

INSTITUTE OF TECHNOLOGY, SLIGO

FINANCIAL STATEMENTS FOR YEAR ENDED 31st AUGUST 2014

INSTITUTE OF TECHNOLOGY, SLIGO

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INSTITUTE OF TECHNOLOGY, SLIGO

Statement of Institute Responsibilities

The Institutes of Technology Acts 1992 to 2006 require the Institute to prepare financial statements in such form as may be approved by the Higher Education Authority and to submit them for audit to the Comptroller and Auditor General. In preparing these financial statements, the Institute 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.
- * disclose and explain any material departures from applicable accounting standards.

The Institute is responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the Institute and which enable it to ensure that the financial statements comply with the Institutes of Technology Acts 1992 to 2006. The Institute is also responsible for safeguarding its assets and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Chairman


Ray MagSharry

Date:

22/09/15

President


Professor V. Cunnane

Date:

22/09/15

INSTITUTE OF TECHNOLOGY, SLIGO

Statement on Internal Control

Responsibility for Internal Controls

On behalf of the Governing Body of the Institute of Technology, Sligo, we acknowledge our responsibility for ensuring that an effective system of Internal Control is maintained and operated. The system of internal controls consists of those processes used to identify, evaluate and manage the significant risks faced by the Institute in the management of its affairs.

Explanation of Internal Controls System

The system can only provide reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected on a timely basis.

Key Control Procedures

The Institute has taken steps to ensure an appropriate control environment including:

- Clearly defined organisational and management structure with associated policies and procedures.
- A Risk Management Committee which regularly reviews the risk register. Internal Audit Committee and Governing Body receive updates and approve the risk register.
- A Finance Committee which regularly reviews financial information including actual versus budgets with updates provided to the Governing Body.
- An Audit Committee with defined audit charter and clear terms of reference. It meets a number of times a year, to approve the audit strategy, annual audit plan and the outcome of audits undertaken. The minutes of the meetings are formally presented to the Governing Body. An annual report to the Governing Body covering the period from 1/9/2013 to 31/8/2014 was presented to the Governing Body on the 22nd October 2014 and approved by it.
- The Institute has outsourced the internal audit function. An internal audit strategy has been developed based on risk assessment.
- Regular updates are provided to the Governing Body on the performance of the Institute against the Strategic Plan.
- The Governing Body approved the annual governance statement on the 24th February 2014.

INSTITUTE OF TECHNOLOGY, SLIGO

Statement on Internal Control

The Governing Body's monitoring and review of the effectiveness of the system of internal control is informed by:

- the work of the Audit Committee which oversees the work of internal audit,
- executive managers who have responsibility for the development and maintenance of the internal control framework, and
- the recommendations made by the Comptroller and Auditor General in management letter(s) or other reports.

Annual Review of Controls

The Governing Body carried out a review of the effectiveness of the system of internal control for the year-ended 31 August 2014 at its meeting on the 22nd October 2014.

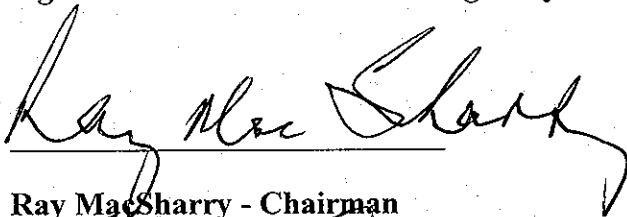
Internal control weaknesses

Weaknesses identified by external audit, internal audit or internal reviews are documented with actions to address same and responsible individuals identified. Follow up reviews are carried out and reported to the Internal Audit Committee and Governing Body.

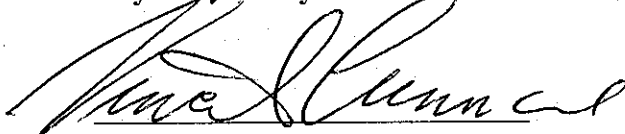
Code of Governance

We confirm that the Governing Body approved the Code of Governance of Irish Institutes of Technology, dated January 2012, at its meeting on 23rd April 2012 and the Institute complies with same.

Signed on behalf of the Governing Body of the Institute of Technology, Sligo:


Ray MacSharry - Chairman

Date 22/09/15


Professor V. Cunnane - President

Date 22/09/15



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

Institute of Technology Sligo

I have audited the consolidated financial statements of the Institute of Technology Sligo for the year ended 31 August 2014 under the Institutes of Technology Acts 1992 to 2006. The financial statements, 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 and Institute balance sheets, the consolidated cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is the Institutes of Technology Acts 1992 to 2006 and generally accepted accounting practice in Ireland.

