

FINANCIAL STATEMENTS FOR
THE YEAR ENDED 30
SEPTEMBER 2023

**COLÁISTE NÁISIÚNTA EALAÍNE IS DEARTH
NATIONAL COLLEGE OF ART AND DESIGN**

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

College Information

Address National College of Art and Design
100 Thomas Street
Dublin 8
D08 K521

Auditors Comptroller and Auditor General
3A Mayor Street Upper
Dublin 1

Bankers Bank of Ireland
33-34 Arran Quay
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Dublin
D07 YP98

Solicitors St John Solicitors
Manor Street Business Park
6, Shea's Lane
Manor Street
Dublin 7
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McInnes Dunne Murphy Solicitors,
6, Mount Street Crescent,
Dublin 2

Arthur Cox LLP,
10 Earlsfort Terrace
Dublin 2

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

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NATIONAL COLLEGE OF ART AND DESIGN

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

Governance Statement and Board Members' Report

Governance

The National College of Art and Design (NCAD) was established under the National College of Art and Design Act, 1971. NCAD has adopted a corporate governance regime in accordance with the provisions and requirements of the NCAD Act and other statutory obligations, such as the Ethics Acts; and has adopted the Department of Finance's Code of Practice for the Governance of State Bodies (2016). Where applicable, it complies with the requirements of the Governance of Irish Universities (2012), a code produced jointly by the Higher Education Authority and Irish Universities Association. Accordingly, An Bord has put in place, and keeps under review and updates, as required, the functions of An Bord as set out in section 5 of this Act. An Bord is accountable to the Minister for Further and Higher Education, Research, Innovation and Science and is responsible for ensuring good governance and performs this task by setting strategic objectives and targets and taking strategic decisions on all key business issues. The regular day-to-day management, control and direction of the National College of Art and Design are the responsibility of the Director with delegated responsibility assigned to the senior management team. The Director and the senior management team follow the strategic direction set by An Bord as outlined in the 5 year Strategic Plan, and must ensure that all members of An Bord have a clear understanding of the key activities and decisions related to the entity, and of any significant risks likely to arise. The Director acts as a direct liaison between An Bord and management of the National College of Art and Design.

Responsibilities of An Bord

The work and responsibilities of An Bord are set out in its Terms of Reference which also contain the matters specifically reserved for decision of An Bord. The role of An Bord is:

- Sets the strategic direction of the College, consistent with government policy.
- Approves significant decisions such as the annual budget and property transactions as part of its Schedule of Matters Reserved for Decision by An Bord (see Section 7 of that document).
- Monitors the activities and effectiveness of management.
- Supports and provides counsel to management.
- Ensures that the College has a robust system of internal controls.

Standing items considered by An Bord include:

- Declaration of interests.
- Risk management.
- Reports from committees.
- Financial reports/management accounts.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

Governance Statement and Board Members' Report (Continued)

Section 15 (1) of the National College of Art and Design Act, 1971 requires An Bord to keep, in such form as may be approved by the Minister for Further and Higher Education, Research, Innovation and Science, with consent of the Minister for Public Expenditure and Reform, all proper and usual accounts of all money received and expended by it.

In preparing these financial statements, An Bord 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 it is inappropriate to presume that it will continue in operation, and
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

An Bord is responsible for keeping adequate accounting records which disclose, with reasonable accuracy at any time, its financial position and enable it to ensure that the financial statements comply with Section 15 (1) of the National College of Art and Design Act, 1971. The maintenance and integrity of the corporate and financial information on the College's website is the responsibility of An Bord.

An Bord is responsible for approving the annual plan and budget. The annual budget for the financial year 2022/23 was approved by An Bord 20 September 2022.

An Bord is also responsible for safeguarding its assets and hence for taking reasonable steps to prevent and detect fraud and other irregularities.

An Bord considers that the financial statements of the National College of Art and Design give a true and fair view of the financial performance and the financial position of the College as at 30 September 2023.

