



Consolidated Financial Statements  
*of*  
Maynooth University  
(National University of Ireland, Maynooth)  
*for the year ended 30<sup>th</sup> September 2014*

(Prepared under Generally Accepted Accounting Principles)

**C & AG**



*Consolidated Financial Statements*  
*Year ended 30th September 2014*

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## **General Information**

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**Statutory Auditors**

Office of the Comptroller and Auditor General,  
Treasury Block,  
Dublin Castle,  
Dublin 2.

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**Bankers**

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

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**Legal Advisers**

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

*Consolidated Financial Statements*  
*Year ended 30th September 2014*

## **Report of the Bursar**

I have the pleasure to present the Consolidated Financial Statements of the National University of Ireland Maynooth for the year ended 30<sup>th</sup> September 2014 prepared using Generally Accepted Accounting Principles (GAAP). The GAAP Consolidated Financial Statements are accompanied by a reconciliation between these statements and a set of financial statements prepared under the agreed Harmonisation of Accounts format for the same period as well as the Harmonisation of Accounts Statements themselves. The Harmonised format is agreed between the Higher Education Authority (HEA) and the university sector and is designed to ensure consistency in the treatment of activities funded from the public purse. There are a number of differences in accounting treatments between the two formats (e.g. subsidiary companies, ancillary activities, student fees, amortisation and depreciation of capital items, research income, interest income, accruals) and explanatory notes attached to the reconciliation explain the key items in more detail. The process of adjustment is an accounting (and presentation) exercise, which does not change the underlying resources available to the university.

### **1. Review of the year (Harmonisation of Accounts format)**

The final outcome for the year indicates a surplus of €166,307, which compares to a deficit of €40,114 in the previous year. Accumulated revenue surpluses are now €643k. Total income at €96.6m is up €3.6m on the previous year. Total recurring expenditure at €96.4m is up €3.4m on the previous year.

State grant income was €22.3m representing 23% of total income. In the previous year, State grants contributed €21.8m which represented 23% of total income. The overall State Grant was up €0.5m or 2% year on year. Over recent years, the university has acknowledged that the cuts in core grant arise from necessary cutbacks made by government following the collapse in the public finances in late 2008 and the subsequent implementation of a national adjustment strategy to reduce public expenditure. The university has further acknowledged that the government took steps to protect public bodies against such cuts in a general way by negotiating pay cuts for staff, by introducing a moratorium on the recruitment and promotion of staff, by reducing the travel and subsistence allowances payable to staff and by facilitating greater collaborative procurements in the wider public sector. It seems that 2013/14 has seen the Government finances return to some health and this is most welcome. The increase in State grant, albeit modest, is particularly welcome as it reverses a downward trend of several years duration. However, this overall level of State grant masks a further reduction in the recurrent core block grant which itself declined by €2.8m year on year. To put the level of recurrent grant in context, readers should know that this core block grant support for students represented €1,321 per student in 2013/14 down from in excess of €4,000 per student in 2007. The difference per student has been passed to students themselves. Targeted funding paid by the State for specific purposes was €3.5m in 2013/14 as against €200k in 2012/13. This increase reflects an unwelcome growing tendency for the Higher Education Authority or other parts of the State bureaucracy to divert universities to particular policy purposes driven by policy interests outside of the universities. Student fees are the dominant income source for universities, with fees accounting for 52% of income in 2013/14 up from 50% in 2012/13 and from 35% in 2007/08, the last full year before the funding cutbacks took effect. The core block recurrent grant is the funding used by the universities to maintain the basic fabric of their institutions and further cuts will impact on the long-term sustainability of universities and the quality of the environment experienced by students whilst at university.

Student fees are the dominant income source for universities, with fees accounting for 52% of income in 2013/14 up from 50% in 2012/13 and from 35% in 2007/08, the last full year before the funding cutbacks took effect. Student fee income increased by €3.5m to €50.4m representing a 7.5% increase over the previous year. Undergraduate fees accounted for €42.4m (€39.7m in 2013) whilst postgraduate fees accounted for €8m (€7.2m in 2013). In 2013/14 €19.5m was paid directly to the university on behalf of students by parties other than the Higher Education Authority. The State chose to pay €23.5m of student fees on behalf of students, which was up from €23.1m in 2012/13. Of this amount, €7.2m was received through *Student Universal Support Ireland* and local authorities, down from €7.6m from these sources in the previous year. Of the €16.2m paid by or on behalf of students, non-EU students paid €3.1m as against €2.2m in the previous year. The individual EU student contribution increased from €2,250 in 2012/13 to €2,500 in 2013/14. Despite this, the “free fees” element of student fees paid through the Higher Education Authority was up by €400k from €23.1m for the year due to increased student numbers. Froebel students accounted for €1.8m of student fees for which there was no comparable fee in 2012/13. Both student fee income and State grant income are largely driven by student numbers.

Other income at €2.9m was down by €635k year on year. Interest income receivable was down from €1.4m in 2012/13 to €967k in 2013/14 reflecting the general reduction in interest rates paid by banks in Ireland.

Income from Research Grants and Projects showed an increase of €150k or 0.7% over the previous year. Research Grants and Projects, at €20.9m, represent 21.6% of total university income, down from 22.3% in the previous year. Growth in research income is a key strategic objective of Maynooth University. The modest increase in research income over 2012/13 is welcome particularly so given the 2012/13 amount reversed a three year downward trend. It is further evidence of a real underlying growth in research activity.



## **Report of the Bursar (continued)**

The university recognises that the research funding environment will be challenging in the years ahead. The university has a substantial 'fixed cost' investment in research infrastructure and key research personnel; and ensuring maximum utilisation of these resources in the years ahead will be a key consideration in the strategic management of the university. By any reasonable measure (PhD students per core academic staff member, PhD graduation rates, funded research income per core academic staff member, citation rate), Maynooth University is a strong and credible research university with real and deep links between the research being carried by university academic staff and the content of the disciplinary subject areas studied by students.

Recurrent expenditure for the year (excluding research grants and projects) amounted to €75.5m, a €3.2m or 4.4% increase year on year. Pay costs were €54m, up by €2.9m or 5.7% over 2012/13. The additional costs reflect additional staff funded from non-exchequer sources. Non-pay costs were relatively stable increasing by just €300k or 1.4% compared to 2012/13. Excluding capital transfers, non-pay costs were static year on year at €19.9m. Non-pay costs represent 28.6% of recurrent expenditure down from 29.5% in 2012/13. Expenditure on academic departments and other academic services (Notes 5 & 6, page 58) increased by €3.8m or 8% in the year. Excluding transfers to capital the proportion of monies expended on academic and academic support services continues to exceed two thirds of all expenditure.

Capital expenditure during the year exceeded €13.5m, with €12.2m invested in building works and €1.3m on capital equipment (including research capital equipment). Note 28, on page 71, sets out the capital commitments as at the balance sheet date. This is evidence of the university's continuing commitment to improving its physical environments for students, staff and visitors. Of this total commitment of €47m, less than €6m is being funded by capital grants from the State.

During the year, the university engaged in direct negotiations with the European Investment Bank (EIB) for co-funding by way of loan capital to support a total capital investment of €154m to the end of 2018/19 including new student apartments, new teaching spaces, the new Maynooth University library and other student facilities. After the year end, a formal contract was signed by both parties to allow Maynooth University borrow €77m from EIB towards the programme. At the time of writing, no draw down has taken place against the agreed loan facility. The negotiation of this loan facility is a major breakthrough for Maynooth University and allows the university to develop facilities that will match or exceed those available in any other Irish university and most universities internationally. At a launch event to mark the signing of the €77m Loan Capital facility held in Maynooth University on the 18<sup>th</sup> February 2015, EIB Vice President Mr Jonathan Taylor stated that the success of Maynooth University in securing this funding was a real statement of confidence by EIB in Maynooth University, its future, its governance, its structures and its underlying finances.

Bank and Cash balances held at the balance sheet date are €40.4m, down by €5.7m on the same date last year. This Cash Flow Statement, on page 56, explains the movement which in summary arises from the funding of capital projects from the university's own resources.

This year saw a decrease in Debtors and Prepayments at the balance sheet date. Debtor and Prepayments are €17.9m down from €19m in the previous year. The decrease of €1.1m is accounted for by a reduction of €1.1m in Research Debtors, an increase in the Funded Pension Scheme Receivable from the Higher Education Authority of €2.1 m and a reduction in Other Debtors and Prepayments of €2.1m.

The overall level of creditors and accruals has risen by €6.5m to €63.4m. This increase is largely accounted for by an increase of €2.6m Model Pension Scheme, an increase of State Grant in advance of €1m and an increase in other Creditors & Accruals of €3m. In addition, readers of these financial statements will notice a lease obligation of €4.7m at 30<sup>th</sup> September 2013 has been reduced to zero at the end of 2014 (Note 21, page 67). This arises because of the unwinding of a Section 50 tax based apartment development scheme during the year. The University acquired the investment on the terms agreed in 2002/2003.



## **Report of the Bursar (continued)**

### **2. Pensions**

On 31<sup>st</sup> 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 FRS17 reporting purposes should be included in the consolidated balance sheet as at 30<sup>th</sup> September 2014. The overall pension liability is €324m (2013: €264m). Of this amount €42m (2013: €28.9m) is attributable to the Model Scheme and €442k 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 29<sup>th</sup> 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 1<sup>st</sup> January 2013. This scheme is sometimes referred to as the Career-Average Scheme. At the present time, the university is providing employer contributions at the same rate as it provided them for both the Closed Scheme and the Model Scheme. The Department of Public Expenditure and Reform have advised in correspondence to our pension advisors, Willis, dated 15<sup>th</sup> November 2013 that the full liability for future pensions associated with the Single Service Pension Scheme should be included in the FRS17 liability disclosure. Based on the advice and 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 balance sheet date. Further details are provided in Note 24 (pages 38 - 41). Readers of these accounts will notice that the university's auditors, Deloitte, have drawn attention to this treatment without qualifying their opinion (pages 17 & 18).

### **3. Change of Accounting Policy**

During 2013/14, following findings made by the Comptroller and Auditor General during his audit of the 2012/13 Financial Statements, the university considered its research overhead accounting policy to 30 September 2013 which deferred a portion of research grant income to future years on the basis that it was allocated to a research PI, department or academic to fund future research project costs. Following this review the university has identified the need for a change in its accounting policy to defer research overhead only to the extent that the amounts deferred relate to committed third party expenditure in connection with specified research projects. This change in accounting policy is accounted for as a prior year adjustment. This adjustment, which I accept is necessary and fully in accordance with financial reporting standards, is a significant departure for Maynooth University from previous practice and will challenge everyone – administrators, academics, researchers – to better manage and control revenues available to the university, its departments and institutes. The full effect of the adjustment is set out in Note 29 on page 43.

### **4. Future**

Maynooth University is introducing a new curriculum for a new age designed to better prepare graduates for the world of work and for life. The university is also moving ahead with the establishment of four focused Research Institutes linked to the teaching mission of the university. An ambitious campus development programme is underway. 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.

*Consolidated Financial Statements  
Year ended 30th September 2014*

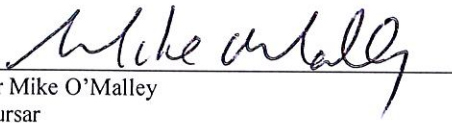
## **Report of the Bursar (continued)**

The most 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 and that the academic quality of those seeking places, as measured by CAO average points, is also increasing at the same time. 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.

### **5. Conclusion**

The university again managed its affairs well in 2013/14. 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 Strategic Plan 2012-17.

I wish to thank the staff in my office for their efforts in completing these accounts.

  
Dr Mike O'Malley  
Bursar

*26<sup>th</sup> Nov 2015*  
Date



## 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 summary Statement of Corporate Governance 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 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 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 membership of the fourth Governing Authority of Maynooth University is made up of 29 members and is as representative as possible consistent with the provisions of the *Universities Act, 1997*. In addition there has been an independent Chairperson since 2004. Baroness Nuala O’Loan was elected Chairperson in December 2010 and chaired her first meeting in February 2011.

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](http://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 new 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](http://www.maynoothuniversity.ie) or is available by request to [Governing.Authority@nuim.ie](mailto:Governing.Authority@nuim.ie)

The University Bursar and Secretary acts as Secretary of the Governing Authority. The Governing Authority met on seven occasions during the year. The Authority normally meets six times per year but the September 2013 meeting was deferred by one week to the 3<sup>rd</sup> October 2013 to facilitate the availability of some members. Table 1 below 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
<b>Chairperson (1)</b>	Baroness Nuala O'Loan	7	7	100%
<b>Ex Officio (3)</b>	Professor Philip Nolan	7	7	100%
	Professor Aidan Mulkeen	7	6	86%
	Dr Mike O'Malley	7	7	100%
<b>Members of academic staff who are Professors or Associate Professors (2)</b>	Professor Mark Boyle	7	6	86%
	Professor Anne Ryan	7	6	86%
<b>Permanent or full-time members of academic staff other than Professors or Associate Professors (4)</b>	Dr Victor Lazzarini	7	7	100%
	Dr Tom O'Connor	7	7	100%
	Dr Muireann Ní Bhrolcháin	7	6	86%
	Ms Anastasia Crickley	7	4	57%
<b>Permanent or full-time employees of the University who are not academic staff (2)</b>	Mr James Cotter	7	7	100%
	Ms Paula Murray	7	7	100%
<b>Elected officers of the Students' Union (2)</b>	Mr Ben Finnegan <sup>1</sup>	7	5	71%
	Mr Aidan McNally	6	5	83%
	Ms Siona Cahill <sup>2</sup>	1	1	100%
<b>Postgraduate student (1)</b>	Ms Danielle O'Sullivan <sup>3</sup>	1	0	0%
	Mr Colm O'Rourke	6	3	50%
<b>IBEC nominee (1)</b>	Ms Una Halligan	7	6	86%
<b>ICTU nominee (1)</b>	Ms Annette Kennedy	7	6	86%
<b>Nominees of the Trustees of St Patrick's College (3)</b>	Mr Seán Ashe	7	5	71%
	Monsignor Hugh Connolly	7	6	86%
	Monsignor Jim Cassin	7	6	86%
<b>Graduates of the University (2)</b>	Dr Una Crowley	7	7	100%
	Mr Michael Smyth	7	5	71%
<b>Nominees of NUI Senate (2)</b>	Professor Mary Corcoran	7	5	71%
	Professor Jim Walsh	7	7	100%
<b>Minister's nominees (2)</b>	Professor Martin Curley	7	2	29%
	Ms Teresa Murray	7	5	71%
<b>Other external members (4)</b>	Mr Peter Cassells	7	7	100%
	Mr Richard George	7	6	86%
	Dr Caitriona Crowe	7	3	43%
	Ms Madeleine Mulrennan	7	7	100%

Table 1: Attendance Records of Members of the Governing Authority during 2013/14

<sup>1</sup> Mr Ben Finnegan was elected President of Maynooth Students' Union for a second year and continued to be a member of Governing Authority from July 2014 to June 2015.