Responsibilities of the Institute

The Institute is responsible for the preparation of the financial statements, for ensuring that they give a true and fair view of the state of the Group's and Institute's affairs and of the Group's 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 Institutes of Technology Acts 1992 to 2006.

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 Institute'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 also seek to obtain evidence about the regularity of financial transactions in the course of audit.

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 Group's and Institute's affairs at 31 August 2014 and of the Group's income and expenditure for the year then ended.

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

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 internal control does not reflect the Institute's compliance with the Code of Governance of Irish Institutes of Technology, or
- I find there are other material matters relating to the manner in which public business has been conducted.

I have nothing to report in regard to those matters.

Seamus McCarthy
Comptroller and Auditor General

30 September 2015

INSTITUTE OF TECHNOLOGY, SLIGO

Statement of Accounting Policies for year ended 31st August 2014

The significant accounting policies adopted by Institute of Technology, Sligo are as follows:

1. BASIS OF PREPARATION

The financial statements are prepared in accordance with generally accepted accounting principles in Ireland and the United Kingdom under the historical cost convention (except for certain assets which are included at valuation) and with the requirements of the Higher Education Authority.

Under the Institutes of Technology/DIT Act 2006 which came into operation on 1 February 2007 certain functions and funding which were previously exercised and provided by the Minister for Education and Skills were transferred to the Higher Education Authority.

2. BASIS OF CONSOLIDATION

The consolidated financial statements include the financial statements of the Institute and the Institute's subsidiaries, Ballinode Catering and Services Ltd and Institute of Technology Sligo Consultancy Research and Enterprise Development Ltd.

3. RECOGNITION OF INCOME

State Grants:

Recurrent grants from the Higher Education Authority and other bodies 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.

Devolved Grants:

The Minister for Education and Skills introduced a scheme to devolve responsibility to the Institute for Summer and other Capital Works. Where devolved grant monies, in respect of this scheme, have not been expended they are treated as deferred income, provided the projects to which they are committed have been approved by the Governing Body, are fully defined, time phased and with estimates of costs.

In all other cases devolved grant funding is recognised in the period received.

Research Grants and Contracts:

Income from Research Grants and contracts is matched to expenditure and is included in the income of the year in which the related expenditure has been incurred.

All research income and expenditure is shown under the headings 'Research Grants and Contracts'. Full provision is made for foreseeable losses.

INSTITUTE OF TECHNOLOGY, SLIGO

Statement of Accounting Policies for year ended 31st August 2014

Fee Income

Fee Income is accounted for on an accruals basis.

Interest Income:

All income from short term deposits is credited to the income and expenditure account in the period in which it is earned.

4. STOCKS

Expenditure on books and consumable stocks is charged to the Income and Expenditure Account as incurred.

5. LIQUID RESOURCES

Liquid resources comprise short-term deposits of less than one year.

6. FIXED ASSETS AND DEPRECIATION

Fixed assets, with the exception of land, are stated at historical cost or valuation less accumulated depreciation. Land is stated at historical cost or valuation.

(a) COST OR VALUATION

Fixed assets in existence on 1 January 1993 (date of commencement order) are stated at valuation. The basis of valuation of land and buildings is set out at note 14. Subsequent additions are stated at cost.

Buildings under construction are accounted for at cost based on the value of the architect's certificates and other direct costs incurred to the financial year end. They are not depreciated until they are brought into use.

(b) EQUIPMENT

From 1 September 2008, equipment costing less than €3,000 per individual item is written off to the income and expenditure account in the year of acquisition. Where individual items of equipment purchased are below the capitalisation limit (€3,000) and the total purchase invoice is in excess of the limit, these items are individually capitalised in the normal way.

INSTITUTE OF TECHNOLOGY, SLIGO

Statement of Accounting Policies for year ended 31st August 2014

(c) DEPRECIATION

Depreciation is provided on fixed assets, excluding land, on a straight line basis so as to write off their historical costs or valuations over their estimated useful lives as follows:

	Years
Buildings	50
Fixtures and Fittings including Prefabs	10
Computer equipment	3
Plant and Machinery	10
Equipment	5
Motor Vehicles	5

Computer equipment purchased before 1 September 2008 will continue to be depreciated on the basis of a four year life straight line depreciation policy. Computer Equipment purchased after that date will be depreciated on a three year life straight line basis.