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Governance Statement and Board Members' Report (Continued)

An Bord Structure

An Bord consists of a Chairperson, five ordinary members all of whom are appointed by the Minister for Further and Higher Education, Research, Innovation and Science, along with two academic staff representatives, two student representatives, the Director of the College and one non-academic staff observer. The members of An Bord are appointed for a period of three years and normally meet for a minimum of 9 sessions a year.

The table below details the appointment period for current members:

Board Member	Role	Date appointed	Date of retirement or re-appointment
Christine O'Donovan	Chairman	22 nd November 2022	
Christine O'Donovan	Ordinary Member	23 rd March 2018	Reappointed – April '21
Frederick Goltz	Ordinary Member	23 rd March 2018	Reappointed – April '21
Jane McDaid	Ordinary Member	23 rd March 2018	Reappointed – April '21
Sinéad Ryan	Ordinary Member	23 rd March 2018	Reappointed – April '21
Claire Dowling	Ordinary Member	October '21	
Carole Pollard	Ordinary Member	July '22	
Taffina Flood	Academic Member	20 th April '21	
Dr Patsey Bodkin	Academic Member	20 th April '21	break in Service Oct '22- Mar'23
Dr Declan Long	Academic Member	October '22	Retired March '23
Bill Harris	Student Rep.	20 th April '21	
Vacant post	Student Rep.		
Leone Karakus	Non-Academic Obs	20 th April '21	
Sarah Glennie	Director	23 rd March 2018	

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

Governance Statement and Board Members' Report (Continued)

An Bord Structure Cont.

An Bord effectiveness and evaluation review was conducted by an external reviewer in 2020 in line with best practice and an internal review was conducted in 2021, 2022 and 2023. The next external effectiveness and evaluation review will be conducted in 2024 prior to appointment of the new Board.

An Bord has established one committee, as follows:

1. Audit and Risk Committee (ARC): comprises three members of An Bord and can co-opt an independent member should the members deem it necessary. The role of the ARC is to support An Bord in relation to its responsibilities for issues of risk, control and governance and associated assurance. The ARC is independent from the financial management of the organisation. In particular, the Committee ensures that the internal control systems including audit activities are monitored actively and independently. The ARC reports to An Bord after each meeting, and formally in writing annually. At September 2023 the members of the Audit and Risk Committee were: Frederick Goltz (Chairperson), Sinéad Ryan and Claire Dowling with Derek Lande acting as the External independent member. There were 7 meetings of the ARC in 2022/2023.

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

Governance Statement and Board Members' Report (Continued)

Schedule of Attendance, Fees and Expenses

Members An Bord do not receive a fee. A schedule of attendance at An Bord and Committee meetings for 2022/23 is set out below including the expenses received by each member:

	An Bord	ARC	Expenses 2022/23
			€
Number of Meetings	Nine	Seven	
Sarah Glennie	8	7	n/a
Frederick Goltz	8	6	n/a
Jane McDaid	5		n/a
Christine O'Donovan	9		n/a
Sinead Ryan	9	6	n/a
Taffina Flood	4		n/a
Dr Patsey Bodkin	3		n/a
Bill Harris	7		n/a
Claire Dowling	7	5	n/a
Carole Pollard	7		n/a
Dr Declan Long	5		n/a
ARC Only			
Derek Lande		6	n/a

Key Personnel Changes

Christine O'Donovan was appointed as Chairman in November of 2022. Dr Patsey Bodkin took a break in service for the duration of her acting as Head of Education. Dr Declan Long covered this period of time. Derek Lande was appointed as External member to the ARC in January '23

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Governance Statement and Board Members' Report (Continued)

Disclosures Required by Code of Practice for the Governance of State Bodies (2016)

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

Legal Costs and Settlements

NCAD incurred, net of insurance proceeds, costs of €15,000 in relation to 1 case during 22/23. Additional costs of €60,000 were paid on behalf of NCAD, by their insurance company in relation to this case.