<sup>2</sup> Ms Siona Cahill replaced Mr Aidan McNally as VP Welfare of Maynooth Students' Union in July 2014 and became one of the two Maynooth Students' Union representatives at that time.

<sup>3</sup> Mr Colm O'Rourke replaced Ms Danielle O'Sullivan as postgraduate student representative in October 2014.

## Statement of Governance and Internal Control (continued)

The Chairperson receives remuneration of €12,000 per annum in accordance with Section 17(5) of the *Universities Act, 1997* and a decision of Governing Authority taken at its meeting in December 2010. This is approximately 50% of the Ministerially approved remuneration for the post. Vouched expenses totalling €1,459.06 were paid to members during the year in connection with the business of Governing Authority. 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 €175,877 in the year.

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* and *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 Bernard Mahon	Vice-President for Research
Professor Ray O'Neill	Vice-President for Innovation
Professor Jim Walsh	Vice-President for Strategy and Quality
Professor Rowena Pecchenino	Dean of Social Sciences
Professor Ronan Reilly	Dean of International and Graduate Studies
Dr Fiona Lyddy	Dean of Science and Engineering
Dr Victor Lazzarini	Dean of Arts, Celtic Studies and Philosophy
Ms Rosaleen McCarthy	Director of Human Resources
Dr Mike O'Malley	Bursar and Secretary

Mr Frank Fitzmaurice was Director of Development until 30<sup>th</sup> September 2014 when he left the university to take up a senior post in the United Kingdom university system. He had responsibility for Campus Planning and Development, Campus Services, Student Services as well as Marketing and Communications. The position is now vacant and the responsibilities of the post are being carried out by the President, Deputy President and Bursar on an interim basis.

In September 2013, Dr Thomas O'Connor returned to his academic duties after spending five years as Dean of Arts, Celtic Studies & Philosophy. He was replaced by Dr Victor Lazzarini.

In addition, the Governing Authority has established three standing committees of the Governing Authority with written terms of reference and specified membership including lay membership. The Audit and Risk Assessment Committee is chaired by an independent lay member of the Governing Authority.



## **Statement of Governance and Internal Control (continued)**

The Maynooth University **Audit and Risk Assessment Committee** met on four occasions during the year with the university's external auditors in attendance at two of those meetings. 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 attends meetings of the committee on request. The Administrative Officer supporting the Governing Authority acts as Secretary to the Committee. 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 2014 the Committee met with a senior representative from the Office of the Comptroller and Auditor General on one occasion. The President attended a meeting of the Audit and Risk Assessment Committee on the 21<sup>st</sup> October 2014.

The Maynooth University **Planning, Development & Finance Committee** has oversight responsibilities in the areas of operational planning and budgeting, quality assurance, fee structure, student support services, procurement, asset management, campus development, health and safety, the promotion of the Irish language and the judicious use of the university seal. The Committee met on three occasions during the year. The Committee is chaired by the President and the Bursar & Secretary acts as Secretary to the Committee.

The **Human Resources, Staff Development & Equality Committee** has oversight responsibilities in the areas of staff planning, staff selection and promotions procedures, sabbatical leave procedures, staff policies, counter-acting sources of discrimination and the promotion of equality. It is chaired by the President and the University Bursar and Secretary acts as Secretary to the Committee. The Committee met on four occasions during the year.

The *Code of Governance of Irish Universities* 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 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 to 2006*, the Code of Governance and best practice. The outcomes from the review, which have been fully documented, will form an additional input to a review of the committee structures of Governing Authority which is ongoing and nearing completion at the present time.

In addition the Maynooth University Audit and Risk Assessment Committee took part in an Effectiveness Review of Audit Committees carried out by the Comptroller and Auditor General. Positive findings about compliance with the *Code of Governance* and best practice were made. A small number of recommendations have been accepted by the Audit and Risk Assessment Committee and the Governing Authority.

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*.



## Statement of Governance and Internal Control (continued)

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

- Maynooth University adopted the Higher Education Authority/Irish University Association Code '*Governance of Irish Universities 2012*' in November 2012 without adjustment. 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 fourth Governing Authority on its establishment in October 2010 or for members joining the Governing Authority mid-term, prior to their attendance at their first meeting.
- 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 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. Mazars, the independent internal audit service to the university carried out a review of the budgeting process in December 2014 and January 2015 and reported its findings and recommendations to the Audit and Risk Assessment Committee in February 2015. The recommendations have been accepted by management.
- No financially significant developments other than those disclosed in the annual Accounts took place in the financial year to 30<sup>th</sup> September 2014. No new joint ventures were entered into during the year. During 2012/13, the university entered a Strategic Partnership with two other institutions namely, Dublin City University and the Royal College of Surgeons in Ireland. This relationship, known as the 3U Partnership is governed by a Memorandum of Understanding. That Memorandum of Understanding acknowledged future activities undertaken by 3U Partnership may require legally established joint ventures. Such a joint venture, 3U Collaboration Limited was incorporated on the 13<sup>th</sup> March 2013. The principal activity of the company is to deliver world class education and research opportunities through a collaborative approach among the three institutions of the Royal College of Surgeons in Ireland, Dublin City University and Maynooth University. The company was formed as a specific purpose vehicle to facilitate the execution of agreed activities under the 3U Partnership umbrella including the creation of a focused 'pathways' programme for international students. During the year Maynooth University commenced a full-time First Arts course at its outreach campus in Kilkenny. Students continue to second year study at the Maynooth campus.
- The university and its subsidiary companies endeavour to 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 €180k 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 those scales for budget purposes.
- 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 & Risk Assessment Committee who notify any significant items to Governing Authority. During 2013/14, no significant items were reported to the Governing Authority by the Audit and Risk Assessment Committee.



**Statement of Governance and Internal Control (continued)**

- 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 partial non-compliance with Department of Finance Circulars 02/09 and 02/11. The Internal Auditors carried out a detailed study into the operation of the procurement procedures during 2007 and again in 2010. No material non-compliance issues were identified. To the best of Maynooth University's knowledge and belief the university has been compliant with the published procedures – with the exceptions of the items mentioned in this section. The first exception relates to the two circulars mentioned above. Circular 02/09 and 02/11 deal with the procurement of ICT equipment and services. The Irish Universities Association have written to the Higher Education Authority stating that the university IT Directors believe the circulars cannot be fully implemented for technical and value for money reasons. The second exception relates to the engagement of consultants through the Innovation and Value Institute (IVI), a joint industry/research collaboration with a public remit to investigate the effectiveness of information technology spending in organisations. The Institute, which is housed in the university is controlled by a Management Committee of patrons including Intel, Boston Consulting Group, EY and the university. IVI works on a global scale with consultants required to work in North America, India, the Middle East and throughout Europe. Consultants have been engaged in the past through the recommendations of patron members and other business contacts and outside of normal public procurement guidelines for consultants. Given the unique nature of IVI, the university and IVI have agreed to review the business model. During 2013, 12 IVI Consultants were paid €1,068,758.

In common with the other seven universities and all of the Institutes of Technology in Ireland, Maynooth University entered into a framework for the acquisition of library books during 2015. Prior to this, all library book acquisitions were handled locally by Acquisition Officers. A procedural framework for Higher Education Institutions is currently being put in place. During 2013/14, Maynooth University paid three library suppliers €168,587.62 without a formal procurement contract or framework in place. When compared to the framework put in place in 2015, the prices paid for library books and periodicals in 2013/14 was good value for money.

The Comptroller & Auditor General identified the recruitment of consultants by IVI outside of normal procurement processes as a control risk to the university in a management letter received in May 2015 following the completion of their 2012/13 audit work. The Comptroller & Auditor General also identified a small number of other weaknesses in procurement at Maynooth University. The university is currently considering the findings and working with the Office of Government Procurement (in terms of training) and others in formulating a response. Other procedural findings in that letter relate to:

- a) Not tendering for a service on the basis of a sole supplier without the advance completion of a sole supplier justification form;
- b) Less than satisfactory control over the use of procurement and credit cards;
- c) Failure to produce tax clearance certificates to support two invoice payments when requested by the Comptrollers and Auditor General (subsequently provided)

In additional work carried out at the behest of the Comptroller and Auditor General in 2015, further findings in relation to non-compliance with public procurement policy have been identified:

- (i) Four consultants were paid €196,452 without procurement competitions contrary to public policy;
  - (ii) The records kept in relation to procurement competitions were less than adequate. Almost 100 suppliers classified as having been tendered had insufficient information relating to the tender competitions particularly start dates, finish dates and estimated total spending when the competition was run. The University has committed to addressing this deficiency.
- The disposal of university assets to third parties and employees is governed by procedures communicated to all staff. In May 2015, the Comptroller & Auditor General wrote to the university relating to the use of a Capital Asset Disposal Form which was not the same as the standard form as the Governing Authority approved in the Fixed Assets Policy. Since then, the university has corrected the form to bring it into line with the policy. To the best of Maynooth University's knowledge and belief, the university has been compliant with these procedures.
  - 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.



## **Statement of Governance and Internal Control (continued)**

- This is a difficult process. 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. In a management letter received in May 2015, the Comptroller & Auditor General commented upon:
  - a) Procedural findings relating to the procurement of a major capital project and
  - b) Failing to incorporate the National Capital Management Framework into procurement procedures (the university has always complied with the framework).
- 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 address by the Minister for Finance on the 20<sup>th</sup> October 2005 and communicated to universities. 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.
- Maynooth University approved a revised Child Protection Policy and Procedures in June 2014 and this policy can be viewed at [www.maynoothuniversity.ie](http://www.maynoothuniversity.ie) or is available by request from [Governing.Authority@nuim.ie](mailto:Governing.Authority@nuim.ie).
- The Governing Authority of Maynooth University received formal correspondence from the Directors of all subsidiary companies confirming that the Code of Governance operating in the university is applied to the carrying out of duties relating to subsidiary companies.
- 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.

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 30<sup>th</sup> September 2014 and up to the date of approval of the annual accounts, and that it is regularly reviewed by the Governing Authority.

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 Internal Control, the independent internal auditors, Mazars or the independent external auditors, Deloitte have presented the following reports to the Audit and Risk Assessment Committee:
  - Ancillary Service Review (December 2013)
  - Internal Financial Controls Review (January 2014)
  - Review of Payroll and Related Processes (May 2014)
  - ICT Risk Assessment (May 2014)



## **Statement of Governance and Internal Control (continued)**

- Governance Arrangements Review (February 2015)
- Budget Setting and Control Review (February 2015)

No findings requiring immediate action or notification to the full Governing Authority were reported. Mazars and the Audit and Risk Assessment Committee have both expressed themselves satisfied with management responses and action plans, if implemented, to address the risk areas identified. Management have confirmed that work is completed or ongoing in all areas in line with the documented management responses.

Deloitte completed the external audit of the Consolidated Accounts and Harmonised Accounts for 2013/14 in May 2015. A 'management letter' was received by the university in May 2015. No material misstatement, error or fraud was reported. A small number of internal control findings were made. The report was presented to the Audit and Risk Assessment Committee in May 2015. 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.

During the year under review, the Comptroller & Auditor General carried out audit field work in relation to the Statutory Audit of the Accounts for the year ended 30<sup>th</sup> September 2013. On the 6<sup>th</sup> May 2015 an Audit Report was signed by the Comptroller & Auditor General. A full management letter was received and the agreed management responses was discussed at the Audit & Risk Assessment Committee meeting in May 2015. The proposals from management to address the matters raised were welcomed by the Audit & Risk Assessment Committee.

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 & Risk Assessment Committee at intervals for review and any management letters received are presented to the Audit & 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 42 occasions during the year.

- 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. The President has indicated that a special meeting of the University Executive will review the full risk register during 2015. The Chairperson of the Health & Safety Committee has also indicated that the Health & Safety Committee will consider the health & safety section of the risk register at a special meeting in the autumn of 2015.
- 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 the Computer Centre. The Director of the Computer Centre reports to the



## **Statement of Governance and Internal Control (continued)**

Vice-President for Innovation since the 1<sup>st</sup> February 2013. Prior to that, and for many years, the Director reported directly to the President. The Computer Centre presents an annual report to the Academic Council Support Services Committee, a sub-committee of Academic Council which is chaired by the Vice-President Academic, Registrar and Deputy President. The Director of the Computer Centre reports to the Information Technology Management Steering Committee (ITMSC), a sub-committee of the University Executive. The Vice-President for Innovation chairs this Committee. The Committee met on seven occasions during the year.