All equipment funded from Research Grants and Contracts is depreciated over the life of the asset in line with the policy for all other Fixed Assets.

Leased Land and Buildings are depreciated over the life of the lease.

7. FOREIGN CURRENCIES

Transactions denominated in foreign currencies are translated into Euro and recorded at the rates of exchange ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into Euro at the rates of exchange ruling at the balance sheet date.

8. PENSIONS

The new Single Public Service Pension (“Single Scheme”) commenced with effect from 1 January 2013. All new entrants to pensionable public service employment on or after 1 January 2013 are, in general members of the Single Scheme. Monies received from employees under this scheme are returned to the Department of Public Expenditure and Reform.

All other pension entitlements of staff are conferred under a defined benefit scheme established under the Local Government (Superannuation) Act, 1980, and pension obligations are met by the Exchequer as they arise.

INSTITUTE OF TECHNOLOGY, SLIGO

Statement of Accounting Policies for year ended 31st August 2014

The superannuation scheme is operated on a Pay As You Go basis and therefore superannuation deductions made from employees are retained by the Institute, as an agreed part of its funding. The Institute does not make contributions towards the scheme and has no obligations in respect of entitlements.

9. DEFERRED CAPITAL GRANTS

Deferred Capital Grants represent the un-amortised value of accumulated funds allocated for fixed assets.

10. CAPITAL DEVELOPMENT RESERVE

The Capital Development Reserve represents funds set aside by the Institute for specified capital development purposes. Such funds arise from Student Registration Fees, non-State capital donations, banking facility fees and transfers from Revenue Reserves, in the latter case that have had the prior approval of the Higher Education Authority, together with bank interest earned on these monies. Such funds shall be retained in the Capital Development Reserve Account provided the defined projects to which they are committed are in line with the Institute's Capital Development Plan, have been approved by the Governing Body, time phased and with estimates of costs.

11. LEASED ASSETS

Rentals under operating leases are charged to the Income and Expenditure account in the period in which the expenditure is incurred.

INSTITUTE OF TECHNOLOGY, SLIGO

Consolidated Income and Expenditure for the Year Ended 31 August 2014

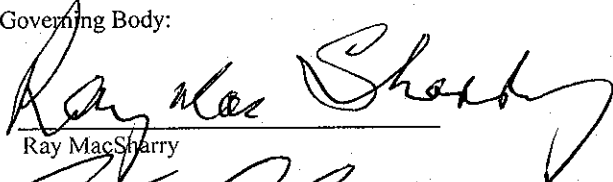
INCOME	NOTE	2014 €'000	2013 €'000
State Grant	1	17,494	17,012
Student Fees	2	18,626	17,387
Amortisation of Deferred Capital Grants	17	2,813	2,863
Research Grants and Contracts	3	2,734	1,344
Student Support Funding Income recognised	4	284	401
Other Income	5	2,612	2,296
Interest Income		433	1,023
		<hr/>	<hr/>
		44,996	42,326
 EXPENDITURE			
Academic Departments	6	23,033	23,304
Academic Services	7	1,990	1,873
Facilities Costs	8	3,013	3,198
Central Administration and Services	9	5,067	4,753
General Educational Expenses	10	947	1,034
Student Services	11	1,651	1,555
Research Grants and Contracts	3	2,006	1,375
Student Support Funding Income applied	4	284	401
Other		257	238
Depreciation	14	2,820	2,868
		<hr/>	<hr/>
		41,068	40,599
 OPERATING SURPLUS		<hr/>	<hr/>
		3,928	1,727
 TRANSFER TO CAPITAL DEVELOPMENT RESERVE		(1,515)	-
 ACCUMULATED SURPLUS AT 1st SEPTEMBER		<hr/>	<hr/>
		11,865	10,138
 ACCUMULATED SURPLUS AT 31st AUGUST		<hr/> <hr/>	<hr/> <hr/>
		14,278	11,865

There are no gains or losses other than those recognised above.

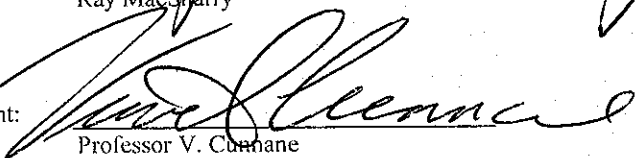
The Statement of Accounting Policies, Cash Flow Statement and Notes 1 to 26 form part of the financial statements.

