009.

The Maynooth University Academic Council is the academic authority of the university and draws its membership entirely from the academic staff, students and academic support services staff of the university. Its role is to oversee the teaching and research work of the university. The Academic Council met on six occasions during the year.

The principal academic and administrative officer of the university is the **President**. The President has a responsibility to the Governing Authority for maintaining the efficiency and good order of the university, including financial management which is prescribed under various sections of the *Universities Acts, 1997 - 2006*. The President can be summoned to appear before the Public Accounts Committee or other Committees of the houses of the Oireachtas. Professor Philip Nolan took up office in August 2011 for a ten-year period. The President is supported by a University Executive team. The current members of the University Executive are as follows:

Professor Philip Nolan	President
Professor Aidan Mulkeen	Vice-President Academic, Registrar and Deputy President
Professor Ray O'Neill	Vice-President for Research and Innovation
Dr Mark Maguire	Dean of Social Sciences
Professor Maria Pramaggiore	Dean of Graduate Studies
Professor Brian Donnellan	Dean of International Affairs
Professor Fiona Lyddy	Dean of Science and Engineering
Professor Victor Lazzarini	Dean of Arts, Celtic Studies and Philosophy
Dr Alison Hood	Dean of Teaching and Learning
Ms Rosaleen McCarthy	Director of Human Resources
Dr Mike O'Malley	Bursar and Secretary
Mr Chris Hyland	Chief Information and Innovation Officer
Ms Elizabeth Dunne	Vice-President Estates and Capital Development

In addition, the Governing Authority established six standing committees of the Governing Authority (three of which are joint committees with the Academic Council of the university) with written terms of reference and specified membership including independent membership. The Audit and Risk Assessment Committee is chaired by an independent member of the Governing Authority.

Audit and Risk Assessment Committee meetings: The Maynooth University **Audit and Risk Assessment Committee** met on four occasions during the year. It considers detailed reports together with recommendations for the improvement of the university's systems of internal control and management's responses and implementation plans. The Committee reports directly to Governing Authority and has the authority to call for any information from the Finance Office, the University Executive members, from internal and external auditors and others whom it considers necessary to discharge its responsibilities effectively.

The Bursar is not a member of the Committee. Whilst other members of the University Executive may attend meetings of the Committee from time to time by invitation, they are not members of the Committee. Once a year, the Committee meets both the external auditors and internal auditors on their own for independent discussions about their audit work and any matters the auditors choose to raise in the absence of management personnel. During 2016/17 the Committee met with a senior representative from the Office of the Comptroller and Auditor General on one occasion. The table below shows the attendance of members of the Committee at meetings.

Audit and Risk Assessment Committee Member	Number of Meetings Eligible to Attend	Number of Meetings Attended	Percentage Attendance
Mr Richard George (Chairperson)	4	4	100%
Mr Peter Cassells	4	3	75%
Ms Maura Moore	4	3	75%
Ms Christine Moran	4	4	100%
Mr Michael Smyth	4	4	100%
Vacant			

Statement of Governance and Internal Control (continued)

The Maynooth University Finance, Human Resources and Development Committee has oversight responsibilities in the areas of operational planning and budgeting, fee structure, procurement, asset management, campus development, human resources and the judicious use of the university seal. The Committee met on four occasions during the year. The Committee is chaired by the President and the Bursar acts as Secretary to the Committee.

The Remuneration Committee met once during the year. It is required to meet when the President has a proposal for an approved departure from approved pay-scales. The Remuneration Committee is chaired by Baroness Nuala O'Loan. One appointment, which is reported to the HEA in accordance with the Departures from Approved Level of Remuneration was made during the year.

The Quality Committee met on five occasions during the year. The Committee is chaired by Ms Paula Murray, an administrative staff representative on Governing Authority and the Secretary is Ms Siobhán Harkin, Director of Quality. The Quality Committee has an oversight role in relation to the discharge of the university's obligations for internal and external quality assurance and quality enhancement. This is a joint committee with Academic Council.

The Equality, Diversity and Interculturalism Committee has oversight responsibilities in the areas of gender equality, other causes of inequality, counter-acting sources of discrimination, cultural issues and the issues surrounding staff and student diversity. It is chaired by Professor Mary Corcoran and the University Equality Officer acts as Secretary to the Committee. The Committee met four times during the year.

Coiste na Gaeilge na hOllscoile met on four occasions during the year. The Coiste has oversight of the policies and procedures in place to promote the use of the Irish language on campus. It is chaired by An tOllamh Seán Ó Riain, and the Secretary is Orla Bradshaw, Oifigeach na Gaeilge. This is a joint committee with Academic Council.

The University Executive meets on a regular basis and receives reports on key performance and risk indicators and considers possible control issues brought to its attention by early warning mechanisms which are embedded within operational units (including faculties and departments).

The university maintains a Register of Interests of members of the Governing Authority and staff in accordance with its legal obligations under the *Ethics in Public Office Acts, 1995 & 2001*.


Review of Governing Authority performance:

The *Governance of Irish Universities 2012 Code* requires the Chairperson of Governing Authority to lead a periodic review of the effectiveness of the Governing Authority by the Governing Authority itself. During 2013/14 (midway through the term of office of the fourth Governing Authority), Baroness O'Loan arranged for that review to take place. Mr Peter Osborne of McCann FitzGerald Solicitors facilitated the review. The review re-energised the Governing Authority and prompted it to focus primarily on the roles of governance and oversight as required by the *Universities Acts 1997 - 2006*, the Code of Governance and best practice. The outcomes from the review has led to a re-organisation of the committee structure which came into effect with the new Governing Authority in 2016. The next review, which will be an externally facilitated review of Governing Authority, as required by the State Bodies Code will be carried out in 2017/18. At time of writing Crowe Horwath have been engaged to facilitate this review.

Signed on behalf of the Governing Authority on the 26th April, 2018.



Professor Philip Nolan
President


Dr Mike O'Malley
Bursar



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

Report for presentation to the Houses of the Oireachtas

Maynooth University

Opinion on financial statements

I have audited the financial statements of Maynooth University for the year ending 30 September 2017 as required under the provisions of the Universities Act 1997. The financial statements comprise

- the consolidated and University statement of comprehensive income and expenditure,
- the consolidated and University statement of changes in reserves,
- the consolidated and University statement of financial position,
- the consolidated statement of cash flows, and
- the related notes, including a summary of significant accounting policies.

In my opinion, the financial statements give a true and fair view of the assets, liabilities and financial position of the University and of the University group at 30 September 2017 and of the income and expenditure of the University and the University group for the year then ended in accordance with *Financial Reporting Standard (FRS) 102 — The Financial Reporting Standard applicable in the UK and the Republic of Ireland*.

Emphasis of matter – deferred pension funding

Without qualifying my opinion on the financial statements, I draw attention to Note 22 Retirement Benefits.

The recognition of deferred pension funding assets in respect of the National University of Ireland Maynooth (Closed) Scheme 2009 (€358 million) and the Single Public Service Pension Scheme (€4 million) reflect statutory provisions relating to the funding of those schemes.

The recognition of an asset of €83 million in respect of the National University of Ireland Maynooth Employee Superannuation Scheme 2007 anticipates that funding will be provided by the State to meet pension liabilities as they fall due. Inherent in this accounting treatment is an assumption that any income generated by the University will in the first instance be applied towards current expenses and that State funding will meet any shortfall in resources required to meet future pension liabilities.

Basis of opinion

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

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

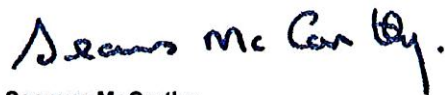
Report on information other than the financial statements, and on other matters

The University has presented certain other information together with the financial statements. This comprises the report of the Bursar and the statement on governance and internal control. My responsibilities to report in relation to such information, and on certain other matters upon which I report by exception, are described in the appendix to this report.