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.

- Quality is of primary importance to the university and responsibility for this function is held by the Vice-President for Strategy & Quality. All academic departments are externally reviewed on a rolling five year cycle. Findings are brought to the attention of the President and Academic Council. An Annual Report is provided to the University Executive and Governing Authority. They also feed into the annual budget setting process if required. Support service departments follow a similar cycle.
- The university is fully aware of the obligations under the Equality Sections of the Universities Acts 1997 – 2006 and other equality legislation.
- 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. 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 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 11<sup>th</sup> June 2015.

- The subsidiary companies do not employ any staff directly. 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 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 the subsidiary companies.
  2. Each subsidiary produces its own financial statements which are independently audited. All subsidiaries are included in the Consolidated Financial Statements.
  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 active subsidiaries 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.

### **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 proper books of account 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*, the Statement of Recommended Practice – “*Accounting for Further and Higher Education Institutions*” and are prepared in accordance with accounting standards generally accepted in Ireland. 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 26<sup>th</sup> November 2015



Professor Philip Nolan  
President

26<sup>th</sup> November 2015



Dr Mike O'Malley  
Bursar

26<sup>th</sup> November 2015



## Comptroller and Auditor General Report for presentation to the Houses of the Oireachtas

### National University of Ireland, Maynooth

I have audited the consolidated financial statements of the National University of Ireland, Maynooth for the year ended 30 September 2014 (the financial statements) under the Universities Act 1997. The financial statements to which this audit report relates and which have been prepared under the accounting policies set out therein, comprise the statement of accounting policies, the consolidated income and expenditure account, the consolidated statement of total recognised gains and losses, the consolidated and university balance sheets, the consolidated cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is the Universities Act 1997 and generally accepted accounting practice in Ireland.

#### Responsibilities of the University

The University is responsible for the preparation of the financial statements, for ensuring that they give a true and fair view of the state of the University's affairs and of its income and expenditure, and for ensuring the regularity of transactions.

#### Responsibilities of the Comptroller and Auditor General

My responsibility is to audit the financial statements and report on them in accordance with the Universities Act 1997.

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.

My audit is carried out in accordance with the International Standards on Auditing (UK and Ireland) and in compliance with the Auditing Practices Board's Ethical Standards for Auditors.

#### Scope of audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements, sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error.

This includes an assessment of

- whether the accounting policies are appropriate to the University's circumstances, and have been consistently applied and adequately disclosed
- the reasonableness of significant accounting estimates made in the preparation of the financial statements, and
- the overall presentation of the financial statements.

I seek to rely on evidence from an audit of the financial statements by auditors engaged by the University. I also seek to obtain evidence about the regularity of financial transactions in the course of audit.

In addition, I assess the consistency of the other information presented with the financial statements. If I become aware of any apparent material misstatements or inconsistencies, I consider the implications for my report.

#### Opinion on the financial statements

In my opinion, the financial statements, which have been properly prepared in accordance with generally accepted accounting practice in Ireland, give a true and fair view of the state of the affairs of the University and of the University group at 30 September 2014 and of the income and expenditure of the University group for the year then ended.

In my opinion, proper books of account have been kept by the University. The financial statements are in agreement with the books of account.

#### Future pension arrangements

Without qualifying my opinion, I draw attention to Note 24 and to the recognition as at 30 September 2014 of an asset of €324 million in respect of deferred pension funding.

The defined benefit pension arrangements operated by the University consist of the National University of Ireland Maynooth (Closed) Scheme 2009, the Single Public Service Pension Scheme and the National University of Ireland Maynooth Employee Superannuation Scheme 2007.



The Financial Measures (Miscellaneous Provisions) Act 2009 provided for the transfer of the assets of the Closed Scheme to the National Pensions Reserve Fund. This transfer was effected on 31 December 2009. Any annual deficiency between superannuation contributions withheld or retained and benefits payable under the closed scheme are made good by payments to the University from funds provided by the Oireachtas for that purpose.

The Single Public Service Pension Scheme applies to all new staff that have joined the public sector as new entrants on or after 1 January 2013. All employee contributions for this scheme are paid into a state pension account. The Public Service Pensions (Single Scheme and Other Provisions) Act 2012 provides for all pension payments for the scheme to be made by the University from funds provided by the Oireachtas for that purpose.

The recognition of the asset in respect of the 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 to fund future pension liabilities.

#### **Matters on which I report by exception**

I report by exception if

- I have not received all the information and explanations I required for my audit, or
- my audit noted any material instance where public money has not been applied for the purposes intended or where the transactions did not conform to the authorities governing them, or
- the statement on corporate governance does not reflect the University's compliance with the governance arrangements set out in the Code of Governance of Irish Universities, or
- I find there are other material matters relating to the manner in which public business has been conducted.

#### **Procurement non-compliance**

I draw attention to the disclosures on page 12 of the statement of corporate governance regarding specific instances of non-compliance with national procurement guidelines.



**Seamus McCarthy**  
**Comptroller and Auditor General**

**15** December 2015

## **Statement of Accounting Policies**

### **Basis of Preparation**

The financial statements have been prepared in accordance with accounting standards generally accepted in Ireland and the Statement of Recommended Practice – “Accounting for Further and Higher Education Institutions”. Accounting standards generally accepted in Ireland in preparing financial statements giving a true and fair view are those published by the Institute of Chartered Accountants in Ireland and issued by the Accounting Standards Board.

### **Accounting Convention**

The financial statements have been prepared under the historical cost convention.

### **Basis of Consolidation**

The consolidated financial statements include the university and its subsidiary undertakings and other undertakings in which the university has a financial interest, as indicated in Note 12. Intra-group sales and profits are eliminated fully on consolidation. Joint venture undertakings are accounted for on an equity basis.

In accordance with FRS2, the activities of the Students Unions have not been consolidated because the university does not control those activities. The financial statements of Maynooth University Foundation Limited are also excluded, as it is not controlled by the university.

### **Recognition of Income**

Recurrent grants from the Higher Education Authority are recognised in the period, in which they are receivable. Non-recurrent grants from the Higher Education Authority are recognised in the period, in which they are received.

Academic fees are recognised in the period in which they are receivable.

Non-recurrent grants from the Higher Education Authority or other bodies received in respect of the acquisition or construction of fixed assets are treated as deferred capital grants and amortised in line with depreciation over the life of the assets.

Income from research grants, contracts and other services rendered is included to the extent of the completion of the contract or service concerned. This is generally equivalent to the sum of the relevant expenditure incurred during the year and any related contributions towards overhead costs received. All income from short-term deposits is credited to the income and expenditure account in the period in which it is earned.

### **Endowment Funds**

Income from specific endowments and donations is included to the extent of the relevant expenditure incurred during the year, together with any related contributions towards overhead costs.

Funds related to specific endowments and donations, which are subject to specific conditions imposed by the donors, are recognised under creditors and are ring-fenced for the purpose for which they were originally intended.



**Statement of Accounting Policies (continued)****Fixed Assets and Depreciation**

Land is stated at cost and is not depreciated.

Depreciation is calculated to write off the book value of each tangible fixed asset during its useful economic life on a straight-line basis at the following rates:

Buildings	10 to 50 years
Equipment & Furniture	5 to 10 years
Motor Vehicles	5 years
Computer and Related Equipment	3 years
Heritage Assets	Not Depreciated

Assets are not depreciated until fully commissioned. Additions to some building assets are depreciated over the remaining life of the building.

**Equipment and Minor Works**

Equipment costing less than €10,000 per individual item is written off to the income and expenditure account in the year of acquisition. All other equipment is capitalised at cost.

Where equipment is acquired with the aid of specific grants it is capitalised and depreciated in accordance with the above policy, with the related grant being credited to a deferred capital grant account and released to income and expenditure account over the expected useful economic life of the related equipment.

**Leased Assets**

Leasing agreements that transfer to the university substantially all the benefits and risks of ownership of assets are treated as if the asset had been purchased outright. The assets are included in fixed assets and the capital element of the leasing commitments is shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged to the income and expenditure account in proportion to the reducing capital element outstanding. Assets held under finance leases are depreciated over the shorter of the lease term or the useful economic lives of equivalent owned assets.

Assets which are held under hire purchase contracts which have the characteristics of finance leases are depreciated over their useful lives. Rental costs under operating leases are charged to expenditure in equal annual amounts over the period of the lease.

**Financial Assets**

Financial assets are held at cost less provision for impairment.

**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 balance sheet 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 balance sheet. Valuations for donated collections cannot reasonably be obtained and hence they are not recognised on the balance sheet.

## **Statement of Accounting Policies (continued)**

The university has a duty of care to safeguard these assets. All expenses incurred in relation to the preservation and conservation of these assets are expensed as incurred.

### **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. Two subsidiary companies NUIM Facilities One Limited and NUIM Facilities Two Limited hold charitable status and are exempt from taxation.

### **Deferred Taxation**

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

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 periods for taxation purposes.

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

### **Provisions**

Provisions are recognised when the university has a present legal or constructive obligation as a result of a past event, it is probable that a transfer of economic benefit will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

### **Retirement Benefits**

The university operates three defined benefit pension schemes as detailed in Note 24. 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 costs on scheme liabilities, and actuarial gains and losses are calculated in accordance with FRS 17, with equivalent amounts recognised on foot of the transfer arrangement in the income and expenditure account and statement of total recognised gains and losses. Contributions to the scheme represent a cost to the university and are charged to the income and expenditure account.

As further detailed in note 24, a deferred pension funding asset has been recognised equivalent to the university's pension liabilities.

### **Foreign Currency Translation**

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 year-end rates or, where there are related forward foreign exchange contracts, at contract rates. The resulting exchange differences are dealt with in the determination of income and expenditure for the financial year.



*Consolidated Financial Statements*  
*Year ended 30th September 2014*

## Consolidated Income and Expenditure Account

		2014		(as restated) 2013	
	Notes	€	€	€	€
<b>INCOME</b>					
State Grants	1		22,346,634		21,835,924
Student Fees	2		51,445,411		48,204,754
Research Grants and Contracts	3		18,863,670		20,146,683
Amortisation of Deferred Capital Grants	17		3,634,167		3,979,091
Other Operating Income	4		5,955,160		6,384,761
Interest Income	5		789,455		1,401,701
Net Deferred Funding for Pensions	24		19,873,792		19,738,556
Total Income			122,908,289		121,691,470
<b>EXPENDITURE</b>					
Staff Costs	6	66,782,985		64,338,538	
FRS 17 Impact	6/24	9,159,792	75,942,777	9,146,556	73,485,094
Other Operating Expenses	7		31,274,837		31,182,871
Interest Payable - FRS 17 Impact	8/24	10,714,000	10,714,000	10,592,000	10,592,000
Depreciation	11		4,620,081		5,062,013
Total Expenditure			122,551,695		120,321,978
Surplus before Joint Arrangement Surplus			356,594		1,369,492
Share of Joint Arrangement Surplus	12		413,374		150,000
Surplus before Tax			769,968		1,519,492
Tax	9		-		-
Surplus after Tax	10		769,968		1,519,492

The Statement of Accounting Policies (pages 19 to 21), Cash Flow Statement (page 25) and Notes to the Financial Statements (pages 26 to 43) form part of these Financial Statements.

The surplus for the year arose solely from continuing operations.



Professor Philip Nolan  
President



Dr Mike O'Malley  
Bursar

*Consolidated Financial Statements*  
*Year ended 30th September 2014*

**Consolidated Statement of Total Recognised Gains and Losses**

		2014	(as restated) 2013
	Notes	€	€
Surplus for the year	10	769,968	1,519,492
Actuarial (Loss)/Gain on Pension Liabilities	24	(41,499,000)	27,540,000
Adjustment to Deferred Pension Funding	24	41,499,000	(27,540,000)
Total Recognised Gain in the year		769,968	1,519,492
Prior Year Adjustment (as explained in Note 29)		2,006,562	-
Total Recognised Gain since last annual report		2,776,530	1,519,492

The Statement of Accounting Policies (pages 19 to 21), Cash Flow Statement (page 25) and Notes to the Financial Statements (pages 26 to 43) form part of these Financial Statements.





Consolidated Financial Statements  
as at 30th September 2014

## Consolidated and University Balance Sheets

	Notes	Consolidated (as restated)		University (as restated)	
		2014	2013	2014	2013
		€	€	€	€
<b>Fixed Assets</b>					
Tangible Assets	11	164,581,893	154,576,379	161,857,488	151,776,296
Financial Assets	12	250,177	272,814	308	308
		164,832,070	154,849,193	161,857,796	151,776,604
<b>Current Assets</b>					
Debtors	13	13,562,778	14,991,303	15,618,823	17,069,984
Bank		40,428,718	46,157,039	40,401,506	46,129,745
		53,991,496	61,148,342	56,020,329	63,199,729
<b>Current Liabilities</b>					
Creditors (Amounts due within 1 year)	14	(56,895,272)	(48,638,253)	(56,988,432)	(48,834,605)
<b>Net Current (Liabilities)/Assets</b>		<b>(2,903,776)</b>	<b>12,510,089</b>	<b>(968,103)</b>	<b>14,365,124</b>
<b>Total Assets Less Current Liabilities</b>		<b>161,928,294</b>	<b>167,359,282</b>	<b>160,889,693</b>	<b>166,141,728</b>
Creditors (Amounts due after 1 year)	16	-	(4,753,457)	-	(4,753,457)
<b>Net Assets before Pension</b>		161,928,294	162,605,825	160,889,693	161,388,271
<b>Deferred Pension Funding Asset</b>	24	324,040,000	264,250,000	324,040,000	264,250,000
<b>Pension Liability</b>	24	(324,040,000)	(264,250,000)	(324,040,000)	(264,250,000)
<b>Net Assets including Pension</b>		161,928,294	162,605,825	160,889,693	161,388,271
<b>Deferred Capital Grants</b>	17	<b>119,255,399</b>	<b>120,702,898</b>	<b>117,819,788</b>	<b>119,227,434</b>
<b>Represented by:</b>					
Revenue Reserves surplus	18	42,672,895	41,902,927	43,069,905	42,160,837
		161,928,294	162,605,825	160,889,693	161,388,271

The Statement of Accounting Policies (pages 19 to 21), Cash Flow Statement (page 25) and Notes to the Financial Statements (pages 26 to 43) form part of these Financial Statements.