Signed on behalf of the Governing Body:

Chairman:


Ray MacSharry

President:


Professor V. Cunnane

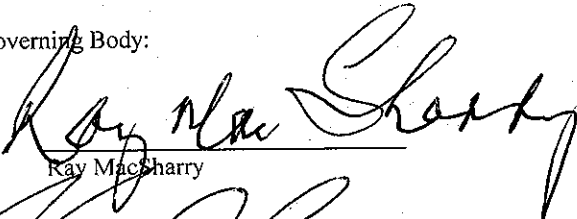
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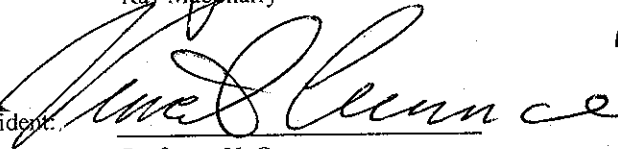
Consolidated Balance Sheet for the Year Ended 31 August 2014

	NOTE	2014 €'000	2013 €'000
FIXED ASSETS	14	76,057	69,529
		<u>76,057</u>	<u>69,529</u>
CURRENT ASSETS			
Debtors and Prepayments	15	2,021	1,817
Cash at bank and in hand		21,107	26,717
		<u>23,128</u>	<u>28,534</u>
CURRENT LIABILITIES			
Creditors and Accrued Expenses - Amounts falling due within one year	16	5,840	6,902
NET CURRENT ASSETS		<u>17,288</u>	<u>21,632</u>
NET ASSETS		<u><u>93,345</u></u>	<u><u>91,161</u></u>
REPRESENTED BY:			
Deferred Capital Grants	17	76,019	69,495
Income and Expenditure Account		14,278	11,865
Capital Development Reserve	20	<u>3,048</u>	<u>9,801</u>
		<u><u>93,345</u></u>	<u><u>91,161</u></u>

The Statement of Accounting Policies, Cash Flow Statement and Notes 1 to 26 form part of the financial statements.

Signed on behalf of the Governing Body:

Chairman: 
Ray MacSharry

President: 
Professor V. Cunnane

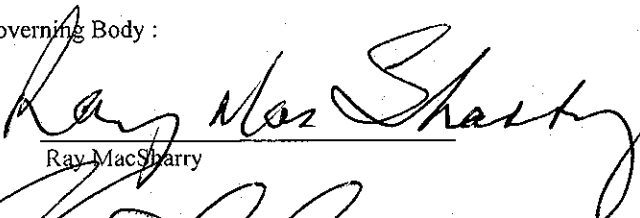
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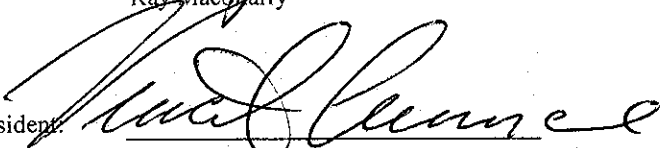
Institute Balance Sheet for the Year Ended 31 August 2014

	NOTE	2014 €'000	2013 €'000
FIXED ASSETS	14	76,019	69,495
		<u>76,019</u>	<u>69,495</u>
CURRENT ASSETS			
Debtors and Prepayments	15	2,125	1,964
Cash at bank and in hand		20,643	26,465
		<u>22,768</u>	<u>28,429</u>
CURRENT LIABILITIES			
Creditors and Accrued Expenses - Amounts falling due within one year	16	5,715	7,019
		<u>17,053</u>	<u>21,410</u>
NET CURRENT ASSETS			
		<u>93,072</u>	<u>90,905</u>
NET ASSETS			
		<u>93,072</u>	<u>90,905</u>
REPRESENTED BY:			
Deferred Capital Grants	17	76,019	69,495
Income and Expenditure Account		14,005	11,609
Capital Development Reserve	20	3,048	9,801
		<u>93,072</u>	<u>90,905</u>

The Statement of Accounting Policies, Cash Flow Statement and Notes 1 to 26 form part of the financial statements

Signed on behalf of the Governing Body :