Procurement non-compliance

I draw attention to the University's statement on governance and internal control which discloses a number of instances of non-compliance with procurement rules during the year under review. The statement also describes action planned by the University to address procurement issues.

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

A handwritten signature in dark ink, reading "Seamus McCarthy". The signature is written in a cursive style with a large initial 'S' and a stylized 'M'.

**Seamus McCarthy
Comptroller and Auditor General**

4 May 2018

Appendix to the report

Responsibilities of Governing Authority members

The statement of responsibilities sets out the Governing Authority members' responsibilities. The Governing Authority members are responsible for

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

Responsibilities of the Comptroller and Auditor General

I am required under the Universities Act 1997 to audit the financial statements of the University and to report thereon to the Houses of the Oireachtas.

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

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

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

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

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

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

Information other than the financial statements

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

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

Reporting on other matters

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

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

I also report by exception if, in my opinion,

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

Consolidated and University Statement of Comprehensive Income and Expenditure
Year Ended 30th September 2017

	Notes	2017 Consolidated €'000	University €'000	2016 (as restated) Consolidated €'000	University €'000
Income					
State Grants - Recurrent	3	20,913	20,913	19,800	19,800
State Grants - Land	3	-	-	2,000	2,000
Student fees	4	64,575	64,575	60,420	60,420
Research grants and contracts	5	25,281	25,281	23,148	23,148
Amortisation of state deferred capital grant	15	2,539	2,539	2,640	2,640
Other income	6	13,175	13,828	12,047	11,278
Investment income	7	279	279	210	210
Donations and endowments	8	-	-	3,549	3,549
Net deferred funding for pensions	22	24,544	24,544	21,128	21,128
Total income		151,306	151,959	144,942	144,173
Expenditure					
Staff costs	9	89,049	88,636	81,599	81,526
Other operating expenses	11	47,338	46,784	42,845	42,141
Depreciation	13	7,295	7,295	5,743	5,744
Interest and other finance costs	10	8,089	8,089	9,123	9,119
Total expenditure		151,771	150,804	139,310	138,530
(Deficit)/Surplus before other gains losses and share of operating surplus of joint ventures and associates		(465)	1,155	5,632	5,643
Gain/(loss) on disposal of fixed assets		-	-	-	-
Share of operating surplus in joint venture	17	500	500	365	365
Surplus before tax		35	1,655	5,997	6,008
Taxation	12	-	-	-	-
Surplus for the year		35	1,655	5,997	6,008
Actuarial gain (loss) in respect of pension schemes	22	(31,211)	(31,211)	(79,518)	(79,518)
Adjustment to Deferred Funding Pension	22	31,211	31,211	79,518	79,518
Total comprehensive income for the year		35	1,655	5,997	6,008
Represented by:					
Endowment comprehensive income for the year		-	-	-	-
Restricted comprehensive income for the year	24	(3,390)	(3,390)	1,651	1,651
Unrestricted comprehensive income for the year		3,425	5,045	4,346	4,357
		35	1,655	5,997	6,008
Surplus for the year attributable to:					
Non controlling interest		-	-	-	-
University		35	1,655	5,997	6,008

All items of income and expenditure relate to continuing activities.


Consolidated and University Statement of Changes in Reserves
Year ended 30 September 2017

Consolidated	Income and expenditure account			Total excluding non controlling interest	Non controlling interest	Total
	Endowment €000	Restricted €000	Unrestricted €000			
Balance at 1 October 2015 - As previously reported	-	-	-	€000	€000	€000
Prior Year adjustment - Correction of FRS102 transition Adjustment	-	3,233	96,774	100,007	-	100,007
	-	-	7,607	7,607	-	7,607
Balance at 1 October 2015 - As restated	-	3,233	104,381	107,614	-	107,614
Surplus/(deficit) from the Statement of comprehensive income and expenditure	-	1,651	2,346	3,997	-	3,997
Prior year adjustment - Correction of FRS102 & 2015 HE SORP adjustment	-	-	2,000	2,000	-	2,000
Release of restricted funds spent in year	-	-	-	-	-	-
Total comprehensive income for the year	-	1,651	4,346	5,997	-	5,997
Balance at 1 October 2016	-	4,884	108,727	113,611	-	113,611
Surplus/(deficit) from the Statement of comprehensive income and expenditure	-	159	(124)	35	-	35
Release of restricted funds spent in year	-	(3,549)	3,549	-	-	-
Total comprehensive (loss)/income for the year	-	(3,390)	3,425	35	-	35
Balance at 30 September 2017	-	1,494	112,152	113,646	-	113,646
University						
	Endowment €000	Restricted €000	Unrestricted €000	Total excluding non controlling interest	Non controlling interest	Total
Balance at 1 October 2015 - As previously reported	-	-	-	€000	€000	€000
Prior year adjustment - Correction of FRS102 & 2015 HE SORP transition adjustment	-	3,203	95,499	98,702	-	98,702
Prior year adjustment - Recognition of substance of asset transaction in University entity	-	-	7,607	7,607	-	7,607
	-	-	(94)	(94)	-	(94)
Balance at 1 October 2015 - As restated	-	3,203	103,012	106,215	-	106,215
Surplus/(deficit) from the Statement of comprehensive income and expenditure	-	1,651	2,433	4,084	-	4,084
Prior year adjustment - Correction of FRS102 & 2015 HE SORP adjustment	-	-	2,000	2,000	-	2,000
Prior year adjustment - Recognition of substance of asset transaction in University entity	-	-	(76)	(76)	-	(76)
Release of restricted funds spent in year	-	-	-	-	-	-
Total comprehensive income for the year	-	1,651	4,357	6,008	-	6,008
Balance at 1 October 2016	-	4,854	107,369	112,223	-	112,223
Surplus/(deficit) from the Statement of comprehensive income and expenditure	-	159	1,496	1,655	-	1,655
Release of restricted funds spent in year	-	(3,549)	3,549	-	-	-
Total comprehensive (loss)/income for the year	-	(3,390)	5,045	1,655	-	1,655
Balance at 30 September 2017	-	1,464	112,414	113,878	-	113,878

Consolidated and University Statement of Financial Position
Year Ended 30th September 2017

		2017		2016 (as restated)	
	Notes	Consolidated €'000	University €'000	Consolidated €'000	University €'000
Non-current assets					
Property Plant & Equipment	13	225,965	225,965	225,782	223,039
Heritage Assets	14	183	183	183	183
Investment Property	16	2,050	2,050	2,050	2,050
Investments	18	1	1	1	1
Investment in joint venture	17	250	250	250	250
		<u>228,449</u>	<u>228,449</u>	<u>228,266</u>	<u>225,523</u>
Current assets					
Trade and other receivables	19	16,808	16,875	16,863	18,510
Cash and cash equivalents	25	68,927	68,657	41,486	41,057
		<u>85,735</u>	<u>85,532</u>	<u>58,349</u>	<u>59,567</u>
Less: Creditors: amounts falling due within one year	20	<u>(49,683)</u>	<u>(49,248)</u>	<u>(46,490)</u>	<u>(46,353)</u>
Net current assets/(liabilities)		<u>36,052</u>	<u>36,284</u>	<u>11,859</u>	<u>13,214</u>
Total assets less current liabilities		<u>264,501</u>	<u>264,733</u>	<u>240,125</u>	<u>238,737</u>
Creditors: amounts falling due after more than one year	21	<u>(76,140)</u>	<u>(76,140)</u>	<u>(50,000)</u>	<u>(50,000)</u>
Provisions					
Pension provisions	22	(445,554)	(445,554)	(455,444)	(455,444)
Pension receivable		445,554	445,554	455,444	455,444
Total net assets		<u>188,361</u>	<u>188,593</u>	<u>190,125</u>	<u>188,737</u>
State Capital Grant	15	74,715	74,715	76,514	76,514
Restricted Reserves					
Income and expenditure reserve - restricted reserve	24	1,494	1,464	4,884	4,854
Unrestricted Reserves					
Income and expenditure reserve - unrestricted		<u>112,152</u>	<u>112,414</u>	<u>108,727</u>	<u>107,369</u>
Total Income and Expenditure Reserve		<u>113,646</u>	<u>113,878</u>	<u>113,611</u>	<u>112,223</u>
Total Reserves		<u>188,361</u>	<u>188,593</u>	<u>190,125</u>	<u>188,737</u>