  
 Professor Philip Nolan  
 President

  
 Dr Mike O'Malley  
 Bursar

*Consolidated Financial Statements*  
*Year ended 30th September 2014*

## Consolidated Cash Flow Statement

	Notes	2014	2013
		€	€
Net Cash Inflow/(Outflow) from Operating Activities	19	10,715,731	(4,764,188)
Distribution from Joint Arrangement	12	436,011	-
Returns on Investments and Servicing of Finance	20	789,455	1,401,701
Capital Expenditure and Financial Investment	21	(26,608,929)	(134,621)
Net Cash Outflow before Financing		(14,667,734)	(3,497,108)
Financing	22	8,939,415	(399,401)
Decrease in Cash in Year		(5,728,321)	(3,896,509)
<b>Reconciliation of Net Cash Outflow to Movement in Net Funds</b>			
Decrease in Cash in Year		(5,728,321)	(3,896,509)
Cash Inflow from Decrease in Debt and Lease Finance	22	5,230,586	399,401
Change in Net Funds resulting from Cash Outflows		(497,735)	(3,497,108)
Movement in Net Funds in year	23	(497,735)	(3,497,108)
Net Funds at beginning of year	23	40,926,453	44,423,561
Net Funds at end of year	23	40,428,718	40,926,453



*Consolidated Financial Statements*  
*Year ended 30th September 2014*

## Notes to the Financial Statements

	2014	2013
	€	€
<b>1. State Grants</b>		
Higher Education Authority grants for recurrent purposes	22,346,634	21,835,924
	<u>22,346,634</u>	<u>21,835,924</u>
<b>2. Student Fees</b>		
Academic Fee Income	50,983,013	47,946,521
Miscellaneous Fee Income	462,398	258,233
Total Fees Paid by or on behalf of Individual Students	51,445,411	48,204,754
	<u>51,445,411</u>	<u>48,204,754</u>
<b>3. Research Grants and Contracts</b>		(as restated)
State and Semi-State	13,096,330	15,705,042
European Union	2,408,835	1,598,842
Industry	1,768,556	1,961,373
Other	1,589,949	881,426
	18,863,670	20,146,683
	<u>18,863,670</u>	<u>20,146,683</u>
<b>4. Other Operating Income</b>		
Residences	2,148,496	1,780,064
Rents and Concessions	941,126	945,380
Other Income	2,865,538	3,659,317
	5,955,160	6,384,761
	<u>5,955,160</u>	<u>6,384,761</u>
<b>5. Interest Income</b>		
Interest Receivable	789,455	1,401,701
	<u>789,455</u>	<u>1,401,701</u>

*Consolidated Financial Statements*  
*Year ended 30th September 2014*

## Notes to the Financial Statements (continued)

	2014	2013
<b>6. Staff Costs</b>		
Average weekly number of persons (Including Senior Post Holders) expressed as full time equivalents, employed by the university during the year:	No.	No.
Teaching and Research	538	525
Technical	37	37
Central Administration and Services	270	270
Other	129	104
Total	974	936
	€	€
Salaries and Wages	58,114,708	55,024,020
Social Welfare Costs	4,828,069	4,548,074
Pension Costs	13,000,000	13,913,000
	75,942,777	73,485,094
<b>7. Other Operating Expenses</b>		
Travel and Subsistence	1,448,776	1,876,283
Consumables	3,563,575	3,813,112
Repairs and General Maintenance	2,881,061	2,530,099
Heat, Light, Water and Power	1,982,471	2,079,768
Books & Periodicals	2,024,160	1,830,979
Catering and Residence Operations	2,040,233	1,867,524
Audit, Professional and Consulting Fees	2,925,029	2,904,287
Rent and Rates	1,725,508	1,794,517
Capitation	1,408,927	1,337,109
Scholarships	1,466,248	1,313,204
Computer Software and Hardware	2,182,764	1,849,241
Print and Stationery	768,494	917,788
Conference Expenses	279,643	213,034
Other Expenses	6,577,949	6,855,926
	31,274,838	31,182,871
Other Operating Expenses Include:		
External Audit (Deloitte)	65,000	60,825
Statutory Audit (Comptroller & Auditor General)	22,000	24,033
Internal Audit (Mazars)	25,000	35,997
Other Services from Internal Audit (Mazars)	7,373	12,546
Other Services from External Audit (Deloitte)	11,790	50,786



*Consolidated Financial Statements*  
*Year ended 30th September 2014*

## Notes to the Financial Statements (continued)

	2014	2013
	€	€
<b>8. Interest Payable and Similar Charges</b>		
Pension Finance Charge	10,714,000	10,592,000
<b>9. Taxation</b>		
The university and two trading subsidiary undertakings, NUIM Facilities One Limited and NUIM Facilities Two Limited, are exempt from Corporation Tax. All other subsidiary undertakings liable to corporation tax did not trade during the year, therefore no corporation tax charge arises (2013: €Nil).		
<b>10. Surplus on Continuing Operations for the Year</b>		(as restated)
The Surplus on continuing operations for the year is made up as follows:		
University Surplus for the year	495,703	1,461,299
Deficit generated by subsidiary undertakings	(139,109)	(91,807)
Share of joint arrangement surplus	413,374	150,000
	769,968	1,519,492
<b>11. Tangible Fixed Assets</b>		
<b>11a Consolidated</b>		
	(as restated*)	(as restated*)
	Land & Buildings	Equipment
	€	€
Cost at 1 <sup>st</sup> October 2013	187,742,599	15,407,828
Additions at Cost	13,370,203	1,064,654
Disposals at Cost	-	(548,968)
Cost at 30 <sup>th</sup> September 2014	201,112,802	15,923,514
Depreciation at 1 <sup>st</sup> October 2013	35,630,122	13,069,926
Depreciation for Year	3,804,650	815,431
Depreciation on Disposals	-	(548,968)
Depreciation at 30 <sup>th</sup> September 2014	39,434,772	13,336,389
<b>Net Book Value</b>		
At 30 <sup>th</sup> September 2014	161,678,030	2,587,125
At 30 <sup>th</sup> September 2013	152,112,477	2,337,902

*Consolidated Financial Statements*  
*Year ended 30th September 2014*

## Notes to the Financial Statements (continued)

### 11. Tangible Fixed Assets (continued)

#### 11b University

	Land & Buildings €	(as restated*) Equipment €	(as restated*) Heritage Assets €	Total €
Cost at 1 <sup>st</sup> October 2013	183,958,702	15,021,261	126,000	199,105,963
Additions at Cost	13,370,203	1,064,653	190,738	14,625,594
Disposals at Cost	-	(548,968)	-	(548,968)
Cost at 30 <sup>th</sup> September 2014	197,328,905	15,536,946	316,738	213,182,589
Depreciation at 1 <sup>st</sup> October 2013	34,607,657	12,722,010	-	47,329,667
Depreciation for Year	3,728,971	815,431	-	4,544,402
Depreciation on Disposals	-	(548,968)	-	(548,968)
Depreciation at 30 <sup>th</sup> September 2014	38,336,628	12,988,473	-	51,325,101
<b>Net Book Value</b>				
<b>At 30<sup>th</sup> September 2014</b>	<b>158,992,277</b>	<b>2,548,473</b>	<b>316,738</b>	<b>161,857,488</b>
At 30 <sup>th</sup> September 2013	149,351,045	2,299,251	126,000	151,776,296

\*The opening cost of Equipment has been restated at 1<sup>st</sup> October 2013 to transfer €126,000 of Heritage Assets, to separate category in the note.



**Notes to the Financial Statements (continued)****11. Tangible Fixed Assets (continued)**

*The disclosures below relate to both Note 11a Consolidated and 11b University.*

Included in Cost of Land and Buildings is €12,709,515 (2013: €1,574,464) assets in the course of construction.

During the year ended 30<sup>th</sup> September 2003, the university completed the building of student residences "River Apartments Phase I". 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*. In applying Financial Reporting Standard 5 "*reporting the substance of transactions*" the university has accounted for the apartments in fixed assets on the basis of the commercial substance rather than the legal form. Due to unavoidable delays, the investors and the university have agreed an extended period in which the formal legal paperwork can be processed. The transaction will be completed during 2015/16.

During the year ended 30<sup>th</sup> September 2004, the university completed the building of student residences "River Apartments Phase II". 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*. In applying Financial Reporting Standard 5 "*reporting the substance of transactions*" the university has accounted for the apartments in fixed assets on the basis of the commercial substance rather than the legal form. During the year ended 30<sup>th</sup> September 2014, the university acquired the building at a cost of €14,170,001 from a group of investors. The funding for these transactions was in line with amounts previously agreed. The building is now in full ownership of the University.

**Heritage Assets**

Included in equipment are heritage assets comprising of 'Works of Art' totalling €146,738 and a library archive amounting to €170,000. These are not depreciated in line with the university's policy.

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 and which are maintained to the highest possible standards and are available to be consulted on appointment. Valuations for donated collections cannot reasonably be obtained and hence they are not recognised on the balance sheet.

During the year ended 30<sup>th</sup> September 2014 the university acquired a collection of documents formerly belonging to the late poet, translator and broadcaster Pearse Hutchison at a cost of €170,000. This collection is in the safekeeping of the university library and is made available for the university community and the enjoyment and education of the public.

**5 Year Summary of Heritage Assets:**

	<b>13/14</b>	<b>12/13</b>	<b>11/12</b>	<b>10/11</b>	<b>09/10</b>
Cost	126,000	13,000	13,000	13,000	13,000
Additions	<u>190,738</u>	<u>113,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cost at 30 <sup>th</sup> September	316,738	126,000	13,000	13,000	13,000

*Consolidated Financial Statements*  
*Year ended 30th September 2014*

**Notes to the Financial Statements (continued)**

	Consolidated		University	
	2014	2013	2014	2013
	€	€	€	€
<b>12. Financial Assets</b>				
Investments in Subsidiary undertakings	-	-	105	105
Other Investments	203	203	203	203
	203	203	308	308
Share of Joint Arrangement Net Assets				
At start of year	272,611	122,611	-	-
Income for year	413,374	150,000	-	-
Distribution	(436,011)	-	-	-
At end of year	249,974	272,611	-	-
Total	250,177	272,814	308	308

The university held an interest in the following subsidiary undertakings:

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%

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



**Notes to the Financial Statements (continued)****12. Financial Assets (continued)**

The university held an interest in the following associate undertakings and investments:

Associated undertaking	Principal activity	Interest	Registered Office
Cerebeo Ltd	Research	0% Dissolved on 6 <sup>th</sup> April 2014	Maynooth University, Maynooth, Co. Kildare
Igeotech Technologies Ltd	Research	20%	Block 8, Blackrock Business Park, Co. Dublin
Beemune Ltd	Research	24%	4 Village Green, Omeath, Co. Louth
Bluebox Sensors Ltd	Research	10%	1a Dartmouth Terrace, Ranelagh, Dublin 6.
Mutebutton Ltd	Research	9.2%	18 Main Street, Arklow, Co. Wicklow
Relational Frame Training Ltd	Research	14.9%	Blackwood, Robertstown Naas, Co Kildare
ISAAT Technologies Ltd	Research	4.8%	100 Leixlip Park, Leixlip, Co Kildare
Profector Life Sciences Ltd	Research	10.2%	1 Flemings Hall, Ballsbridge, Dublin 2
3 U Collaboration Ltd	Educational Collaboration	33.3%	25-28 North Wall Quay, Dublin 1
Odikyo Limited	Research	16%	Ashfield, Clonard, Co. Meath
Metric Capture Technologies Limited	Research	0% Dissolved on 21 <sup>st</sup> February 2014	15 Ballygoran View, Celbridge, Co. Kidare
Surface Tension Ltd.	Research	15.25%	The Holly, Ballynahallia, Moycullen, Co. Galway

**Joint Arrangement**

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.