Chairman: 
 Ray MacSharry

President: 
 Professor V. Cunnane

INSTITUTE OF TECHNOLOGY, SLIGO

Consolidated Cash Flow for the Year Ended 31 August 2014

	2014	2013
	€'000	€'000
Reconciliation of operating deficit to net cash inflow from operating activities		
Operating Surplus	3,928	1,725
Interest Income	(433)	(1,023)
(Profit)/Loss on disposal of Fixed Assets	-	-
Depreciation	2,820	2,868
Amortisation in line with asset depreciation	(2,813)	(2,863)
(Increase)/Decrease in Debtors	(258)	(506)
(Decrease)/Increase in Creditors	(733)	(904)
Net Cash (Outflow)/Inflow from Operating Activities	<u>2,511</u>	<u>(703)</u>

Cash Flow Statement

Net Cash (Outflow)/Inflow from Operating Activities	<u>2,511</u>	<u>(703)</u>
Interest Received	487	1,258
Capital Expenditure		
Payments to acquire Fixed Assets	(9,678)	(6,413)
Proceeds from the Disposal of Fixed Assets	-	-
<i>Net Cash Outflow for capital expenditure</i>	<u>(9,678)</u>	<u>(6,413)</u>
Financing		
State Capital Grants Spent on Fixed Assets	-	(28)
State Recurrent Grants Spent on Fixed Assets	876	1,559
Other funds spent on Fixed Assets	194	115
<i>Net Cash Inflow from Financing</i>	<u>1,070</u>	<u>1,646</u>
(Decrease)/Increase in Cash	<u><u>(5,610)</u></u>	<u><u>(4,212)</u></u>

Reconciliation of net cash flow to movement in net funds

(Decrease)/Increase in Cash	(5,610)	(4,212)
Opening net funds	<u>26,717</u>	<u>30,929</u>
Net Funds at 31 August	<u><u>21,107</u></u>	<u><u>26,717</u></u>


The Statement of Accounting Policies, Cash Flow Statement and Notes 1 to 26 form part of the financial statements

Signed on behalf of the Governing Body:

Chairman:


Ray MacSharry

President:


Professor V. Cummane

INSTITUTE OF TECHNOLOGY, SLIGO

Notes to the Financial Statements

1. STATE GRANTS

	Allocated for Recurrent Expenditure €'000	Allocated for Capital Expenditure €'000	Total 2014 €'000	Total 2013 €'000
State Grant for Recurrent Expenditure - Higher Education Authority	17,494	876	18,370	18,571
State Grant for Minor Capital Works - Department of Education and Skills	-	-	-	-
State Grant for Capital Expenditure - Department of Education and Skills	-	-	-	(28)
Total - 2014	17,494	876	18,370	18,543
Total - 2013	17,012	1,531	18,543	

The total cost of certain Higher Certificate and Ordinary Degree courses is subvented by the European Social Fund (ESF) at national level. State Grants for Recurrent Expenditure are partly funded from this EU assistance.

2. STUDENT FEES

	2014 Student No. (WTE)	2014 €'000	2013 Student No. (WTE)	2013 €'000
Fees Paid by State	3,623	2,996	3,620	3,797
Non-EU Fees	131	1,092	20	132
Fees paid by students or on behalf of students	155	461	279	207
Life Long Learning and Other Fees	776	4,467	740	4,460
Student Contribution		9,610		8,791
- Less allocated for capital expenditure				
	<u>4,685</u>	<u>18,626</u>	<u>4,659</u>	<u>17,387</u>

The Higher Education Authority paid tuition fees in the year of €2,070,064 for full time degree courses and €926,220 for higher certificate and ordinary degree courses the total costs of which are part funded by the ESF.

Student numbers are stated as wholtime equivalents, based on enrolled credits.

3. RESEARCH GRANTS AND CONTRACTS

	2014 €'000	2013 €'000
Income		
Research Grants and Contracts	2,910	1,447
- Less allocated for capital expenditure	(176)	(103)
	<u>2,734</u>	<u>1,344</u>
Expenditure		
Staff Costs	784	672
Non-Pay Costs		
Research materials	981	458
Consultancy Costs	10	34
Legal fees	5	21
Travel and Subsistence	90	80
Training and development	1	16
Equipment (Non Capitalised) purchases and maintenance	12	38
Other Expenses	123	56
	<u>2,006</u>	<u>1,375</u>
Net Outcome	<u>728</u>	<u>(31)</u>

Included in the Research Grant and Contract Income is an amount of €735,104 in respect of overhead recovery. The balance represents direct costs recovered for research work undertaken as outlined under Expenditure headings above.