The Financial Statements on pages 20 to 44 were approved by the Governing Authority on 26th April 2018 and signed on its behalf by:


 Professor Phillip Nolan
 President


 Dr. Mike O' Malley
 Bursar

Consolidated Statement of Cash Flows
Year ended 30 September 2017

	Notes	2017 €'000	2016 €'000
Cash flow from operating activities			
(Deficit)/Surplus for the year before operating surplus of joint ventures and associates		(465)	5,632
Adjustment for non-cash items			
Depreciation	13	7,295	5,743
Deferred capital grants released to income	15	(2,539)	(2,640)
(Increase)/decrease in debtors	19	(1,098)	(7,069)
Increase/(decrease) in creditors	20	4,696	3,561
Interest receivable	7	(279)	(210)
Distribution from joint venture	17	500	615
Adjustment for investing or financing activities			
Interest payable	10	1,525	777
Profit on the sale of fixed assets		-	-
Net cash inflow/(outflow) from operating activities		<u>9,635</u>	<u>6,409</u>
Cash flows from investing activities			
Capital grants receipts	15	1,893	2,598
Investment income	7	279	210
Payments made to acquire fixed assets	13	(9,606)	(35,472)
New non-current asset investments	16	-	(2,050)
Net cash inflow/(outflow) from investing activities		<u>(7,434)</u>	<u>(34,714)</u>
Cash flows from financing activities			
Interest paid	10	(1,525)	(777)
New unsecured loans	21	26,765	50,000
Net cash inflow/(outflow) from financing activities		<u>25,240</u>	<u>49,223</u>
Increase/(Decrease) in cash and cash equivalents in the year		<u>27,441</u>	<u>20,918</u>
Cash and cash equivalents at beginning of the year	25	41,486	20,568
Cash and cash equivalents at end of the year	25	<u>68,927</u>	<u>41,486</u>
Movement in cash and cash equivalents		<u>27,441</u>	<u>20,918</u>

1 Significant Accounting Policies

The accounting policies which are considered material in relation to the financial statements are summarised below. They have all been applied consistently throughout the year and the preceding year (apart from in respect of the prior period adjustments explained in Note 29).

A Basis of preparation and statement of compliance

The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) - Accounting for Further and Higher Education 2015 - (except that state capital grant deferred is recognised in reserves rather than within creditors) and in accordance with Financial Reporting Standard 102 (FRS102) issued by the Financial Reporting Council and promulgated for use in Ireland by Chartered Accountants Ireland.

B Basis of Consolidation

The consolidated financial statements include the University and all its subsidiaries for the financial year to 30th September 2017. The results of subsidiaries acquired or disposed of during the period are included in the consolidated Statement of Comprehensive Income from the date of acquisition up to the date of disposal. Intra group balances are eliminated on consolidation.

The consolidated financial statements do not include the income and expenditure of the Students' Union as the University does not exert control or dominant influence over policy decisions.

C Income Recognition

Investment income is credited to the statement of income and expenditure on a receivable basis.

Academic fees are recognised in the period to which they relate.

State Grant funding

Grants from the Higher Education Authority (HEA) or other bodies are recognised based on the accrual model and are measured at the fair value received or receivable. Grants are classified as relating to either revenue or to assets. Recurrent and non recurrent grants relating to revenue are recognised as income over the period in which the related costs are recognised. Grants from the HEA or government bodies received in respect of the acquisition or construction of fixed assets are recognised over the expected useful life of the asset. Where part of the grant is deferred it is recognised as deferred income. State Grants received for the purchase of land are recognised under the performance model in line with the SORP.

Research Grants

Income from research grants and contracts from non government sources are recognised on the performance model i.e. income is recognised to the extent that performance related conditions have been met. This is generally equivalent to the sum of the relevant expenditure incurred during the year and any related contributions towards overhead costs.

Donations and Endowments

Investment income and appreciation of endowments are recorded in income in the year in which they arise, and as either restricted or unrestricted income, according to the terms applied to the individual endowment fund. There are four main types of donations and endowments within reserves.

1. Restricted donations

The donor has specified that the donation must be used for a particular objective.

2. Unrestricted permanent endowments

The donor has specified that the fund is to be permanently invested to generate an income stream for the general benefit of the University.

3. Restricted expendable endowments

The donor has specified a particular objective other than the purchase or construction of tangible fixed assets, and the University has the power to use the capital.

4. Restricted permanent endowments

The donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.

Non exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor imposed restrictions are recognised in income when the University is entitled to the funds. Income is retained within the restricted reserve until such time that it is utilised in line with such restrictions at which point the income is released to general reserves through a reserve transfer.

1 Significant Accounting Policies - continued

D Accounting for Retirement Benefits

The university operates three defined benefit pension schemes as detailed in Note 22. Pension costs are accounted for on the basis of charging the cost of providing pensions over the period during which the university benefits from the employees' services.

Amounts in respect of current and past service costs, returns on assets and the interest cost on the schemes liabilities, and actuarial gains and losses are calculated in accordance with FRS102, with equivalent amounts recognised on foot of the transfer arrangement in the Statement of Comprehensive Income. Contributions to the scheme represent a cost to the university and are charged to Statement of Comprehensive Income.

As further detailed in note 22, a deferred pension funding asset has been recognised equivalent to the university's pension liabilities.

E Employment Benefits

Short term employment benefits such as salaries and compensated absences are recognised as an expense in the year in which the employees render service to the University. Any unused benefits are accrued and measured as the additional amount the University expects to pay as a result of the unused entitlement.

F Finance Leases

Leases in which the University assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. Leased assets acquired by way of finance lease and the corresponding lease liabilities are initially recognised at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease.

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

G Operating Leases

Costs in respect of operating leases are charged on a straight-line basis over the lease term. Any lease premiums or incentives are spread over the minimum lease term.

H Foreign Currency

Transactions denominated in foreign currencies are recorded using the average rate of exchange for the period. Monetary assets and liabilities denominated in foreign currencies are translated into euro either at the year end rates or, where there are related forward foreign exchange contracts, at contract rates. The resulting differences are dealt with in the Statement of Comprehensive Income for the year.

I Taxation

As an exempt charity, the university is not liable for Corporation Tax or Income Tax on any of its charitable activities. It is registered for Value Added Tax but since the supply of education is an exempt activity on which no output tax is charged, it is unable to recover input tax on the majority of its purchases.

Trading activities undertaken by the university are administered through its subsidiary companies, which as commercial organisations are liable to Corporation Tax. Subsidiary companies NUIM Facilities One Limited, NUIM Facilities Two Limited and Maynooth University Foundation Limited hold charitable status and are exempt from taxation. Innovation Value Services Limited which was incorporated in 2015/2016 and is a fully owned subsidiary of Maynooth University is a commercial trading entity and is not exempt from corporation tax.