*Consolidated Financial Statements*  
*Year ended 30th September 2014*

**Notes to the Financial Statements (continued)**

	Consolidated (as restated)		University (as restated)	
	2014	2013	2014	2013
	€	€	€	€
<b>13. Debtors</b>				
Contract Research Grants and Projects Receivable	2,331,853	4,005,834	2,331,853	4,005,834
Funded Pension Scheme	6,473,865	4,358,223	6,473,865	4,358,223
Accounts Receivable	2,241,141	2,713,029	2,241,141	2,713,029
Prepayments	935,288	1,203,511	935,288	1,203,511
Staff House Loans	154,294	211,831	154,294	211,830
Other Debtors*	1,426,337	2,498,875	1,426,337	2,498,875
Amounts due from Subsidiary Undertakings	-	-	1,806,071	1,806,071
Amounts due from Joint Venture	-	-	249,974	272,611
	13,562,778	14,991,303	15,618,823	17,069,984

\* Included in Other Debtors and Prepayments is an amount of €462,935 (2013: €520,802) falling due after more than one year

	Consolidated (as restated)		University (as restated)	
	2014	2013	2014	2013
	€	€	€	€
<b>14. Creditors (Amounts falling due within 1 year)</b>				
Lease Obligations	-	477,129	-	477,129
Contract Research Grants and Projects Unexpended in Advance	9,922,328	9,770,804	9,922,328	9,770,813
Model Scheme Pension	15,355,437	12,723,413	15,355,437	12,723,413
Other Amounts Received in Advance	3,603,845	3,987,549	3,603,845	3,987,549
Deferred Income (Note 15)	1,735,942	724,147	1,735,942	724,147
Academic Fees received in Advance	9,774,020	9,426,937	9,774,020	9,426,937
Trade Creditors	2,569,668	2,869,309	2,569,668	2,869,309
Accruals	5,427,609	2,691,215	5,427,610	2,691,215
Restricted Funds (Note 25)	3,214,091	-	3,214,091	-
Other Creditors	3,684,725	4,410,542	3,646,325	4,374,817
Other Taxation and Social Security	1,607,607	1,557,208	1,607,607	1,557,208
Amounts due to Subsidiary Undertakings	-	-	131,559	232,068
Total	56,895,272	48,638,253	56,988,432	48,834,605



**Notes to the Financial Statements (continued)**

15. Deferred Income	Consolidated & University	
	2014	2013
	€	€
State grant received in respect of current year	23,358,429	16,839,832
State grant deferred from prior accounting year (Note 14)	724,147	5,720,239
State grant deferred to subsequent accounting years (Note 14)	(1,735,942)	(724,147)
	<hr/>	<hr/>
State grant per financial statements (Note 1)	22,346,634	21,835,924
	<hr/>	<hr/>

State funding is allocated on a calendar year basis. The university financial year is based on the academic year from October to September. In accordance with the university's accounting policies recurrent grants have been recognised on an accruals basis. In any accounting year therefore, an element of funding will be deferred to subsequent accounting periods in order to match the funding to the related expenditure.

State Grant in 2014 includes an annual amount of €340,000 (2013: €350,000) to reflect annual HEA unfunded fixed term staff posts in position in 2003 and equivalent unfunded posts subsequent to 2003, on foot of the passing of the Protection of Employees (Fixed Term Work) Act 2003.

16. Creditors (Amounts due after 1 year)	Consolidated		University	
	2014	2013	2014	2013
	€	€	€	€
Lease Obligations	-	4,753,457	-	4,753,457
	<hr/>	<hr/>	<hr/>	<hr/>

*Consolidated Financial Statements*  
*Year ended 30th September 2014*

**Notes to the Financial Statements (continued)**

	State	Other Grants & Benefactors	Total
	€	€	€
<b>17. Deferred Capital Grants - Consolidated</b>			
At 1 <sup>st</sup> October 2013			
Buildings	80,518,543	39,975,683	120,494,226
Equipment	-	208,672	208,672
Total	80,518,543	40,184,355	120,702,898
Cash Received			
Buildings	438,023	835,561	1,273,584
Equipment	-	913,084	913,084
Total	438,023	1,748,645	2,186,668
Released to Income & Expenditure			
Buildings	2,001,449	1,117,846	3,119,295
Equipment	-	514,872	514,872
Total	2,001,449	1,632,718	3,634,167
At 30 <sup>th</sup> September 2014			
Buildings	78,955,117	39,693,398	118,648,515
Equipment	-	606,884	606,884
Total	78,955,117	40,300,282	119,255,399
<b>Deferred Capital Grants - University</b>			
At 1 <sup>st</sup> October 2013			
Buildings	80,518,543	38,340,803	118,859,346
Equipment	-	368,088	368,088
Total	80,518,543	38,708,891	119,227,434
Cash Received			
Buildings	438,023	835,560	1,273,583
Equipment	-	913,084	913,084
Total	438,023	1,748,644	2,186,667
Released to Income & Expenditure			
Buildings	2,001,449	1,078,561	3,080,010
Equipment	-	514,303	514,303
Total	2,001,449	1,592,864	3,594,313
At 30 <sup>th</sup> September 2014			
Buildings	78,955,117	38,097,802	117,052,919
Equipment	-	766,869	766,869
Total	78,955,117	38,864,671	117,819,788



*Consolidated Financial Statements*  
*Year ended 30th September 2014*

## Notes to the Financial Statements (continued)

	2014	2013 (as restated)
	€	€
<b>18. Reconciliation of Movement in Revenue Reserves</b>		
<b>Consolidated</b>		
At 1 <sup>st</sup> October as previously stated	41,902,927	38,376,873
Prior Year Adjustment (Note 29)	-	2,006,562
Opening reserves as restated	41,902,927	40,383,435
Surplus for the year	769,968	1,519,492
At 30 <sup>th</sup> September	42,672,895	41,902,927
<b>University</b>		
At 1 <sup>st</sup> October as previously stated	42,160,837	38,542,975
Prior Year Adjustment (Note 29)	-	2,006,562
Opening reserves as restated	42,160,837	40,549,537
Surplus for the year	909,068	1,611,300
At 30 <sup>th</sup> September	43,069,905	42,160,837
<b>19. Reconciliation of Consolidated Operating Surplus to Net Cash Inflow/(Outflow) from Operating Activities</b>		(as restated)
Surplus for the Year before Joint Arrangement Surplus	356,594	1,369,492
Depreciation	4,620,081	5,062,013
Deferred Capital Grants released to Income	(3,634,167)	(3,979,091)
Decrease/(Increase) in Debtors	1,428,525	(4,074,009)
Increase / (Decrease) in Creditors	8,734,153	(3,747,454)
Interest Receivable	(789,455)	(1,401,701)
Increase in Opening Reserves (Note 29)	-	2,006,562
Net Cash Inflow/(Outflow) from Operating Activities	10,715,731	(4,764,188)
<b>20. Returns on Investments and Servicing of Finance</b>		
Interest Received and Receivable	789,455	1,401,701
Net Cash Inflow from Returns on Investments and Servicing of Finance	789,455	1,401,701

*Consolidated Financial Statements*  
*Year ended 30th September 2014*

**Notes to the Financial Statements (continued)**

	2014	2013
	€	€
<b>21. Capital Expenditure and Financial Investment</b>		
Purchase of Tangible Fixed Assets	(14,625,595)	(4,587,824)
Payments to acquire S50 Apartments	(14,170,001)	-
Deferred Capital Grants Received	2,186,667	4,453,203
	(26,608,929)	(134,621)
<b>22. Financing</b>		
Decrease in Lease Obligations	(5,230,586)	(399,401)
Funding of S50 buyback	14,170,001	-
	8,939,415	(399,401)
	At 1/10/13	Cashflows
	€	€
<b>23. Analysis of Changes in Net Funds</b>		
Cash in Hand and at Bank	46,157,039	(5,728,321)
Lease Obligations	(5,230,586)	5,230,586
Total	40,926,453	(497,735)



**Notes to the Financial Statements (continued)****24. 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 31<sup>st</sup> January 2005 and is closed to new entrants. Up until 31<sup>st</sup> 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 31<sup>st</sup> 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 on the balance sheet date was €281.5m (2013: €235.2m).

***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 29<sup>th</sup> November 2004 and appointed or in receipt of an offer of employment dated no later than 31<sup>st</sup> 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 on the balance sheet date was €42m (2013: €29m).

***Single Public Service Pension Scheme***

The Single Scheme applies to all new staff who are joining the public sector as new entrants after the 1<sup>st</sup> 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 17 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 on the balance sheet date was €442k (2013: €58k).

**Summary of position at year end**

	2014	2013
	€'000	€'000
<b>Consolidated and University</b>		
Net Pension Liability - FRS 17	(324,040)	(264,250)
Pension receivable	324,040	264,250
	-	-

*Consolidated Financial Statements*  
*Year ended 30th September 2014*

## Notes to the Financial Statements (continued)

### 24. Retirement Benefits (continued)

The requirements of FRS 17 are fully adopted and the following movements are reflected in the financial statements.

The valuation of liabilities used for FRS 17 Disclosures has been based on an actuarial valuation carried out by an independent professionally qualified actuary at the balance sheet date. The financial assumptions used to calculate the retirement liabilities in relation to the defined benefit pension schemes under FRS17 as at 30<sup>th</sup> September 2014 and 30<sup>th</sup> September 2013 and 30<sup>th</sup> September 2012 were as follows:

	2014	2013	2012
<b>Financial Assumptions</b>			
Rate of increase in Salaries	1.90%	2.25%	2.50%
Rate of increase in Pensions in payment	1.90%	2.25%	2.50%
Discount Rate for Scheme Liabilities	2.75%	3.90%	3.75%
Inflation Assumption	1.65%	2.00%	2.25%

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.

	2014	2013	2012
	Years	Years	Years
Male	86.9-90.6	86.8-90.5	86.8-90.4
Female	88.7-92.6	88.6-92.5	88.5-92.4

### Analysis of the amount charged to the Income and Expenditure Account

	2014	2013
	€'000	€'000
<b>Staff costs</b>		
Current service cost	(13,000)	(12,626)
Past service cost	-	(1,287)
Total charge to operating expenses	(13,000)	(13,913)
<b>Other finance charges</b>		
Interest on pension scheme liabilities	(10,714)	(10,592)
Net finance charge	(10,714)	(10,592)
<b>Deferred Funding for Pensions in year</b>		
Funding recoverable in respect of current year pension costs	23,714	24,505
Contributions by employer payable to the State	(3,840)	(4,766)
Net Deferred Funding for Pensions in year	19,874	19,739



## Notes to the Financial Statements (continued)

## 24. Retirement Benefits (Continued)

## Analysis of the amount charged to Statement of Total Recognised Gains and Losses

	2014	2013
	€'000	€'000
Experience gains	8,710	12,229
Change in actuarial assumptions	(50,209)	15,311
Actuarial (loss)/gain	(41,499)	27,540

## Analysis of the movement in defined benefit obligation in the year

Present value of defined benefit obligation at beginning of year	(264,250)	(272,427)
Current service cost	(13,000)	(12,626)
Past service cost	-	(1,287)
Interest Cost	(10,714)	(10,592)
Benefits Paid	5,423	5,142
Actuarial (loss)/gain	(41,499)	27,540
Present value of defined benefit obligation at the end of year	(324,040)	(264,250)

## History of experience gains and losses is as follows:

	2014	2013	2012	2011	2010
	€'000	€'000	€'000	€'000	€'000
<i>Difference between the expected and actual return on scheme assets</i>					
Amount	-	-	-	-	(395)
Percentage of scheme assets	N/A	N/A	N/A	N/A	N/A
<i>Experience gains and losses on scheme liabilities</i>					
Amount	8,710	12,229	15,910	9,790	22,109
Percentage of scheme liabilities	2.68%	4.63%	5.84%	3.85%	7.48%
<i>Changes in Actuarial Assumptions</i>					
Amount	(50,209)	15,311	(15,052)	53,985	(40,630)
Percentage of scheme liabilities	(15.49%)	5.79%	(5.53%)	21.20%	(13.75%)

## Notes to the Financial Statements (continued)

	2014 €'000	2013 €'000
<b>Analysis of Deferred Pension Funding Asset</b>		
At beginning of year	264,250	272,427
Movement included in Staff costs	13,000	13,913
Movement included in Finance costs	10,714	10,592
Movement included in STRGL	41,499	(27,540)
Benefits Payable to the State	(5,423)	(5,142)
At end of year	324,040	264,250

### 25. 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 30<sup>th</sup> September 2014 was €249,974 (2013: €272,611).

**Maynooth University Foundation Limited:** Maynooth University Foundation is a separate legal entity, a company limited by guarantee, not under the control of the university and therefore is not consolidated in the annual Financial Statements. An amount of €77,155 was paid by Maynooth University Foundation Limited to Maynooth University to fund golf scholarships and student support (2013: €85,122).

During the year the university received funds of €2,038,079 and €1,176,012 from Maynooth University Foundation Limited for the provision of golf scholarships and student support respectively. These funds are ringfenced for the purpose for which they were originally intended and are included in creditors.

**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. During 2013/14, Maynooth University incurred expenses of €9,911 (2013: €31,574) on behalf of 3U Collaboration Limited, such amounts being owed by the Company to Maynooth University at the balance sheet date. Maynooth University advanced a loan of €100,000 to 3U Collaboration Limited during the year to keep it in funds. Both DCU and RCSI also advanced loans of €100,000 each to 3U Collaboration Limited.

#### Staff House Loans

Included in Staff House Loans is an amount of € Nil (2013: Nil) due from members of the Governing Authority in office at 30 September 2014. Repayments during the year amounted to €Nil (2013: €793).



*Consolidated Financial Statements*  
*Year ended 30th September 2014*

## Notes to the Financial Statements (continued)

	2014	2013
	€	€
<b>26. Capital Commitments</b>		
Commitments contracted at 30 <sup>th</sup> September 2014	24,059,089	19,642,372
Commitments authorised but not contracted at 30 <sup>th</sup> September 2014	<u>23,000,000</u>	<u>34,000,000</u>
	<u>47,059,089</u>	<u>53,642,372</u>

Contracted commitments include an amount of €1m outstanding on the new library which opened to users on the 3<sup>rd</sup> December 2012 and €9.9m relating to the new 8,000 m<sup>2</sup> ICT Hub Building which was under construction at the balance sheet date. An amount of €12.6m relates to a new integrated Education Hub Building to house all of the university's Education departments, including the Froebel Department of Primary and Early Childhood Education under one roof. The former trustees of Froebel College of Education have entered a contract with the university dated 31 August 2013, to contribute €4m to this development.