Employee Short-Term Benefits Breakdown – See note 7

External Consultancy and Adviser Fees	Notes	2023 €000	2022 €000
Legal		32	31
Tax and Financial Advisory		104	134
Public Relations / Marketing		179	106
Strategy and Organisational Development		128	243
Pension and Human Resources		138	173
Student Access, Counselling & Medical Services		240	217
Health, Safety & Building Works		95	-12
Research Project Spend		17	17
Other		13	29
Total		946	938

Termination Settlements – There were no termination settlements in NCAD for 2022/23

Travel and Subsistence Expenditure	Notes	2023 €000	2022 €000
National Travel		41	15
International Travel		55	19
Total	8	99	34

**This figure does not align fully with note 8 expenditure, due to research related T&S being shown as part of Research Expenditure in note 8*

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Governance Statement and Board Members' Report (Continued)

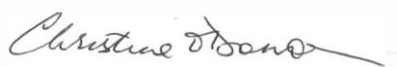
Hospitality Expenditure	Notes	2023 €000	2022 €000
Staff hospitality		2	1
Client hospitality		6	6
Total	8	8	7

Statement of Compliance


An Bord has adopted the Code of Practice for the Governance of State Bodies (2016) and has put procedures in place to ensure compliance with the Code. An Bord has reviewed its compliance with the Code and has identified the following areas where it is not fully compliant and the necessary steps are being undertaken to address these.

Areas where compliance work is still on-going are:

- business and financial reporting – work is on-going to enhance management of asset disposals.
- remuneration and superannuation
 - rollout of a performance management system has been developed by academic year end, progress is being made regarding piloting the new system in academic departments.



Christine O'Donovan,
Chair of An Bord
24/06/2024



Sarah Glennie,
Director
24/06/2024

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

Statement on Internal Control

Scope of Responsibility

On behalf of the National College of Art and Design we acknowledge An Bord's responsibility for ensuring that an effective system of internal control is maintained and operated. This responsibility takes account of the requirements of the Code of Practice for the Governance of State Bodies (2016).

Purpose of the System of Internal Control

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

The system of internal control, which accords with guidance issued by the Department of Public Expenditure and Reform has been in place in the College for the year ended 30 September 2023 and up to the date of approval of the financial statements except for the internal control issues outlined below.

Capacity to Handle Risk

The College has an Audit and Risk Committee (ARC) comprising three Board members, one of whom is the Chair, and one external member, with financial and audit expertise. Derek Lande is the current external member. The ARC met Seven times in 2022/2023.

The College has outsourced its internal audit function which conducts a programme of work agreed with the ARC to ensure a comprehensive and effective internal audit work programme is carried out. In 2022/2023, the ARC considered two internal audit reports. The remainder of the Committee's time was focused on the management of risk and the application of good corporate governance within the College.

Risk and Control Framework

The College has implemented a risk management system which identifies and reports key risks and the management actions being taken to address and, to the extent possible, to mitigate those risks. Risk is a standing item on the agenda of both An Bord and ARC and the register is updated quarterly for their information.

The Board annually reviews both the risk appetite and risk policy.

The Chief Risk Officer is the Head of Corporate Services.

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Statement on Internal Control (Continued)

Risk and Control Framework Cont.

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

- procedures for all key business processes have been documented
- financial responsibilities have been assigned at management level
- there is an appropriate budgeting system with an annual budget which is kept under review by senior management
- there are systems aimed at ensuring the security of the information and communication technology systems
- there are systems in place to safeguard the assets
- there is a Resource Allocation Model within the College to ensure equitable utilisation of resources – In development.