Deferred Taxation

In subsidiary companies, which do not hold charitable status, deferred taxation is provided on all timing differences that have originated but not reversed at the year end date where transactions or events that result in an obligation to pay more tax in the future or right to pay less tax in the future have occurred at the year end.

Timing differences are temporary differences between profits as computed for taxation purposes and profits as stated in the financial statements which arise because certain items of income and expenditure in the financial statements are dealt with in different accounting periods for taxation purposes.

Deferred tax is measured at the tax rates that are expected to apply in the years when the timing differences are expected to reverse, based on the tax rates and laws that have been enacted or substantively enacted by the year end date. Deferred tax is not discounted.

1 Significant Accounting Policies - continued

J Tangible Fixed assets

Fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Certain items of fixed assets that had been revalued to fair value on or prior to the date of transition to FRS102, are measured on the basis of deemed cost, being the revalued amount at the date of that revaluation.

Where parts of a fixed asset have different useful lives, they are accounted for as separate items of fixed assets.

Land and Buildings

Land and buildings are measured using the cost model, however as part of the transitional arrangements per FRS102, the land has been revalued by €15.985m to €25m as at 1st of October 2014. This is the deemed cost going forward.

Costs incurred in relation to land and buildings after initial purchase or construction, and prior to valuation, are capitalised to the extent that they increase the expected future benefits to the University.

Depreciation is provided on all tangible fixed assets other than investment properties and freehold land, at rates calculated to write off the cost less residual value, of each asset on a straight-line basis over its expected useful life as follows

Buildings	20 to 50 years
Modular Buildings and Infrastructure	10 years

Leasehold land is depreciated over the life of the lease up to a maximum of 50 years.

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

Equipment

Equipment, including computers and software, costing less than €10,000 per individual item is recognised as expenditure. All other equipment is capitalised at cost.

Capitalised equipment is stated at cost and depreciated over its expected useful life as follows:

Computer Equipment	3 years
Fixtures and Fittings	5 to 10 years
Other Equipment	5 years
Motor Vehicles	5 years
Works of Art	Not depreciated

Depreciation methods, useful lives and residual values are reviewed at the date of preparation of each Statement of Financial Position.

Where equipment is acquired with the aid of specific state grants it is capitalised and depreciated in accordance with the above policy, with the related grant being credited to deferred capital grant account and released to Statement of Comprehensive Income over the expected useful life of the related commitment.

Heritage Assets

The university holds two collections of heritage assets, which are accounted for as follows.

Works of Art This includes a collection of paintings and sculptures. They are reported in the Statement of Financial Position at cost. The Works of Art have indefinite lives and hence are not depreciated.

Library Collections: The university holds a number of library collections, which are of national, historic, cultural and literary interest. Acquisitions are made by purchase or donation. Purchased collections are recognised at cost in the Statement of Financial Position. Valuations for donated collections cannot reasonably be obtained and hence are not recognised in the Statement of Financial Position.

K Borrowing Costs

Borrowing costs are recognised as expenditure in the period in which they are incurred.

1 Significant Accounting Policies - continued

L Investment Properties

Investment property is land and buildings held for rental income or capital appreciation rather than for use in delivering services.

Investment properties are measured initially at cost and subsequently at fair value with movements recognised in the Statement of Comprehensive Income. Investment properties are revalued annually by independent professional third party valuers and are not depreciated or amortised.

M Investments

Investments in jointly controlled entities, associates and subsidiaries are carried at cost less impairment in the University's accounts.

Current asset investments are held at fair value with movements recognised in the Statement of Comprehensive Income and Expenditure.

N Cash and Cash Equivalents

Cash includes cash in hand, deposits repayable on demand and overdrafts. Deposits are repayable on demand if they are in practice.

Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value.

O Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised in the financial statements when:

- the University has a present obligation (legal or constructive) as a result of a past event;
- it is probable that an outflow of economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is determined by discounting the expected future cash flows at a pre-tax rate that reflects risks.

P Accounting for Associates

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. The results and assets and liabilities of associates are incorporated in the consolidated financial statements using the equity method of accounting.

Q Accounting for Joint Ventures

The results and assets and liabilities of the joint venture are incorporated in the consolidated financial statements using the equity method of accounting.

R Reserves

Reserves are classified as restricted or unrestricted. Restricted endowment reserves include balances which, through endowment to the University, are held as a permanently restricted fund which the University must hold in perpetuity.

Other restricted reserves include balances where the donor has designated a specific purpose and therefore the University is restricted in the use of these funds.

1 Significant Accounting Policies - continued

2 Critical accounting judgements and key sources of estimation uncertainty

In preparation of the financial statements, the University is required to make judgements, estimates and assumptions that impact on the amounts reported as assets, liabilities, income and expenditure. Estimates and associated assumptions used are reviewed on an ongoing basis. The principal judgements, estimates and assumptions used in the financial statements are as follows:

1. Property, Plant and Equipment

Depreciation is calculated based on estimates and assumptions on the useful economic life and expected residual value of the asset.

2. Investment property

Investment property is measured at fair value. A revaluation of investment property is carried out annually by an independent professional valuer.

3. Impairment

Judgement is used to determine whether there has been any indication of impairment to university assets.

4. Recoverability of debtors

The provision for bad debt is calculated based on management's expectation on the recoverability of debt. In calculating the provision for bad debt the following factors are considered: age profile of the debt, historical experience, current situation of the debtor and current market conditions.

5. Employee Benefits

The accrual for holiday leave earned but not taken is based on estimates of total holiday leave less holiday leave taken.

6. Pension provisions

The pension provision is calculated based on actuarial assumptions provided by an actuary annually. The actuarial assumptions include discount rates, salary increases, pension increases and inflation increases.

Notes to the Financial Statements - (continued)
Year ended 30 September 2017

3 State Grant	2017		2016	
	Consolidated	University	Consolidated	University
	€'000	€'000	€'000	€'000
Recurrent grant				
Higher Education Authority grant for recurrent purposes	20,913	20,913	19,800	19,800
	<u>20,913</u>	<u>20,913</u>	<u>19,800</u>	<u>19,800</u>
Capital grant				
Higher Education Authority grant for land purchase	-	-	2,000	2,000
	<u>-</u>	<u>-</u>	<u>2,000</u>	<u>2,000</u>
Grantor	Opening Deferral 1 Oct 2016	Grant Received	Closing Deferral 30 Sept 2017	Amount taken To Income
	€'000	€'000	€'000	€'000
HEA	(237)	21,815	(665)	20,913
	<u>(237)</u>	<u>21,815</u>	<u>(665)</u>	<u>20,913</u>
4 Student Fees	2017		2016	
	Consolidated	University	Consolidated	University
	€'000	€'000	€'000	€'000
Academic Fee Income	62,149	62,149	58,565	58,565
Miscellaneous Fee Income	1,099	1,099	864	864
Student Levy	1,327	1,327	991	991
	<u>64,575</u>	<u>64,575</u>	<u>60,420</u>	<u>60,420</u>
Grantor	Opening Deferral 1 Oct 2016	Grant Received	Closing Deferral 30 Sept 2017	Amount taken To Income
	€'000	€'000	€'000	€'000
HEA	-	24,832	-	24,832
Student Universal Support Ireland	-	11,634	-	11,634
	<u>-</u>	<u>36,466</u>	<u>-</u>	<u>36,466</u>
5 Research Grants and Contracts	2017		2016	
	Consolidated	University	Consolidated	University
	€'000	€'000	€'000	€'000
State and Semi State	8,873	8,873	8,179	8,179
Irish Research e-Library	11,768	11,768	9,789	9,789
European Union	2,162	2,162	2,289	2,289
Industry and commerce	263	263	583	583
Other	504	504	214	214
Research Overhead	1,711	1,711	2,094	2,094
	<u>25,281</u>	<u>25,281</u>	<u>23,148</u>	<u>23,148</u>
Grantor	Opening Deferral 1 Oct 2016	Grant Received	Closing Deferral 30 Sept 2017	Amount taken To Income
	€'000	€'000	€'000	€'000
Science Foundation Ireland	1,813	5,766	3,703	3,876
Department of Foreign Affairs	15	64	17	62
Department of Agriculture Food and the Marine	(53)	127	(337)	411
Department of Communications Climate Action & Environment	(159)	384	(146)	371
Department of Health	385	1,066	864	587
Department of Transport Tourism & Sport	-	26	(52)	78
Department of Education & Skills	16	7	-	23
Enterprise Ireland	660	685	(465)	1,810
Higher Education Authority	3,045	14,098	4,932	12,211
Irish Research Council	967	2,611	1,223	2,355
Local Government	-	175	66	109
Department of Housing Planning & Local Government	-	43	29	14
Department of the Taoiseach	-	29	-	29
	<u>6,689</u>	<u>25,081</u>	<u>9,834</u>	<u>21,936</u>