Capital works authorised by Governing Authority but not contracted at the balance sheet date relate to a new block of apartments with 297 beds.

In addition, a bespoke Wireless Oxygen Sensor was in the course of construction for the university following a public procurement competition. The total cost of the equipment is €96k with €30k outstanding at the balance sheet date.

Since the year-end the University and the contractor on the library project have engaged in a mediation process relating to the final account for the library due to the contractor. An agreement was reached in June 2015 with a final additional payment over and above the contracted amount of €1,142,954 plus VAT. This brings the total cost of the library project to €22.7m or 6% over the budgeted amount. The University is satisfied that the amount reflects the real value of additional works carried out over and above the tendered work.

	2014	2013
	€	€
<b>27. Operating Lease Commitments</b>		
Amounts payable during the next twelve months in respect of leases which expire after 5 years	1,324,060	1,315,242

Operating lease commitments are in respect of a 21 year property lease which commenced on 1<sup>st</sup> October 1998.

## 28. Contingent Liabilities

The university has no known material contingent liabilities at 30<sup>th</sup> September 2014 or 30<sup>th</sup> September 2013.

## **Notes to the Financial Statements (continued)**

### **29. Prior Year Adjustment – Research Grant Income**

Following a detailed review of the accounting policy applied to research grant income earned, the university changed its policy on the treatment of the overhead portion of research grant income earned. Previously, a portion of research grant income was deferred to future years on the basis that it was allocated to a research department or academic. From October 2012, all research income related to overheads is fully accounted for in the Income and Expenditure account when earned. As a result of this change in accounting policy, research grant income and the net surplus for the year ended 30<sup>th</sup> September 2013 decreased by €170,082, research creditors for the year ended 30<sup>th</sup> September 2013 decreased by €1,836,478 and the opening reserves at 1<sup>st</sup> October 2011 and 1<sup>st</sup> October 2012 increased by €1,836,478 and €2,006,562 respectively.

### **30. Comparative Figures**

Where possible comparative figures have been restated on the same basis as current year figures.

### **31. Approval of the Consolidated Financial Statements**

The Governing Authority approved the Consolidated Financial Statements on 26<sup>th</sup> November 2015.

**Reconciliation of 'Harmonisation of Accounts Funding Statement' with Consolidated Income and Expenditure Account and Explanatory Notes**

	NUIM Funding Statement	Unincorporated Ancillary Activity(1) €	GAAP Adjustments €	Subsidiary Companies €	Consolidated Accounts €
<b>INCOME</b>					
State Grants	22,346,634	-	-	-	22,346,634
Student Fees	50,434,627	-	1,010,784 (2)	-	51,445,411
Research Grants	20,897,639	-	(2,033,969) (3)	-	18,863,670
Amortisation	4,544,403	-	(910,236) (4)	-	3,634,167
Other Operating Income	1,954,228	4,351,343	(696,029) (5)	345,618	5,955,160
Interest Income	967,355	-	(177,900) (6)	-	789,455
Net Deferred Funding for Pensions	-	-	19,873,792 (9)	-	19,873,792
<b>Total Income</b>	<b>101,144,886</b>	<b>4,351,343</b>	<b>17,066,442</b>	<b>345,618</b>	<b>122,908,289</b>
<b>EXPENDITURE</b>					
Staff Costs	65,470,102	758,901	9,713,774 (8)	-	75,942,777
Other Operating Expenses	30,964,074	2,613,374	(2,496,308) (7)	193,697	31,274,837
Interest Payable	-	261,565	10,405,043 (9)	47,392	10,714,000
Depreciation	4,544,403	-	75,678	-	4,620,081
<b>Total Expenditure</b>	<b>100,978,579</b>	<b>3,633,840</b>	<b>17,698,187</b>	<b>241,089</b>	<b>122,551,695</b>
<b>Share of Joint Arrangement Surplus</b>	<b>-</b>	<b>-</b>	<b>413,374</b>	<b>-</b>	<b>413,374</b>
<b>Surplus before Tax</b>	<b>166,307</b>	<b>717,503</b>	<b>(218,371)</b>	<b>104,529</b>	<b>769,968</b>
<b>Surplus after Tax</b>	<b>166,307</b>	<b>717,503</b>	<b>(218,371)</b>	<b>104,529</b>	<b>769,968</b>

- 1. Ancillary Activities - €717,503** Ancillary activities as detailed in Note 14 of the Harmonisation of Accounts Funding Statement, are generally ineligible for state funding and under the Harmonisation Agreement, surpluses and losses on such activities are transferred directly to reserves. Under GAAP, ancillary activities are included in the Income and Expenditure account.
- 2. Reclassification of student fee income - €1,010,784** Under the Harmonisation Agreement, income and expenditure generated on the running of continuing education courses are reported as net debit or credit balances in the balance sheet. Under GAAP, such amounts are included in the Income and Expenditure Account. Additional costs accrue under staff costs and other operating expenses, equal to the additional income recognised.



## **Reconciliation of 'Harmonisation of Accounts Funding Statement' with Consolidated Income and Expenditure Account Explanatory Notes (Continued)**

- 3. Research Grants – (€2,033,969)** Under the Harmonisation Agreement, research grants are included in the Income and Expenditure account to the extent of expenditure (including capital expenditure) incurred in the year, while contribution from overhead is included in 'other income'. In 13/14 accumulated research overhead of €207,386 treated as a liability under harmonised accounts was released to the I&E in accordance with GAAP. Under GAAP, capital expenditure on research projects is capitalised while research overhead contribution is reported as part of research income. Under the Harmonisation Agreement certain Continuing Education activity is reported as other funded projects under Research Income. Under GAAP this is reclassified as fee income.
- 4. Amortisation of Deferred Capital Grants - (€910,236)** Under the Harmonisation Agreement, amortisation is matched with the depreciation charge, regardless of whether or not the asset is fully grant funded. This results in a neutral Income and Expenditure effect. Under GAAP, amortisation is calculated to write off the capital grant over the life of the asset. Where the asset is not fully grant funded the depreciation charge will be greater than the amortisation credit.
- 5. Other Operating Income - (€696,029)** Under the Harmonisation Agreement, contribution from research overhead is reported as part of other income, while this contribution is reported as research income under GAAP. The effect of this is to reduce operating income by €412,747.

Under the Harmonisation Agreement certain activities are not recognised in the Income and Expenditure Account. These include continuing education fees, funded scholarship awards and library receipts. Under GAAP both the income and expenditure must be recognised. The effect of this is to increase other operating income by €1,445,284 and increase student fee income by €342,790 (as detailed in Note 2 above). The corresponding impact on operating expenditure is explained in Note 7 below.

Under the Harmonisation Agreement the university's share of income and expenditure associated with a joint arrangement with St. Patrick's College, Maynooth for campus conference activities are recognised. Under GAAP only the contribution from this activity is recognised. The effect of this is to reduce other operating income by €1,166,491 and other operating expenditure by €753,177.

In the Harmonisation of Accounts Funding Statement, a contribution of €207,803 was received from a subsidiary company while a contribution of €47,392 was paid to a subsidiary company during the year. Under GAAP these inter-company contributions are eliminated, therefore reducing operating income by €255,195.

- 6. Interest earned – (€177,900)** Interest earned on S50 and of taxes consolidation act 1997 in respect of Student accommodation (Note 11 Consolidated financial statements) in the amount of €131,057 is credited to reserves in the Harmonisation of Accounts Funding statement. Under GAAP, this interest is included in the Income and Expenditure Account. During the year interest of €308,957 was earned by the university on funding provided to apartment operations included in ancillary activities and subsidiary company, NUIM Facilities One Limited for early settlement of external debt. This interest is eliminated on consolidation.
- 7. Other Operating Expenses – (€2,496,308)** Under the Harmonisation Agreement, internally funded capital projects are charged to the Income and Expenditure Account. Under GAAP this is excluded from the Income and Expenditure Account. The effect of this element of the adjustment is to reduce expenditure by €1,276,304.

## **Reconciliation of 'Harmonisation of Accounts Funding Statement' with Consolidated Income and Expenditure Account Explanatory Notes (Continued)**

Under the Harmonisation Agreement costs associated with repairs and upgrade of buildings (or similar items) can be provided once a decision to undertake the project is taken. Under GAAP this expenditure is recognised on an accrual accounting basis. The effect of this is to reduce expenditure by €930,946.

Under the Harmonisation Agreement certain expenditure on Continuing Education and Postgraduate Courses are recognised as Research expenditure. Under GAAP these amounts are excluded from Research expenditure. The effect of this is to reduce operating expenditure by €422,588.

As explained in Note 5 above, under the Harmonisation Agreement certain activities are not recognised in the Income and Expenditure Account. These include continuing education fees, funded scholarship awards and library receipts. Under GAAP both the income and expenditure must be recognised. The effect of this is to increase other operating expenditure by €3,298,401 and increase staff costs by €553,982.

Under the Harmonisation Agreement all research expenditure, including capital equipment is recognised as Research Income and Expenditure. Under GAAP capital equipment cannot be treated in this way. The effect of this is to reduce other operating expenditure by €913,084.

Under the Harmonisation Agreement the university's share of income and expenditure associated with a joint arrangement with St. Patrick's College, Maynooth for campus conference activities are recognised. Under GAAP only the contribution from this activity is recognised. The effect of this is to reduce other operating income by €1,166,491 and other operating expenditure by €753,177.

Under the Harmonisation Agreement 'Internal' balances, i.e. non-pay expenditure of academic departments and certain service departments are carried forward on the balance sheet. This is not permitted under GAAP. The effect of this is to increase operating expenditure by €45,893.

In the Harmonisation of Accounts Funding Statement a contribution of €47,392 was paid to a subsidiary company during the year. Under GAAP this inter-company contributions is eliminated, therefore reducing operating expenditure by €47,392.

8. **Staff Costs - €9,713,774** - As explained in note 9 below there is an increase in staff costs of €9,159,792 as a result of accounting for Pensions under FRS 17 *Retirement Benefits*. As explained in Note 7 above, under the Harmonisation Agreement certain activities are not recognised in the Income and Expenditure Account. These include continuing education fees, funded scholarship awards and library receipts. Under GAAP both the income and expenditure must be recognised. The effect of this is to increase staff costs by €553,982.
9. **Interest Payable (€10,405,043)/Net Deferred Funding for Pensions €19,873,792** - During the year interest of €308,957 was earned by the university on funding provided to apartment operations included in ancillary activities and subsidiary company, NUIM Facilities One Limited for early settlement of external debt. This interest is eliminated on consolidation. Under the Harmonisation Agreement the university accounts for pensions under SSAP 24. Under GAAP FRS 17 *Retirement Benefits* has been fully adopted. The impact of this is to increase staff costs by €9,159,792 and interest costs by €10,714,000 with a corresponding increase in income of €19,738,556.





Statement of the Accounts  
*of*  
National University of Ireland Maynooth  
*for the year ended 30<sup>th</sup> September 2014*

(Prepared under Harmonisation of Accounts Format)





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*Financial Statements*  
*Year ended 30th September 2014*

## **General Information**

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### **Auditors**

Deloitte & Touche,  
Chartered Accountants & Statutory Audit Firm,  
Deloitte & Touche House,  
Earlsfort Terrace,  
Dublin 2.

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### **Statutory Auditors**

Office of the Comptroller and Auditor General,  
Treasury Block,  
Dublin Castle,  
Dublin 2.

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### **Bankers**

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

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### **Legal Advisers**

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

## Statement of University's Responsibilities

The Financial Statements are prepared under the historical cost convention. They are presented in accordance with the existing Harmonisation of Accounts Agreement as adopted for all Irish Universities.

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

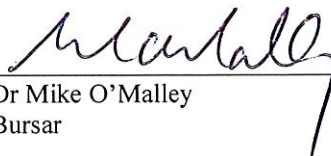
- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless that basis is inappropriate, and
- follow applicable accounting standards, subject to any material departures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

The university is responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the university and which enables it to ensure that its financial statements comply with the Universities Act 1997. The university is also responsible 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 26<sup>th</sup> November 2015



Professor Philip Nolan  
President



Dr Mike O'Malley  
Bursar



## **Statement of Accounting Policies**

### **A. Financial Statements**

The financial statements reflect the teaching, research and related service activities of National University of Ireland, Maynooth. The financial statements of the University's Pension Fund, and of financially independent ancillary activities, are presented separately.

### **B. Accounting Convention**

The Accounts are prepared under the historical cost convention. They are presented in accordance with the existing Harmonisation of Accounts Agreement as adopted for all Irish universities.

The Harmonisation of Accounts Agreement is not fully compliant with generally accepted accounting principles (GAAP). Financial Statements will also be prepared in a new format on a consolidated basis and in accordance with generally accepted accounting principles in Ireland.

### **C. State Grants for Recurrent Expenditure**

Recurrent Grants have been recognised on an accruals basis. Recurrent Grants which have been used for the purchase of fixed assets and for the financing of the capital portion of lease charges are transferred to Fixed Assets and General Reserve.

### **D. State Grants for Capital Expenditure.**

State Grants approved by the Higher Education Authority for capital expenditure are included in the financial statements of the period to the extent of funds received.