INSTITUTE OF TECHNOLOGY, SLIGO

Notes to the Financial Statements

4. STUDENT SUPPORT FUNDING

	Disabilities €'000	Student Assistance €'000	2014 €'000	2013 €'000
Balance at 1 September 2013	11	95	106	126
Receipts				
Higher Education Authority	87	237	324	393
Amounts Applied				
Capital (equipment)		(16)	(16)	(12)
Non-capital	(85)	(199)	(284)	(401)
Balance at 31 August 2014	<u>13</u>	<u>117</u>	<u>130</u>	<u>106</u>

Funding is provided by the Higher Education Authority under the National Development Plan and is part funded by the European Social Fund.

5. OTHER INCOME

	2014 €'000	2013 €'000
Superannuation Deductions Retained	1,539	1,450
Rental of Facilities	51	30
Pay Costs recouped in respect of Seconded Staff	-	-
Photocopying and Printing Services	98	95
Socrates/Erasmus	84	57
Contribution for accommodation and living expenses for Non EU Students	351	-
Sundry Income	26	225
Carparking	40	36
Franchise Fees for banking service	131	262
Income from subsidiaries	292	141
	<u>2,612</u>	<u>2,296</u>

6. ACADEMIC DEPARTMENTS

	2014 €'000	2013 €'000
Pay Costs: Teaching	17,624	18,153
Technical	1,572	1,646
Administrative and Support	<u>1,692</u>	<u>1,654</u>
	20,888	21,453
Non-Pay Costs	2,145	1,851
TOTAL	<u>23,033</u>	<u>23,304</u>

INSTITUTE OF TECHNOLOGY, SLIGO

Notes to the Financial Statements

7. ACADEMIC SERVICES

	2014	2013
	€'000	€'000
Pay costs: Library & Computer Services:	1,259	1,224
Non-Pay Costs	731	649
TOTAL	<u>1,990</u>	<u>1,873</u>

8. FACILITIES COSTS

	2014	2013
	€'000	€'000
Pay Costs: Caretakers, Cleaning, Maintenance	535	554
Administration	<u>434</u>	<u>433</u>
	969	987
Non-Pay Costs	2,044	2,211
TOTAL	<u>3,013</u>	<u>3,198</u>

9. CENTRAL ADMINISTRATION AND SERVICES

	2014	2013
	€'000	€'000
Pay Costs: Administration	3,080	3,019
Non-Pay Costs	1,987	1,734
TOTAL	<u>5,067</u>	<u>4,753</u>

INSTITUTE OF TECHNOLOGY, SLIGO

Notes to the Financial Statements

10 GENERAL EDUCATIONAL EXPENSES

	2014 €'000	2013 €'000
Pay Costs: Student Support	475	441
Non-Pay Costs	472	593
TOTAL	<u>947</u>	<u>1,034</u>

11. STUDENT SERVICES

	Staff Costs €'000	Non-Pay €'000	2014 Total €'000	2013 Total €'000
Subventions to Student Union & Clubs & Societies		500	500	550
Student Services	194	301	495	457
Careers Advisory Service	64	-	64	101
Sports & Recreation	248	50	298	204
Health & Counselling	133	161	294	243
TOTAL	<u>639</u>	<u>1,012</u>	<u>1,651</u>	<u>1,555</u>

Notes to the Financial Statements

12. ANALYSIS OF EXPENDITURE

	Staff Costs €'000	Depreciation €'000	Other operating expenses €'000	2014 €'000	2013 €'000
Academic Department	20,888		2,145	23,033	23,304
Academic Services	1,259		731	1,990	1,873
Facilities Costs	969		2,044	3,013	3,198
Central Administration and Services	3,080		1,987	5,067	4,753
General Education Expenses	475		472	947	1,034
Student Services	639		1,012	1,651	1,555
Research Grants and Contracts	784		1,222	2,006	1,375
Student Support funding	-		284	284	401
Other	57		200	257	238
Depreciation		2,820		2,820	2,868
2014 Total	28,151	2,820	10,097	41,068	40,599
2013 Total	28,482	2,868	9,249	40,599	