Notes to the Financial Statements - (continued)
Year ended 30 September 2017

	2017		2016	
	Consolidated	University	Consolidated	University
	€'000	€'000	€'000	€'000
6 Other Income				
Residences and catering	4,519	4,519	3,095	2,760
Rents and concessions	1,470	1,470	1,266	1,266
Other income	7,186	7,839	7,686	7,252
	<u>13,175</u>	<u>13,828</u>	<u>12,047</u>	<u>11,278</u>

	Opening Deferral 1 Oct 2016	Grant Received	Closing Deferral 30 Sept 2017	Amount taken To Income
	€'000	€'000	€'000	€'000
Grantor				
HEA	1,055	1,691	680	2,066
Enterprise Ireland	160	728	(5)	893
Department of Arts Heritage & Gaeltacht	-	134	-	134
Department of Children and Youth Affairs	-	44	8	36
Department of Foreign Affairs and Trade	-	26	-	26
	<u>1,215</u>	<u>2,623</u>	<u>683</u>	<u>3,155</u>

	2017		2016	
	Consolidated	University	Consolidated	University
	€'000	€'000	€'000	€'000
7 Investment Income				
Investment income from restricted funds	159	159	140	140
Interest receivable	120	120	70	70
	<u>279</u>	<u>279</u>	<u>210</u>	<u>210</u>

8 Donations and Endowments				
Donations with restrictions	-	-	3,549	3,549
Unrestricted donations	-	-	-	-
	<u>-</u>	<u>-</u>	<u>3,549</u>	<u>3,549</u>

Notes to the Financial Statements - (continued)
Year ended 30 September 2017

	2017		2016	
	Consolidated	University	Consolidated	University
	€'000	€'000	€'000	€'000
9 Staff Costs				
Salaries	61,814	61,438	59,714	59,641
Social security costs	5,425	5,396	4,949	4,949
Employer Pension	3,830	3,822	4,154	4,154
Pension Service Cost FRS102	17,980	17,980	12,782	12,782
Total	89,049	88,636	81,599	81,526

Termination/Severance payments (including statutory redundancy) amounted to €0.386m (2016: €0.293m).

Termination/Severance payments (including statutory redundancy) with an aggregate value of in excess of €10,000 amounted to €0.257m (2016: €0.257m).

In respect of severance payments, there were no professional added years agreements entered into in the current or prior year.

Remuneration of other higher paid staff, excluding employer's pension contributions

	2017	2016
	No.	No.
€60,000 to €70,000	82	78
€70,001 to €80,000	126	137
€80,001 to €90,000	91	76
€90,001 to €100,000	30	22
€100,001 to €110,000	25	24
€110,001 to €120,000	12	8
€120,001 to €130,000	4	17
€130,001 to €140,000	29	17
€140,001 to €150,000	1	1
€160,001 to €170,000	-	-
€170,001 to €180,000	1	1
	401	381

Average staff numbers by major category :

	No.	No.
Teaching and Research	612	598
Technical	42	37
Central Administration and Services	352	266
Other	67	131
	1,073	1,032

Key Management Personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the University.

	2017	2016
	€'000	€'000
Key management personnel compensation		
Salaries	1,615	1,454
Post-employment benefits	101	132
Termination benefits	-	-
	1,716	1,586

Notes to the Financial Statements - (continued)
Year ended 30 September 2017

Notes	2017		2016	
	Consolidated €'000	University €'000	Consolidated €'000	University €'000
10 Interest and Other Finance Costs				
Other bank interest and charges	253	253	162	158
EIB Loan Interest and charges	21 1,272	1,272	615	615
Pension Finance charge	22 6,564	6,564	8,346	8,346
	<u>8,089</u>	<u>8,089</u>	<u>9,123</u>	<u>9,119</u>

	2017		2016 (as restated)	
	Consolidated €'000	University €'000	Consolidated €'000	University €'000
11 Analysis of Total Expenditure by Activity				
Travel and subsistence - National	1404	1404	1127	1127
Travel and subsistence - International	1035	1011	1094	1081
Hospitality and entertainment	134	110	79	79
Consumables	4059	4057	4715	4692
Cleaning	1465	1465	1008	986
Advertising and PR Costs	901	895	751	741
Repairs and general maintenance	3702	3702	2467	2439
Utilities	2093	2093	2261	2231
Research library e-journals	11887	11887	9789	9789
Books and periodicals	1358	1354	1390	1374
Audit professional and consulting fees **	3106	2700	2982	2550
Legal costs*	347	337	342	342
Rent rates and insurance	2220	2219	2275	2269
Capitation	1833	1833	1716	1716
Scholarships	6121	6121	5382	5382
Recruitment cost	241	210	222	206
Employee related expenses	490	469	470	429
Equipment	2509	2497	2653	2637
Other expenses and charges	2433	2420	2122	2071
	<u>47,338</u>	<u>46,784</u>	<u>42,845</u>	<u>42,141</u>

* Legal costs include no element of compensation paid or payable

Other operating expenses include fees in respect of:

Subsidiary auditors	39	40
External audit (Comptroller and Auditor General)	76	62
Internal audit-Mazars	22	110

**Consultancy costs by category

Architects/Surveyors	247	308
IT design & Consultancy	586	403
Medical Professional Services	223	178
HR & Pensions	198	130
Translation/Transcription	116	115
PR & Marketing	406	330
Financial	258	61
Other	935	1,245
Total audit professional and consulting fees	<u>3,106</u>	<u>2,982</u>

12 Taxation

Recognised in the statement of comprehensive income

Current tax		
Current tax expense	-	-
Current tax expense	-	-
Deferred tax		
Deferred tax expense	-	-
Total tax expense	<u>-</u>	<u>-</u>

Notes to the Financial Statements - (continued)
Year ended 30 September 2017

13 Property Plant & Equipment

Consolidated	Freehold Land and Buildings	Fixtures, Fittings and Equipment	Assets in the Course of Construction	Total
	€'000	€'000	€'000	€'000
Cost				
At 1 October 2016	234,737	18,595	34,526	287,858
Additions	29	601	6,848	7,478
Movements	35,513	5,174	(40,687)	-
Disposals	-	(589)	-	(589)
At 30 September 2017	270,279	23,781	687	294,747
Depreciation				
At 1 October 2016	47,615	14,461	-	62,076
Charge for the year	5,069	2,226	-	7,295
Disposals	-	(589)	-	(589)
At 30 September 2017	52,684	16,098	-	68,782
Net book value				
At 30 September 2017	217,595	7,683	687	225,965
At 30 September 2016	187,122	4,134	34,526	225,782
University				
Cost and valuation	*as restated			
At 1 October 2016	231,996	18,208	34,526	284,730
Additions	2,771	601	6,848	10,220
Movements	35,513	5,174	(40,687)	-
Disposals	-	(589)	-	(589)
At 30 September 2017	270,280	23,394	687	294,361
Depreciation				
At 1 October 2016	47,616	14,075	-	61,691
Charge for the year	5,069	2,226	-	7,295
Disposals	-	(589)	-	(589)
At 30 September 2017	52,685	15,712	-	68,397
Net book value				
At 30 September 2017	217,595	7,682	687	225,964
At 30 September 2016	184,380	4,133	34,526	223,039

At 30 September 2017, freehold land and buildings included €31.789m (2016: €31.789m) in respect of freehold land which is not depreciated.