### **E. Fee Income**

Fee income is accounted for on an accruals basis and reported at EU and non-EU fee levels.

### **F. Approved Allocations**

The income and expenditure account is prepared on an accruals basis with the following exceptions:

- a) non-pay expenditure of academic departments and certain service departments.
- b) departmental equipment and minor works.

In these cases internal balances are carried forward in the Balance Sheet under Current Assets or Liabilities, as appropriate.

## **Statement of Accounting Policies (continued)**

### **G. Fixed Assets and Depreciation**

Land is valued on an existing use basis.

Buildings are stated at historical cost, as are additions during the year. These assets and all subsequent additions are depreciated as noted below.

Equipment, Fixtures and Fittings are valued at cost less depreciation. These assets and all subsequent additions are depreciated as noted below.

The estimated useful lives of fixed assets by reference to which depreciation has been calculated on a straight-line basis is as follows:

Buildings	10 to 50 years
Equipment and Furniture	5 to 10 years
Computer and Related Equipment	3 years
Heritage Assets	Not Depreciated

Equipment costing less than €10,000 per individual item is written off to the income and expenditure account in the year of acquisition.

Buildings are not depreciated until fully commissioned.

Depreciation is not provided on land.

### **H. Leased Assets**

The cost of fixed assets acquired under finance leases is included in fixed assets and written off over the estimated useful lives of the assets at the rates set out in the policy above, or over the lease period if shorter.

### **I. General Reserve**

The general reserve represents the value of funding, after amortisation, applied for capital purposes, together with the balance on ancillary service activities.

### **J. Research Grants and Projects**

Contract research and projects expenditure is shown net of contributions to indirect costs. Income from contract research grants and projects is included in the Income and Expenditure Account to the extent that the related expenditure has been incurred. Contract research contribution to the university's indirect costs is included in 'Other Income'. Fixed Assets financed from contract research grants are capitalised in the Balance Sheet.

## **Statement of Accounting Policies (continued)**

### **K. Foreign currency**

Costs denominated in foreign currencies are translated at the exchange rates ruling at the dates of the transactions. Assets and liabilities denominated in foreign currencies are translated into Euro at the rate of exchange ruling at the Balance Sheet date. The resulting profits or losses are dealt within the Income and Expenditure Account.

### **L. Taxation**

No provision has been made for taxation as the university holds tax-exempt status.

### **M. Ancillary Services**

Ancillary Services are services provided on campus, on a cost recovery basis, and are planned to break even in the medium term. The net outturn on such activities is transferred to the General Reserve Account.

### **N. Pensions**

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.

Pension supplementation refers to cost of pension increases awarded after retirement, and is charged to the Income and Expenditure Account.

### **O. Operating Leases**

Operating Leases are written off as incurred.




*Financial Statements*  
*Year ended 30th September 2014*

## Income and Expenditure Account

		2013/14	2012/13
	Notes	€	€
<b>INCOME</b>			
State Grants	1	22,346,634	21,835,924
Student Fees	2	50,434,627	46,889,968
Other Income	3	2,921,583	3,556,357
		<u>75,702,844</u>	<u>72,282,249</u>
Research Grants and Projects	4	20,897,639	20,747,645
Total		<u>96,600,483</u>	<u>93,029,894</u>
<b>EXPENDITURE</b>			
Academic Faculties and Departments	5	42,673,606	39,377,345
Academic and Other Services	6	6,836,905	6,366,497
Premises	7	9,547,744	9,517,193
Amount Allocated for Capital Purposes	8	1,276,304	1,380,982
Central Administration and Services	9	6,746,385	6,942,888
General Educational Expenditure	10	4,201,326	4,281,023
Student Services	11	3,483,393	3,449,948
Miscellaneous Expenditure	12	770,874	1,006,487
		<u>75,536,537</u>	<u>72,322,363</u>
Research Grants and Projects		20,897,639	20,747,645
Total	13	<u>96,434,176</u>	<u>93,070,008</u>
<b>Surplus/ (Deficit) on activities before Amortisation of Capital Reserves and Grants, Ancillary Services and Depreciation of Fixed Assets and exceptional items</b>		166,307	(40,114)
Surplus on Ancillary Services	14	717,503	771,367
Depreciation of Fixed Assets	15	(4,544,403)	(4,986,335)
General Reserve Movement	16	3,826,900	4,214,968
Net Surplus /(Deficit) for Year		<u>166,307</u>	<u>(40,114)</u>

The Statement of Accounting Policies (pages 51 to 53), Cash Flow Statement (page 56) and Notes to the Financial Statements (pages 57 to 71) form part of these Financial Statements.

  
 Professor Philip Nolan  
 President


  
 Dr Mike O'Malley  
 Bursar

*Financial Statements  
as at 30th September 2014*

## Balance Sheet

		2014	2013
	Notes	€	€
<b>Fixed Assets</b>	<b>17</b>	161,857,488	151,776,296
<b>Current Assets</b>			
Bank Balances and Cash		40,401,506	46,129,745
Debtors and Prepayments	<b>18</b>	17,947,417	18,986,080
		58,348,923	65,115,825
<b>Current Liabilities</b>			
Creditors and Accrued Expenditure due within One Year	<b>19</b>	(64,970,094)	(56,835,782)
Net Current (Liabilities)/ Assets		(6,621,171)	8,280,043
<b>Long Term Liabilities</b>			
Creditors Due after One Year	<b>21</b>	-	(4,753,457)
<b>Total Assets Less Liabilities</b>		155,236,317	155,302,882
<b>Represented by:</b>			
General Reserve	<b>22</b>	154,593,188	154,826,060
Revenue Reserves	<b>23</b>	643,129	476,822
<b>Total Funds</b>		155,236,317	155,302,882

The Statement of Accounting Policies (pages 51 to 53), Cash Flow Statement (page 56) and Notes to the Financial Statements (pages 57 to 71) form part of these Financial Statements.

  
 Professor Philip Nolan  
 President

  
 Dr Mike O'Malley  
 Bursar

*Financial Statements*  
*Year ended 30th September 2014*

## Cash Flow Statement

	Notes	2013/14		2012/13	
		€	€	€	€
<b>Net Cash Inflow/(Outflow) from Operating Activities</b>	<b>24</b>		9,566,537		(6,454,128)
<b>Returns on Investments and Servicing of Finance</b>					
Interest Received (Net)	3		967,355		1,405,414
<b>Capital Expenditure</b>					
Payments to acquire Tangible Fixed Assets	17		(14,625,595)		(4,587,824)
Payments to acquire S50 apartments			(14,170,001)		-
<b>Net Cash Outflow before Financing</b>			(18,261,704)		(9,636,538)
<b>Financing</b>					
H.E.A. Capital Grants		438,023		2,665,061	
Non-H.E.A. Capital Grants		3,156,028		3,474,369	
Finance Leases		(5,230,587)		(399,401)	
Funding of S50 Buyback		14,170,001		-	
<b>Cash Inflow from Financing</b>			12,533,465		5,740,029
<b>Net Cash Outflow after Financing</b>			(5,728,239)		(3,896,509)
<b>Decrease in Cash</b>	<b>25</b>		(5,728,239)		(3,896,509)



## Notes to the Financial Statements

	2013/14	2012/13
	€	€
<b>1. State Grants</b>		
Recurrent Grant	21,868,184	21,269,669
Targeted Funding for Special Initiatives	180,225	222,000
Minor Works	38,000	42,000
Graduate Skills Conversion Programme	260,225	302,255
Total	<u>22,346,634</u>	<u>21,835,924</u>
State Grant in 2013/14 includes an annual amount of €340,000 (2012/13 €350,000) to reflect HEA annual unfunded fixed term staff posts in position in 2003 and equivalent unfunded posts subsequent to 2003, on foot of the passing of the Protection of Employees (Fixed Term Work) Act 2003.		
<b>2. Student Fees</b>		
Academic	49,972,229	46,631,735
Miscellaneous Fee Income	<u>462,398</u>	<u>258,233</u>
Total	<u>50,434,627</u>	<u>46,889,968</u>
<b>3. Other Income</b>		
Interest Receivable (Net)	967,355	1,405,414
Rents and Concessions	941,126	945,380
Research Grants and Projects Contribution	552,596	728,034
Miscellaneous Income	<u>460,506</u>	<u>477,529</u>
Total	<u>2,921,583</u>	<u>3,556,357</u>
<b>4. Research Grants and Projects</b>		
Research Grants	19,912,953	19,675,403
Other Funded Projects	<u>984,686</u>	<u>1,072,242</u>
Total	<u>20,897,639</u>	<u>20,747,645</u>

## Notes to the Financial Statements (continued)

	2013/14			2012/13
	Staff Costs	Non-Pay	Total	Total
	€	€	€	€
<b>5. Academic Faculties and Departments</b>				
Academic	32,774,908	-	32,774,908	30,147,575
Technical	2,386,267	-	2,386,267	2,272,894
Administrative Support	3,456,963	-	3,456,963	3,248,015
Departmental Grants	-	3,895,576	3,895,576	3,509,737
Miscellaneous	-	159,892	159,892	199,124
Total	38,618,138	4,055,468	42,673,606	39,377,345
<b>6. Academic and Other Services</b>				
Library	2,398,542	1,011,314	3,409,856	3,119,569
Information Systems Services	1,668,133	867,528	2,535,661	2,362,470
Language Centre	358,165	85,577	443,742	472,579
Commercialisation Office	314,433	133,213	447,646	411,879
Total	4,739,273	2,097,632	6,836,905	6,366,497

## Notes to the Financial Statements (continued)

	2013/14			2012/13
	Staff Costs	Non-Pay	Total	Total
	€	€	€	€
<b>7. Premises</b>				
Premises Maintenance	1,120,359	1,651,035	2,771,394	2,423,766
General Services	1,534,811	1,192,026	2,726,837	2,883,185
Minor Works	-	38,000	38,000	38,000
Rent and Rates	-	1,725,508	1,725,508	1,794,517
Insurance	-	303,534	303,534	297,957
Energy	-	1,982,471	1,982,471	2,079,768
Total	2,655,170	6,892,574	9,547,744	9,517,193
<b>8. Amount Allocated for Capital Purposes</b>				
Capital Projects	-	943,997	943,997	1,344,429
Equipment	-	332,307	332,307	36,553
Total	-	1,276,304	1,276,304	1,380,982



## Notes to the Financial Statements (continued)

	2013/14			2012/13
	Staff Costs	Non-Pay	Total	Total
	€	€	€	€
<b>9. Central Administration and Services</b>				
Administration	4,842,769	-	4,842,769	4,716,786
Expenses	-	1,095,864	1,095,864	1,232,176
Professional Charges	-	521,803	521,803	740,047
Miscellaneous	-	285,949	285,949	253,879
Total	4,842,769	1,903,616	6,746,385	6,942,888
<b>10. General Educational Expenditure</b>				
Examination Expenses	432,096	88,300	520,396	629,984
Scholarships and Prizes	-	1,466,248	1,466,248	1,313,204
NUI Capitation	-	213,962	213,962	218,196
Miscellaneous*	526,385	1,474,335	2,000,720	2,119,639
Total	958,481	3,242,845	4,201,326	4,281,023

\* Miscellaneous includes Advertising  
Student Courses, Conferring,  
Prospectus, Targeted Funding etc.

## Notes to the Financial Statements (continued)

	2013/14			2012/13
	Staff Costs	Non-Pay	Total	Total
	€	€	€	€
<b>11. Student Services</b>				
Capitation and Other Grants	-	1,408,297	1,408,297	1,337,109
Student Services	488,119	137,262	625,381	539,065
Careers Advisory Service	341,975	28,000	369,975	398,003
Sports and Recreation	242,362	81,898	324,260	364,108
Health and Counselling	600,708	154,773	755,481	811,663
Total	1,673,164	1,810,230	3,483,394	3,449,948
<b>12. Miscellaneous Expenditure</b>				
Pension Supplementation	420,351	-	420,351	522,906
Miscellaneous	-	350,523	350,523	483,581
Total	420,351	350,523	770,874	1,006,487
<b>13. Composition of Total Expenditure</b>				
Academic and Related Services	53,907,346	21,629,191	75,536,537	72,322,363
Research Grants and Projects	11,562,754	9,334,885	20,897,639	20,747,645
Total	65,470,100	30,964,076	96,434,176	93,070,008

*Financial Statements**Year ended 30th September 2014***Notes to the Financial Statements (continued)**

		2012/13			2012/13
		Income	Expenditure	Surplus/ (Deficit)	Surplus/ (Deficit)
Notes		€	€	€	€
<b>14.</b>	<b>Surplus on Ancillary Services</b>				
	Parking	119,223	90,413	28,810	18,957
	Catering: Vending & Concessions	233,305	80,471	152,834	(7,663)
	Apartments	2,926,765	2,288,432	638,333	800,485
	Conference	1,166,551	753,177	413,374	150,000
	Photocopying	149,685	183,293	(33,608)	(42,346)
	Crèche	343,470	364,032	(20,562)	(11,176)
	Other	778,663	826,967	(48,304)	13,110
		<u>5,717,662</u>	<u>4,586,785</u>	1,130,877	921,367
	Transfer Conference Surplus to Other Income			(413,374)	(150,000)
	Total			<u>717,503</u>	<u>771,367</u>
<b>15.</b>	<b>Depreciation of Fixed Assets</b>				
	Buildings			3,728,972	3,699,585
	Equipment			815,431	1,286,750
	Total			<u>4,544,403</u>	<u>4,986,335</u>
<b>16.</b>	<b>General Reserve Movement</b>				
	Amortisation in Line with Depreciation			4,544,403	4,986,335
	Increase in Reserves on Ancillary Services from Income and Expenditure Account	14		(717,503)	(771,367)
	Total			<u>3,826,900</u>	<u>4,214,968</u>



## Notes to the Financial Statements (continued)

	Buildings €	Equipment & Furniture €	Total €
<b>17. Fixed Assets</b>			
Cost at 1 <sup>st</sup> October 2013	183,958,702	15,147,261	199,105,963
Additions at Cost	13,370,204	1,255,391	14,625,595
Disposals at Cost	-	(548,968)	(548,968)
Cost at 30 <sup>th</sup> September 2014	197,328,906	15,853,684	213,182,590
Depreciation at 1 <sup>st</sup> October 2013	34,607,657	12,722,010	47,329,667
Depreciation for the Year	3,728,972	815,431	4,544,403
Depreciation on Disposals	-	(548,968)	(548,968)
Depreciation at 30 <sup>th</sup> September 2014	38,336,629	12,988,473	51,325,102
<b>Net Book Value at 30<sup>th</sup> September 2014</b>	<b>158,992,277</b>	<b>2,865,211</b>	<b>161,857,488</b>
Net Book Value at 30 <sup>th</sup> September 2013	149,351,045	2,425,251	151,776,296

Included in Cost of Land and Buildings is €12,709,515 (2013: €1,574,464) assets in the course of construction.