Financial Controls

Roles and responsibilities within the finance department have remained the same and there continues to be segregation of duties across all of the finance operations. The use of electronic signatures, electronic procurement procedures and electronic sign off has greatly aided the timeliness of processing. Authorisation limits and payment thresholds were increased in 2022/2023 due to the controls provided by the new Finance Management System (FMS) introduced in October '21. The process around the posting and approval of journals has improved as a result of the new FMS. Quarterly management accounts and associated reconciliations continue to be performed in a timely manner. Strong controls remain in place regarding the changing of employee and supplier bank details on the finance system.

Budgeting and Forecasting

NCAD maintains a robust budgeting and forecasting process. Latest view budgets were presented to the Audit and Risk Committee and An Bord for 22/23 in Sept '22, Dec '22 and Apr '23. Budgets for 23/24 are also presented under the same time frames.

Risk Management

The Risk Register is updated quarterly. The Risk Register was presented to An Bord at every meeting. Items that were identified were included in the SIC (Statement of Internal Control) for 2022/2023.

In 2022, a process of assurance mapping started. The aim is to ensure there is a centralised mechanism for establishing assurance for the functions within the College. It is anticipated that this process will be established during 2024.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

Statement on Internal Control (Continued)

Information Technology

In the latter end of 2022, a new centralised security model was introduced. Active Directory and VPN for administration staff was rolled out to over 100 devices, initially those which use MS Windows. The remainder of Apple based devices, which account for approx. 50% devices on campus is scheduled to be completed in 2023/24

Major upgrades were undertaken with regards to cyber security on campus.

A pilot started in September of 2022 for a new Virtual Learning Tool. In the first instance it was rolled out to first year students, with 2nd year students also included in 2023 and it will ultimately replace Google Classroom.

Ongoing Monitoring and Review

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

- key risks and related controls have been identified and processes have been put in place to monitor the operation of those key controls and report any identified deficiencies.
- there are regular reviews by senior management of periodic and annual performance and financial reports which indicate performance against budgets/forecasts for the College as a whole.

The following monitoring systems are in development:

- devolved reporting arrangements are being established at all levels where responsibility for financial management is being delegated, and a system of reporting on same, has been purchased and was rolled out in 2021/22.

Procurement

I confirm that the College has procedures in place to ensure compliance with current procurement rules and guidelines. In 2022/2023 the College had no non-compliant expenditure of all non-pay spending within the College.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

Statement on Internal Control (Continued)

Review of Effectiveness

The College's monitoring and review of the effectiveness of the system of internal control is informed by the work of the internal and external auditors, the Audit and Risk Committee which oversees their work, and the senior management within the College responsible for the development and maintenance of the internal financial control framework.

I confirm that the Board conducted an annual review of the effectiveness of the internal controls for 2022/2023. The Chair of the ARC presented the findings of the internal audit review, on the internal financial controls in place at NCAD, for year end 2022/2023 to the Board during the 19 December 2023 meeting for An Bord. An internal audit tracker is updated each year and movements are presented to the ARC.

Campus Development

Following the successful submission of SAR (Strategic Assessment Report) or Gate 0, it was confirmed approval has been given to proceed to the next phase of the project proposal development under the Infrastructure Upgrade and Refurbishment Fund (IURF).

The capital investment being proposed by the National College of Art and Design envisages the provision of a fit-for-purpose, modern campus at Thomas Street that supports Ireland's future creative excellence in the fields of art, design, education and visual culture and associated research activity.

The approval permits the project to proceed (through Decision Gate 0) to the next stage of the assessment process for Infrastructure Upgrade Refurbishment Fund (IURF) - Decision Gate 1 – i.e. the development of a detailed Preliminary Business Case.

This is a significant development for the College as the physical infrastructure on campus is the highest priority and risk to the institution.