Notes to the Financial Statements - (continued)

Year ended 30 September 2017

13 Property Plant & Equipment - continued

During the year ended 30th September 2001, the university completed the building of student residences "RyeHall Apartments". The apartments were part financed by a group of investors availing of Section 50 tax relief on eligible expenditure under Part 11a of *Taxes Consolidation Act, 1997*. The Apartments were transferred from a subsidiary company to the University on 30th September 2017.

14 Heritage Assets

The heritage assets of the University comprise Works of Art totalling €13,000 and a library archive amounting to €170,000. These are held at original cost and are not depreciated.

The library holds a number of special collections and archives of national, historic, cultural and literary interest, including limited and illustrated editions, autographed copies and manuscripts which are maintained to the highest possible standards and are available to be consulted on appointment. Valuations for donated collections cannot be reasonably obtained and hence they are not recognised in the Statement of Financial Position.

Acquisitions for the current and previous four years were as follows:

	2017 €'000	2016 €'000	2015 €'000	2014 €'000	2013 €'000
Cost					
At 1 October	183	183	183	13	13
Additions	-	-	-	170	-
At 30 September	183	183	183	183	13

Notes to the Financial Statements - (continued)
Year ended 30 September 2017

15 Deferred Capital Grants

	Consolidated	University
	€'000	€'000
At 1 st October 2016 - (as restated*)		
Buildings	75,530	75,530
Equipment	984	984
Total	<u>76,514</u>	<u>76,514</u>
Cash Received/Receivable		
Buildings	241	241
Equipment	499	499
Total	<u>740</u>	<u>740</u>
Released to SOCI		
Buildings	2,136	2,136
Equipment	403	403
Total	<u>2,539</u>	<u>2,539</u>
At 30 th September 2017		
Buildings	73,635	73,635
Equipment	1,080	1,080
Total	<u>74,715</u>	<u>74,715</u>
Deferred Capital Grants Consolidated and University Prior Year		
At 1 st October 2015	85,569	85,569
Reclassified to reserves - See Note 29	(7,607)	(7,607)
At 1 st October 2015 - (as restated*)	<u>77,962</u>	<u>77,962</u>
Buildings	76,466	76,466
Equipment	1,496	1,496
Total	<u>77,962</u>	<u>77,962</u>
Cash Received/Receivable		
Buildings	1,181	1,181
Equipment	11	11
Total	<u>1,192</u>	<u>1,192</u>
Released to SOCI		
Buildings	2,117	2,117
Equipment	523	523
Total	<u>2,640</u>	<u>2,640</u>
At 30 th September 2016		
Buildings	75,530	75,530
Equipment	984	984
Total	<u>76,514</u>	<u>76,514</u>

Grantor	Opening Debtor 1 Oct 2016 €'000	Grant Awarded €'000	Grant Received €'000	Closing Debtor 30 Sept 2017 €'000
HEA	2,673	-	1,394	1,279
Enterprise Ireland	-	740	499	241
	<u>2,673</u>	<u>740</u>	<u>1,893</u>	<u>1,520</u>

Notes to the Financial Statements - (continued)

Year ended 30 September 2017

16 Investment Property

Maynooth University acquired a portfolio of commercial units in Maynooth in December 2015 at a cost of €2.050m. In accordance with FRS102, the property is measured at fair value at each reporting date with changes in fair value recognised in the Statement of Comprehensive Income. The property was valued by Lavelle, Chartered Surveyors Limited at 30 September 2017 at a valuation of €2.050m (2016:€2.050m).

There have been no other additions, disposals or impairments of the portfolio of properties. The rental income earned in the year amounted to €0.159m (2016: €0.140m)

17 Investment in Joint Venture

The University holds a 50% share of Maynooth Campus Conference Accommodation. This is a campus facility arrangement between Maynooth University and St. Patricks College, Maynooth, to utilise the resources of both institutions in providing conference and accommodation facilities. The arrangement is treated as a joint arrangement and is accounted for using the equity method, such that 50% of the company's gross assets and liabilities are incorporated into the consolidated statement of financial position of the University and 50% of its net income is reported in the University's statement of comprehensive income and expenditure.

	2017 €'000	2016 €'000
Share of net assets at fair value		
At the beginning of the year	250	500
Payments received during the year	(500)	(615)
Share of joint venture surplus in the year	500	365
Closing balance	250	250

18 Investments

Investments in Subsidiary undertakings
Other Investments

Consolidated		University	
2017	2016	2017	2016
€'000	€'000	€'000	€'000
-	-	-	-
1	1	1	1
1	1	1	1

18 Investments - continued

The university held an interest in the following subsidiary undertakings which have been fully consolidated.

Subsidiary undertaking	Principal activity	Interest
Maynooth University Enterprise Development Limited	Holds intellectual property associated with filed patents	100%
NUIM Development Limited	Construction of Student Accommodation at Maynooth University	100%
NUIM Facilities One Limited	Provision of finance facilities in connection with Student Accommodation	100%
NUIM Facilities Two Limited	Provision of maintenance and rental collection services for student accommodation	100%
NUIM Finance Limited	Provide finance for student residential accommodation	100%
NUIM International Limited	To advance and promote the interest and reputation of the university outside Ireland	100%
Innovation Value Services Limited	To carry on all or any of the business of developing and commercialising intellectual property and providing consultancy, assessment, training and related services.	100%
Maynooth University Foundation Limited	To seek donations for the funding of scholarships and other specific purposes	100%

The registered office of all of the above companies is Maynooth University, Maynooth, Co Kildare.

The university held an interest in the following associate undertakings and investments which have been recognised at cost.

Associated undertaking	Principal activity	Registered Office	Interest
Igeotech Technologies Ltd	Research	Block 8, Blackrock Business Park, Carysfort Avenue, Blackrock, Co. Dublin.	20%
Neuromod Devices Ltd	Research	C/O Derek Madden & Company, Bowling Green, Mallow, Co. Cork	6%
Relational Frame Training Ltd	Research	Suaimehnes, Blackwood, Robertstown, Naas, Co Kildare.	15.42%
ISAAT Technologies Ltd	Research	100 Leixlip Park, Leixlip, Co Kildare.	4.80%
Avectas Ltd (previously Profector Life Sciences Ltd)	Research	34 Fitzwilliam Square South, Dublin 2	3.63%
Rosadex Limited	Research	13 Seaview wood, Shankhill, Dublin 18	15%
YAMSU Limited	Research	Maynooth Works, Eolas Building, Maynooth Co. Kildare	15%

Beemune Limited was dissolved on 17 January 2018.