Analysis of Other Operating Expenditure

Classroom materials	585	634
Fees payable to educational partners	395	363
Library materials	229	232
IT licensing/upgrade and maintenance	427	320
General Education	457	263
Student Services	1,010	788
Students Union and Clubs and Societies subvention	499	550
Grants to students funded by external bodies	160	147
Research costs	1,170	570
Equipment	322	318
Light and Heat	695	681
Security	221	223
Cleaning and waste disposal	412	357
Services and repairs	655	736
Rent and Rates	-66	83
Water rates	46	91
Travel, subsistence, etc	383	420
Training and development	290	367
Professional fees	612	662
Outsourced Services	150	-
Subscriptions to Sectoral Bodies	238	99
Communication costs	155	163
Office stationery and supplies	310	333
Advertising of courses	320	598
Staff recruitment costs	228	92
Insurance costs	194	159
Total	10,097	9,249

INSTITUTE OF TECHNOLOGY, SLIGO

Notes to the Financial Statements

13. TAXATION

The Institute of Technology, Sligo is exempt from Corporation Tax under a charitable status order.

14. FIXED ASSETS

	Total €'000	Buildings €'000	Buildings in course of construction €'000	Fixtures & Fittings incl. Prefabs €'000	Computer Equipment €'000	Plant & Machinery €'000	Equipment €'000	Motor Vehicles €'000
Cost or Valuation								
At 1 September 2013	111,692	80,306	2,947	4,504	9,711	1,977	12,197	50
Additions	9,349	8,303		231	329	18	468	-
Transfers	-	2,947	(2,947)					
Disposal	(142)	-	-	(4)	(40)	-	(98)	-
	<u>120,899</u>	<u>91,556</u>	<u>-</u>	<u>4,731</u>	<u>10,000</u>	<u>1,995</u>	<u>12,567</u>	<u>50</u>
Depreciation								
At 1 September 2013	(42,163)	(17,621)	-	(3,267)	(8,645)	(1,492)	(11,100)	(38)
Charge for year	(2,820)	(1,782)	-	(195)	(257)	(97)	(484)	(5)
Disposal	141	-	-	4	39	-	98	-
	<u>(44,842)</u>	<u>(19,403)</u>	<u>-</u>	<u>(3,458)</u>	<u>(8,863)</u>	<u>(1,589)</u>	<u>(11,486)</u>	<u>(43)</u>
Net Book Value								
At 31 August 2014	<u>76,057</u>	<u>72,153</u>	<u>-</u>	<u>1,273</u>	<u>1,137</u>	<u>406</u>	<u>1,081</u>	<u>7</u>
Net Book Value								
At 31 August 2013	<u>69,529</u>	<u>62,685</u>	<u>2,947</u>	<u>1,237</u>	<u>1,066</u>	<u>485</u>	<u>1,097</u>	<u>12</u>

Cost or Valuation:

Buildings in existence on 1 January 1993 have been valued on a depreciated replacement cost basis. No value was attributed to land in existence at that date. All other fixed assets in existence on that date have been valued by the Institute on the basis of open market value for existing use. Subsequent additions are stated at cost.

15. DEBTORS AND PREPAYMENTS

	2014 €'000	2013 €'000
Student Fees	299	591
State Recurrent Grant	330	-
State & Other Capital Grant	75	75
Student Services Charge	-	22
Maintenance Grant Payments Due	-	4
Research Grants and Contracts	281	241
Prepayments and Accrued Income	854	573
Other Debtors	182	311
Total	<u>2,021</u>	<u>1,817</u>

16. CREDITORS AND ACCRUED EXPENSES

	2014 €'000	2013 €'000
AMOUNTS FALLING DUE WITHIN ONE YEAR		
Payments Received in Advance :		
State Recurrent Grant	-	15
Research Grants and Contracts	1,385	1,806
Deferred Income Student Support Funding	130	95
Tuition fees and Student Registration Charges Payable	503	761
	<u>2,018</u>	<u>2,677</u>
Trade Creditors and Accruals	2,641	2,928
PAYE	462	440
PRSI	240	226
Other Creditors	131	139
Accruals and Deferred Income	348	492
	<u>3,822</u>	<u>4,225</u>
	<u><u>5,840</u></u>	<u><u>6,902</u></u>

17. DEFERRED CAPITAL GRANTS

	2014 €'000	2013 €'000
Opening Balance	69,495	65,337
Capital Grants Receivable		
State Grant for Minor Capital Works - Dept of Education and Skills	-	-
State Capital Grants - Dept of Education and Skills	-	(28)
Allocated from State Recurrent Grant - Higher Education Authority	876	1,559
State Capital Grants - Higher Education Authority	16	12
State Capital Grants - Enterprise Ireland	-	-
Other Capital Grants/Funding	178	103
	<u>1,070</u>	<u>1,646</u>
Transfer (to)/from Capital Development Reserve (Note 20)	8,268	5,375
Disposal of assets at cost	(142)	(161)
Reversal of depreciation relating to assets disposed	141	161
Release to Income		
Amortisation in Line with Asset Depreciation	<u>(2,813)</u>	<u>(2,863)</u>
Closing Balance	<u><u>76,019</u></u>	<u><u>69,495</u></u>

18. CAPITAL COMMITMENTS CONTRACTED FOR BUT NOT PROVIDED

The Institute had capital commitments of €1,356,540 at 31 August 2014.