During the year ended 30<sup>th</sup> September 2003, the university completed the building of student residences "River Apartments Phase I". 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*. In applying Financial Reporting Standard 5 "*reporting the substance of transactions*" the University has accounted for the apartments in fixed assets on the basis of the commercial substance rather than the legal form.

## Notes to the Financial Statements (continued)

### 17. Fixed Assets (*continued*)

During the year ended 30<sup>th</sup> September 2014, the university completed the building of student residences "River Apartments Phase II". 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*. In applying Financial Reporting Standard 5 "*reporting the substance of transactions*" the university has accounted for the apartments in fixed assets on the basis of the commercial substance rather than the legal form. During the year ended 30<sup>th</sup> September 2014, the university acquired the building at a cost of €14,170,001 from a group of investors. The funding for these transactions was in line with amounts previously agreed. The building is now in full ownership of the University.

	Notes	2014	2013
		€	€
<b>18. Debtors and Prepayments</b>			
Contract Research Grants and Projects Recoverable		2,917,672	4,005,835
Staff House Loans		154,295	211,830
Internal Balances		698,129	532,307
Funded Pension Scheme receivable from HEA	20	6,473,865	4,358,223
Other Debtors and Prepayments *		5,897,386	8,071,819
Amounts due from Subsidiary Undertakings	27	1,806,070	1,806,066
Total		17,947,417	18,986,080

\*Included in Other Debtors and Prepayments is an amount of €462,935 (2013: €520,802) falling due after more than one year.

## Notes to the Financial Statements (continued)

	Notes	2014	2013
		€	€
<b>19. Creditors and Accrued Expenditure</b>			
Lease Obligations		-	477,129
Contract Research Grants and Projects Unexpended		12,445,656	12,580,716
Model Scheme Pension payable to HEA	20	15,355,437	12,723,413
State Grant for Recurrent Expenditure received in advance		1,735,942	724,147
Academic Fees received in advance		9,774,020	9,426,937
Internal Balances		1,691,366	1,479,650
Other Creditors and Accruals		23,836,114	19,191,725
Amounts due to Subsidiary Undertakings	27	131,559	232,065
Total		64,970,094	56,835,782



*Financial Statements**Year ended 30th September 2014***Notes to the Financial Statements (continued)**

	<b>2014 Funded Scheme €</b>	<b>2014 Model Scheme €</b>
<b>20. Pension Control Account</b>		
<b>Opening Balance</b>	(4,358,223)	12,723,413
<i>Income</i>		
Employer Contributions *		
(i) At existing university funding rate	2,329,034	876,448
(ii) At ECF 20% funding rate	-	634,726
Employee Contributions	823,618	1,431,202
Pension transfers in	-	-
Supplementation income	420,352	-
Income in respect of the purchase of added years	53,247	-
	<hr/>	<hr/>
Total Income	3,626,251	2,942,376
	<hr/>	<hr/>
<i>Expenditure</i>		
Pensions in payment (including supplementation)	4,979,850	9,246
Lump sum payments on retirement	612,494	39,050
Death in service payments	-	-
Pension transfers out (cash payments)	-	-
Refunds of contributions	-	23,785
Administration & other costs	149,549	238,271
Transfer of funds to State	-	-
Total Expenditure	<hr/>	<hr/>
	5,741,893	310,352
	<hr/>	<hr/>
(Deficit)/Surplus in year	(2,115,642)	2,632,024
	<hr/>	<hr/>
Closing Balance – Grant (receivable from)/ payable to the HEA*	(6,473,865)	15,355,437
	<hr/>	<hr/>
Note	<b>18</b>	<b>19</b>

\* Excluding provision for employer contributions of €0 (2013: €350,000) in respect of core budget funded fixed term staff posts in position in 2003 and equivalent unfunded posts subsequent to 2003, on foot of the passing of the Protection of Employees (Fixed Term Work) Act 2003. This amount has been credited to State Grant Income in the current year.

Amount of €454,263 (2013: €91,624) for the Single Public Pension Scheme employer costs is including in Creditors and is not required to be included in Note 26, Pension Control Account.

## Notes to the Financial Statements (continued)

		2014	2013
		€	€
<b>21. Creditors Due After One Year</b>			
Lease Obligations		-	4,753,457
	<b>Opening Balance</b>	<b>Current Year Movement</b>	<b>Closing Balance</b>
	€	€	€
<b>22. General Reserve</b>			
State Capital Grants	105,398,655	438,023	105,836,678
Recurrent Funding Transfer	39,509,277	1,106,304	40,615,581
Capital Donations	27,957,744	-	27,957,744
Other*	46,667,330	2,767,204	49,434,534
Disposals	(17,377,279)	(548,968)	(17,926,247)
<b>Amortisation</b>			
Amortisation at 30 <sup>th</sup> September 2013	(47,329,667)	(4,544,403)	(51,874,070)
Amortisation on Disposals in year		548,968	548,968
Total	154,826,060	(232,872)	154,593,188
<p>* Other reserves include a capital levy collected from students during the year to fund capital expenditure on student buildings amounting to €835,560 (2013: €1,035,679).</p>			
		2013/14	2012/13
		€	
<b>23. Revenue Reserve</b>			
Opening Balance		476,822	516,936
Surplus/ (Deficit) for the Year		166,307	(40,114)
Closing Balance		643,129	476,822

## Notes to the Financial Statements (continued)

	2013/14		2012/13	
	€	€	€	€
<b>24.</b>				
<b>Reconciliation of Income and Expenditure</b>				
<b>Account Surplus/ (Deficit) to Net Cash</b>				
<b>Outflow from Operating Activities</b>				
Surplus/ (Deficit) for the Year		166,307		(40,114)
Less Interest Received (Net)		(967,355)		(1,405,414)
		<u>(801,048)</u>		<u>(1,445,528)</u>
Depreciation of Fixed Assets	4,544,403		4,986,335	
Amortisation of General Reserves	<u>(4,544,403)</u>		<u>(4,986,335)</u>	
Decrease/ (Increase) in Debtors and Prepayments		1,038,665		(4,571,269)
Increase / (Decrease) in Creditors and Accrued Expenditure due within One Year		8,611,417		(1,208,698)
Surplus in Ancillary Services		717,503		771,367
Net Cash Inflow/(Outflow) from Operating Activities		<u>9,566,537</u>		<u>(6,454,128)</u>
<b>25.</b>				
<b>Analysis of change in Cash and Cash</b>				
<b>Equivalents</b>				
Balance at 1 <sup>st</sup> October		46,129,745		50,026,254
Net Cash Outflow		<u>(5,728,239)</u>		<u>(3,896,509)</u>
Balance at 30 <sup>th</sup> September		<u>40,401,506</u>		<u>46,129,745</u>



## Notes to the Financial Statements (continued)

### 26. Pensions

During the year the university operated three defined benefit pension schemes. The total pension cost to the university in year was €3,840,208 (2013: €4,766,444).

***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 31<sup>st</sup> January 2005 and is closed to new entrants. Up until 31<sup>st</sup> 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 31<sup>st</sup> 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 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 29<sup>th</sup> November 2004 and appointed or in receipt of an offer of employment dated no later than 31<sup>st</sup> 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.

***Single Public Service Pension Scheme***

The Single Scheme applies to all new staff who are joining the public sector as new entrants after the 1<sup>st</sup> January 2013. It is titled *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 17 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.

## Notes to the Financial Statements (continued)

### 27. Related Party Disclosures

#### **NUIM Development Limited**

NUIM Development Limited is a related company, 100% owned by the university. Its principal activity is the construction of student accommodation. The balance due to the university at 30<sup>th</sup> September 2014 was €200 (2013: €200).

#### **NUIM Facilities One Limited**

NUIM Facilities One Limited is a related company, 100% owned by the university. Its principal activity is the provision of finance facilities in connection with Rye Hall. The balance due to the university at 30<sup>th</sup> September 2014 was €1,805,870 (2013: €1,805,866).

#### **NUIM Facilities Two Limited**

NUIM Facilities Two Limited is a related company, 100% owned by the university. Its principal activity is the provision of maintenance and rental collection services for student accommodation at Rye Hall. During the year a donation of €104,529 (2013: €263,786) was declared and paid to the university and a loan of €207,803 (2013: €263,786) was advanced to NUIM Facilities Two Limited. The university incurred running costs of €203,420 (2013: €184,095) and retained monies of €307,819 (2013: €397,330) during the year on behalf of the company. At 30<sup>th</sup> September 2014 there was an amount due to NUIM Facilities Two Limited of €131,559 (2013: €231,961).

#### **NUIM Student Residence Consortium**

NUIM Student Residence Consortium is a joint venture between NUIM Facilities Two Limited and a group of private investors to provide student accommodation facilities for the university. At 30<sup>th</sup> September 2014 there is a balance due from the private investors to NUIM Facilities One Limited of €2,742,634 (2013: €2,742,634).

#### **Maynooth University Enterprise Development Limited**

Maynooth University Enterprise Development Limited was established in 1994 as a holding company for intellectual property. It has not traded since the date of incorporation. The balance due by the university at 30<sup>th</sup> September 2014 was €3 (2013: €3).

#### **NUIM Finance Limited**

NUIM Finance Limited is a related company, 100% owned by the university. Its principal activity is to provide finance for student accommodation. The company has not traded since the date of incorporation. The balance due by the university at 30<sup>th</sup> September 2014 was €1 (2013: €1).

#### **NUI Maynooth International Limited**

NUI Maynooth International Limited is a related company, 100% owned by the university. Its principal activity is to promote the interests and reputation of the university outside Ireland. The company has not traded since the date of incorporation. The balance due by the university at 30<sup>th</sup> September 2014 was €100 (2013: €100).

#### **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 30<sup>th</sup> September 2014 was €249,974 (2013: €272,611).



**Notes to the Financial Statements (continued)****27. Related Party Disclosures (Continued)****Maynooth University Foundation Limited**

Maynooth University Foundation is a separate legal entity, a company limited by guarantee, not under the control of the university and therefore is not consolidated in the annual Financial Statements. During the year, a donation of €Nil (2013: €Nil) was paid to Maynooth University Foundation Limited to support administration costs. An amount of €77,155 was paid by Maynooth University Foundation Limited to Maynooth University to fund golf scholarships and student support (2013: €85,122).

During the year the university received funds of €2,038,079 and €1,176,012 from Maynooth University Foundation Limited for the provision of golf scholarships and student support respectively. These funds are ringfenced for the purpose for which they were originally intended and are included in creditors.

**Staff House Loans**

Included in Staff House Loans is an amount of €Nil (2013: €Nil) due from members of the Governing Authority in office at 30<sup>th</sup> September 2014. Repayments during the year amounted to €Nil (2013: €793).

	2014	2013
	€	€
<b>28. Capital Commitments</b>		
Commitments contracted at 30 <sup>th</sup> September 2014	24,059,089	19,642,372
Commitments authorised but not contracted at 30 <sup>th</sup> September 2014	23,000,000	34,000,000
	<u>47,059,089</u>	<u>53,642,372</u>

Contracted commitments include an amount of €1m outstanding on the new library which opened to users on the 3<sup>rd</sup> December 2012, €9.9m relating to the new 8,000 m<sup>2</sup> ICT Hub Building which was under construction at the balance sheet date. €12.6m relates to a new integrated Education Hub Building to house all of the university's Education departments, including the Froebel Department of Primary and Early Childhood Education under one roof. The former trustees of Froebel College of Education have entered a contract with the university dated 31 August 2013, to contribute €4m to this development.

Capital works authorised by Governing Authority but not contracted at the balance sheet date relate to a new block of apartments with 297 beds.

**29. Operating Lease Commitments**

	2014	2013
	€	€
Amounts payable during the next twelve months in respect of leases which expire after 5 years	1,324,060	1,315,242

Operating lease commitments are in respect of a 21 year property lease which commenced on 1<sup>st</sup> October 1998.

**30. Contingent Liabilities**

The University has no known material contingent liabilities at 30<sup>th</sup> September 2014.

**31. Comparative Figures**

Where necessary comparative figures have been restated on the same basis as current year figures

**32. Approval of the Financial Statements**

The 'Harmonisation of Accounts' funding statement was approved by the Governing Authority on the 26<sup>th</sup> November 2015.



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:



**European Research Council**  
Established by the European Commission