19 Trade and Other Receivables

	2017		2016	
	Consolidated €'000	University €'000	Consolidated €'000	University €'000
<i>Amounts falling due within one year:</i>				
Research grants receivables	2,983	2,983	2,146	2,146
Accounts Receivable	2,722	2,402	2,631	2,565
Other receivables	3,265	3,217	5,233	5,176
Prepayments and accrued income	5,660	5,630	3,405	3,369
Staff House Loans	32	32	75	75
State Capital Grant Receivable	1,520	1,520	2,673	2,673
State Grant Receivable	-	-	237	237
Academic Fees Receivable	626	626	463	463
Amounts due from subsidiary undertakings	-	465	-	1,806
	<u>16,808</u>	<u>16,875</u>	<u>16,863</u>	<u>18,510</u>

Included in Other receivables is an amount of €1.0m (2016: €3,549m) donation due from the Congregation of Dominican Sisters.
Included in Prepayments is an amount of €0.289m (2016: €0.347m) falling due after more than one year.

20 Creditors : amounts falling due within one year

	2017		2016	
	Consolidated €'000	University €'000	Consolidated €'000	University €'000
Research Grants Unexpended in advance	13,739	13,739	10,603	10,603
Academic Fees Received in Advance	14,446	14,446	12,034	12,034
Net Pension Liability	4,364	4,364	5,572	5,572
Trade Creditors	3,491	3,461	4,041	3,971
State Grant in advance	665	665	-	-
Other Creditors	534	410	382	382
Social security and other taxation payable	2,137	2,122	2,501	2,501
Accruals	3,961	3,839	5,508	5,377
Deferred Income	5,721	5,562	5,849	5,581
Unsecured loans due within one year	625	625	-	-
Amounts Due to Subsidiary Undertakings	-	15	-	332
	<u>49,683</u>	<u>49,248</u>	<u>46,490</u>	<u>46,353</u>

21 Creditors : amounts falling due after more than one year

	2017		2016	
	Consolidated €'000	University €'000	Consolidated €'000	University €'000
Secured loans	-	-	-	-
Unsecured loans	76,140	76,140	50,000	50,000
	<u>76,140</u>	<u>76,140</u>	<u>50,000</u>	<u>50,000</u>
Analysis of unsecured loans:				
Due within one year or on demand	625	625	-	-
Due between one and two years	1,897	1,897	-	-
Due between two and five years	11,515	11,515	10,175	10,175
Due in five years or more	62,728	62,728	39,825	39,825
Due after more than one year	76,140	76,140	50,000	50,000
Total unsecured loans	<u>76,140</u>	<u>76,140</u>	<u>50,000</u>	<u>50,000</u>

Notes to the Financial Statements - (continued)

Year ended 30 September 2017

22 Retirement Benefits

During the year the university operated three defined benefit pension schemes.

National University of Ireland, Maynooth (Closed) Scheme 2009 – formerly known as the National University of Ireland, Maynooth Pension Plan – “Closed Scheme”

The main scheme is “National University of Ireland, Maynooth (Closed) Scheme 2009 “Closed Scheme”. The Closed scheme applies to pensionable employees appointed prior to 31st January 2005 and is closed to new entrants. Up until 31st December 2009 the university funded the Closed Scheme which operated under a Trust Deed, the assets of which were held separately from those of the university. The *Financial Measures (Miscellaneous Provisions) Act, 2009* provided that the Oireachtas will make good any deficiency arising if the aggregate of members’ and employers’ contributions paid to or withheld by the university are insufficient to meet the university’s obligations to pay these benefits in accordance with the scheme. On the 31st December 2009, in accordance with S.I. No. 528/2009 “Financial Measures (Miscellaneous Provisions) Act 2009 (National University of Ireland, Maynooth) Transfer Order 2009” the assets of the Closed Pension schemes were transferred to the National Pensions Reserve Fund and the existing Trust was terminated. There was no effect on the benefits payable to the members, they became members of a statutory unfunded scheme renamed “National University of Ireland (Closed) Scheme 2009”. The pension liability of this scheme in the Statement of Financial Position was €358.2m (2016: €370.8m).

The National University of Ireland, Maynooth Employee Superannuation Scheme 2007 – “Model Scheme”

The Model Scheme applies to all new staff appointed to posts first advertised between the 29th November 2004 and appointed or in receipt of an offer of employment dated no later than 31st December 2012. This is a pay-as-you-go scheme funded through monies provided to the university by the State for that purpose. On the basis that the Oireachtas will make good any deficiency arising to meet the university’s obligations to pay pension benefits of the Closed Scheme and that future pension liabilities of the Model Scheme are funded on a pay-as-you-go basis through monies provided to the university by the State for that purpose, the pension liability of the Model Scheme has been offset by the recognition of an asset equivalent to the university’s pension liabilities. The pension liability of this scheme at the year end was €83.1m (2016: €82.2m).

Single Public Service Pension Scheme

The Single Scheme applies to all new staff who are joining the public sector as new entrants after the 1st January 2013. It is entitled *Single Public Service Pension Scheme* and is a career average pension scheme. It is a defined benefit scheme and as such is included in the FRS 102 disclosure. All employee pension contributions for the Single scheme are paid on a monthly basis to a state pension account. Employer pension contributions are held as part of creditors pending payment to the state. The figures are not required to be included in the pension control account. On the basis that the Oireachtas will make good any deficiency arising to meet the university’s obligations to pay pension benefits of the Closed Scheme and that future pension liabilities of the Single Scheme are funded on a pay-as-you-go basis through monies provided to the university by the State for that purpose, the pension liability of the Single Scheme has been offset by the recognition of an asset equivalent to the university’s pension liabilities. The pension liability of the scheme at the year end was €4.17m (2016: €2.38m).

Summary of position at year end

	2017	2016
	€'000	€'000
Consolidated and University		
Net Pension Liability	(445,554)	(455,444)
Pension receivable	445,554	455,444
	<u>-</u>	<u>-</u>

22 Retirement Benefits - (continued)

Analysis of the amount charged to the Statement of Comprehensive Income and Expenditure

	2017 €'000	2016 €'000
Staff costs		
Current service cost	(21,802)	(16,936)
Total charge to operating expenses	<u>(21,802)</u>	<u>(16,936)</u>
Other finance charges		
Interest on pension scheme liabilities	(6,564)	(8,346)
Net finance charge	<u>(6,564)</u>	<u>(8,346)</u>
Deferred Funding for Pensions in year		
Funding recoverable in respect of current year pension costs	28,366	25,282
Contributions by employer payable to the State	(3,822)	(4,154)
Net Deferred Funding for Pensions in year	<u>24,544</u>	<u>21,128</u>

Analysis of the amount charged to Statement of Comprehensive Income and Expenditure

	2017 €'000	2016 €'000
Experience (loss)/gain	(11,481)	8,042
Change in actuarial assumptions	42,692	(87,560)
Actuarial gain/(loss)	<u>31,211</u>	<u>(79,518)</u>

Analysis of the movement in defined benefit obligation in the year

Present value of defined benefit obligation at beginning of year	(455,444)	(357,750)
Current service cost	(21,802)	(16,936)
Past service cost	-	-
Interest Cost	(6,564)	(8,346)
Benefits Paid	7,045	7,106
Actuarial gain/(loss)	<u>31,211</u>	<u>(79,518)</u>
Present value of defined benefit obligation at the end of year	<u>(445,554)</u>	<u>(455,444)</u>

22 Retirement Benefits - (continued)

The requirements of FRS 102 are fully adopted and the following movements are reflected in the financial statements.