Notes to the Financial Statements

19. STUDENT MAINTENANCE GRANTS	2014 €'000	2013 €'000
Receipts from Department of Education and Skills (Colleges Section)	653	1,599
Receipts from Department of Education and Skills (Student Support Unit)	308	609
Payments to students	(649)	(1,572)
Payments to students (top ups)	(308)	(609)
Net Cash Inflow	<u>4</u>	<u>27</u>
Opening Balance	(4)	(31)
Closing Balance	<u><u>-</u></u>	<u><u>(4)</u></u>

From September 2012 responsibility for the payment of Third Level Training and Top up Grants was allocated to SUSI (Student Universal Support Ireland). For students that had commenced study prior to this date, the payment of the Third Level Training Grant continues to be processed by the Institute. The level of grants processed by the Institute is therefore reducing in each period and from September 2015 all payments will be made by SUSI.

20. CAPITAL DEVELOPMENT RESERVE	2014 €'000	2013 €'000
Balance as at 1st September 2013	<u>9,801</u>	<u>15,176</u>
Transfer from Income & Expenditure Transfer from Revenue Reserves	1,515	-
Transfer to Capital Account	(8,268)	(5,375)
Closing Balance as at 31st August 2014	<u><u>3,048</u></u>	<u><u>9,801</u></u>

The Capital Development Reserve balance is made up of monies set aside to fund projects approved by the Governing Body. Project 1 is the refurbishment and extension of the Science Block. The budget approved for this project is €16.7M and €1,577,000 of the balance relates to this project. Project 2 is the updating of IT Equipment and the IT network across the Institute. The budget for this is €1,515,000 and €1,471,000 of the balance relates to this project.

Notes to the Financial Statements

21. ANCILLARY ACTIVITIES

(a) Research, Consultancy and Development

Certain research, consultancy and development activities of the Institute are conducted through Institute of Technology, Sligo Consultancy Research and Enterprise Development Limited (CREDCO). The Company is limited by guarantee.

From August 2002 no new Research Projects were undertaken by Credco. All research projects in existence at that time have since been completed. All new Research Projects have been undertaken through the Institute from that date onwards.

The financial results of the company per the audited accounts for the year ended 31 August 2014 were as follows:

	2014 €'000 Audited	2013 €'000 Audited
Income	173	137
Expenditure	(156)	(166)
Surplus/(Deficit)	17	(29)
Net Assets	161	144

(b) Commercial Services

Ballinode Catering and Services Limited a company limited by guarantee operates various commercial services within the College such as student health services, recreational facilities, etc.

The financial results of the company per the audited accounts for the year ended 31 August 2014 were as follows:

	2014 €'000 Audited	2013 €'000 Audited
Income	234	240
Expenditure	(193)	(190)
Surplus/(Deficit)	41	50
Net Assets	153	112

The financial statements of these entities have been consolidated with the accounts of the Institute. The financial statements of the companies are audited by independent auditors.

22. CONTINGENCIES

There were no contingencies existing at the 31st August 2014.

23. DISCLOSURE OF TRANSACTIONS - GOVERNING BODY MEMBERS

In the normal course of business the Institute may enter into contractual arrangements with undertakings in which the Institute's Governing Body members are employed or otherwise interested. The Institute has adopted procedures in accordance with the Code of Practice for the Governance of State Bodies in relation to the disclosure of interests by members of the Board and the Institute has complied with these procedures during the year.

24. EMPLOYEES

The average number of employees (whole-time equivalents) during the year was 457.5 (2013: 454), broken down as follows:

	2014	2013
Core Staff	427	421
Exchequer Funded Research Staff	2	1
Other Research and/or Specialist project-based posts funded from non-Exchequer sources	28.5	32
	<u>457.5</u>	<u>454</u>

25. COMPARATIVE FIGURES

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

26. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Governing Body on the 22nd September 2015.