The valuation of liabilities used for FRS102 Disclosures has been based on an actuarial valuation carried out by an independent professionally qualified actuary at the year end. The financial assumptions used to calculate the retirement liabilities in relation to the defined benefit pension schemes under FRS102 as at 30th September 2017 and 30th September 2016 and 30th September 2015 were as follows:

	2017	2016	2015
Rate of increase in Salaries	2.05%	1.80%	1.75%
Rate of increase in Pensions in payment	2.05%	1.80%	1.75%
Discount Rate for Scheme Liabilities	2.10%	1.45%	2.35%
Inflation Assumption	1.80%	1.55%	1.50%

The mortality rate adopted allows for improvements in life expectancy over time so that life expectancy at retirement will depend on the year in which a member attains retirement age (age 65). The table below shows the life expectancy for members attaining the age of 65.

	2017 Years	2016 Years	2015 Years
Male	88.1-92.2	87.3-91.1	87.0-90.7
Female	89.4-93.1	89.1-93.2	88.8-92.8

History of experience gains and losses is as follows:

	2017 €'000	2016 €'000	2015 €'000	2014 €'000	2013 €'000
<i>Difference between the expected and actual return on scheme assets</i>					
Amount	-	-	-	-	-
Percentage of scheme assets	N/A	N/A	N/A	N/A	N/A
<i>Experience gains and losses on scheme liabilities</i>					
Amount	(11,481)	8,042	4,161	8,710	12,229
Percentage of scheme liabilities	-2.58%	1.77%	1.16%	2.68%	4.63%
<i>Changes in Actuarial Assumptions</i>					
Amount	42,692	(87,560)	(18,942)	(50,209)	15,311
Percentage of scheme liabilities	9.58%	-19.23%	-5.29%	-15.49%	5.79%

Notes to the Financial Statements - (continued)
Year ended 30 September 2017

22 Retirement Benefits - (continued)

	2017	2016
	€'000	€'000
Analysis of Deferred Pension Funding Asset		
At beginning of year	455,444	357,750
Movement included in Staff costs	21,802	16,936
Movement included in Finance costs	6,564	8,346
Movement included in SOCI	(31,211)	79,518
Benefits Payable to the State	(7,045)	(7,106)
At end of year	445,554	455,444

23 Related Parties

Transactions with subsidiaries of the university have been eliminated on consolidation and no disclosure of these transactions has therefore been given. The university has the following related party transactions:

Maynooth Campus Conference & Accommodation: Maynooth Campus Conference & Accommodation is a campus facility arrangement between Maynooth University and St. Patrick's College, Maynooth to utilise the resources of both institutions in providing conference and accommodation facilities. The balance due to the university at 30th September 2017 was €250,000 (2016: €250,000).

3U is a collaboration between three Higher Education Institutions in the greater Dublin area. The other two institutions are RCSI and DCU. To give effect to this arrangement, a limited liability company, 3U Collaboration Limited, was established in March 2013. Maynooth University holds one third of the ordinary shares in the company with the other two collaborators each holding one third of the ordinary shares also. The trade and assets of 3U Collaboration Limited was sold during the year. At 30 September 2017 the total net realisable shareholders loan from 3U Collaboration Limited at was 30 September 2017 is €34,956 (2016: €220,000) which is included in Other Debtors.

Notes to the Financial Statements - (continued)
Year ended 30 September 2017

24 Restricted Reserves

Reserves with restrictions are as follows:

	Unspent capital grants	Donations	2017 Total	2016 Total
	€'000	€'000	€'000	€'000
Balances at 1 October 2016	-	4,884	4,884	3,233
New grants	-	-	-	-
New donations	-	-	-	3,549
Investment income	-	159	159	140
Capital grants utilised	-	(3,549)	(3,549)	(2,038)
Expenditure	-	-	-	-
(Decrease) / increase in market value of investments	-	-	-	-
Total restricted comprehensive income for the year	-	(3,390)	(3,390)	1,651
At 30 September 2017	-	1,494	1,494	4,884

25 Cash and Cash Equivalents

	1st Oct 2016 €'000	Cash flows €'000	30th Sep 2017 €'000
Consolidated			
Cash and cash equivalents	41,486	27,441	68,927
	<u>41,486</u>	<u>27,441</u>	<u>68,927</u>

26 Capital and Other Commitments

Provision has not been made for the following capital commitments at 30 September 2017:

	2017		2016	
	Consolidated €'000	University €'000	Consolidated €'000	University €'000
Commitments Contracted for	521	521	3,932	3,932
	<u>521</u>	<u>521</u>	<u>3,932</u>	<u>3,932</u>

Contracted commitments include an amount of €0.5m relating to a storage facility to house digital media archive in conjunction with the Irish Film Institute.

27 Contingent Liabilities

	2017		2016	
	Consolidated €'000	University €'000	Consolidated €'000	University €'000
Guarantees	-	-	-	-

The University has given written undertakings to support the subsidiary companies at twelve months from the date of approval of these financial statements.

The university has no known material contingent liabilities at 30th September 2017 or 30th September 2016.

28 Operating Lease Obligations

Total rentals payable under operating leases:

	2017				2016
	Land and Buildings	Plant and Machinery	Other leases	Total	
	€'000	€'000	€'000	€'000	€'000
Payable during the year	1,406	-	-	1,406	1,396
Future minimum lease payments due:					
Not later than 1 year	1,402	-	-	1,402	1,392
Later than 1 year and not later than 5 years	1,877	-	-	1,877	3,061
Later than 5 years	6,722	-	-	6,722	6,899
Total lease payments due	10,001	-	-	10,001	11,352

Operating lease commitments are mainly in respect of a 21 year property lease and a 62 year property lease both of which commenced on 1st of October 1998.

29 Correction of Prior Year Amounts

In the prior year, the FRS102 & 2015 HE SORP transition adjustment to recognise in reserves non state capital grants where performance obligations have been met, was understated by €1.873m. The understatement has been corrected by increasing Opening Income and Expenditure Reserves and Opening State Capital Grant at 1 October 2015 by €1.873m.

In the prior year, state capital grants for Land were accounted for in accordance with the accruals model rather than the performance model. This was corrected by increasing Opening Income and Expenditure Reserves and Opening State Capital Grant at 1 October 2015 by €5.734m. In addition, State capital Grant Income in the Consolidated Statement of Comprehensive Income and Expenditure increased by €2m in 15/16, while Opening Reserves at 1 October 16 increased by €2m.

During the year, Ryehall Apartments were transferred from a subsidiary company to the University entity. The transfer resulted in an adjustment in the holding entity only, to reflect the substance of the the transaction which was previously recognised under legal form. This adjustment increased Fixed Assets Cost by €1.041m, increased accumulated depreciation by €1.135m and decreased Opening Income and Expenditure Reserves by €0.94m at 1 October 2015. In addition, Depreciation charge in the Consolidated Statement of Comprehensive Income and Expenditure increased by €0.76m in 15/16, while Opening Reserves at 1 October 16 decreased by €0.76m. There was no impact on the Consolidated Income and Expenditure Reserves.

30 Comparative Amounts Reclassification

Scholarship stipend payments were historically reported in pay, while scholarship fee payments were reported in miscellaneous expenses. In the current year all such payments are reported in other operating expenses under the Scholarships category. Comparative amounts have been reclassified in line with the current year classification. There is no impact on the current or prior year net surplus as a result of this reclassification.

31 Events After The Reporting Period

There were no significant events since the year end which would have implications for these financial statements.

Elements of Capital, Recurrent and Research expenditure reported in these Financial Statements have been funded under one or more programmes operated by the following funding bodies and agencies:



An Roinn Gnó, Fiontar agus Nuálaíochta
Department of Business, Enterprise and Innovation



AN ROINN OIDEACHAIS AGUS SCILEANNA
DEPARTMENT OF EDUCATION AND SKILLS



European Research Council
Established by the European Commission



Irish Aid

An Roinn Gnóthaí Eachtracha agus Trádála
Department of Foreign Affairs and Trade