Signed on behalf of the Board:



Sarah Glennie

Director Date: 24/06/2024



Ard Reachtaire Cuntas agus Ciste Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

National College of Art and Design

Opinion on the financial statements

I have audited the financial statements of the National College of Art and Design for the year ended 30 September 2023 as required under the provisions of the National College of Art and Design Act 1971. The financial statements comprise

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

In my opinion, the financial statements give a true and fair view of the assets, liabilities and financial position of the College at 30 September 2023 and of its income and expenditure for the year then ended in accordance with Financial Reporting Standard (FRS) 102 — *The Financial Reporting Standard applicable in the UK and the Republic of Ireland*.

Basis of opinion

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

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

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

The College has presented certain other information together with the financial statements. This comprises the governance statement and Board members' report, and the statement on internal control.

My responsibilities to report in relation to such information, and on certain other matters upon which I report by exception, are described in the appendix to this report.

I have nothing to report in that regard.

Andrew Harkness
For and on behalf of the
Comptroller and Auditor General

28 June 2024

Appendix to the report

Responsibilities of Board members

The members are responsible for

- the preparation of annual financial statements in the form prescribed under section 15 (1) of the National College of Art and Design Act 1971
- ensuring that the financial statements give a true and fair view in accordance with FRS102
- ensuring the regularity of transactions
- assessing whether the use of the going concern basis of accounting is appropriate, and
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibilities of the Comptroller and Auditor General

I am required under section 15 (2) of the National College of Art and Design Act 1971 to audit the financial statements of the College and to report thereon to the Houses of the Oireachtas.

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

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

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

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

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

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

I report by exception if, in my opinion,

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

Information other than the financial statements

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

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

Reporting on other matters

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

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

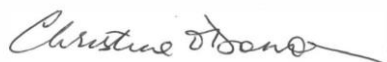
COLÁISTE NÁISIÚNTA EALAÍNE IS DEARTHÁ
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STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 30 SEPTEMBER 2023

	Notes	2023 €000	2022 €000
INCOME			
State Grants	4	13,359	12,201
Academic Fees	3	9,271	8,945
Amortisation of Capital Fund		895	782
Research Grants and Other Contracts	5	510	289
Deferred Funding for Retirement Benefits	15(c)	2,148	1,697
Other Income	6	97	39
Total Income		26,280	23,953
EXPENDITURE			
Staff costs	7	15,346	13,711
Retirement benefit costs	15(a)	4,710	4,514
Other operating expenses	8	5,104	4,502
Depreciation	11	895	782
Total Expenditure		26,055	23,509
Surplus / (Deficit) for the year		225	444

The Statement of Cash flows and notes 1-24 form part of these financial statements.

Signed on behalf of the Board:



Christine O'Donovan
Chair of An Bord
 24/06/2024



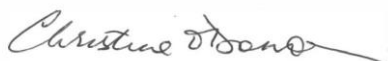
Sarah Glennie,
Director
 24/06/2024

COLÁISTE NÁISIÚNTA EALAÍNE IS DEARTHÁ
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STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 SEPTEMBER 2023

	Notes	2023 €000	2022 €000
Surplus / (Deficit) for the year		225	444
Actuarial gains / (loss) on retirement benefit obligations	15(d)	(5,105)	28,517
Adjustment to deferred retirement benefits funding	15(b)	5,105	(28,517)

Signed on behalf of the Board:



Christine O'Donovan
Chair of An Bord
24/06/2024



Sarah Glennie
Director
24/06/2024

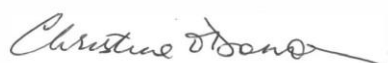
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STATEMENT OF CHANGES IN RESERVES AND CAPITAL ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2023

	Capital Account	Restricted Reserves	Income and Expenditure Reserve	Total
	€000	€'000	€000	€000
Balance at 1 October 2021	20,565	201	10	20,776
Surplus / (Deficit) from the Statement of Income and Expenditure			444	444
Amortisation of capital account	(782)			(782)
State grant allocated to capital	1,854			1,854
Movement on Reserve	-			-
Transfers between Reserves	-			-
Balance at 30 September 2022	21,637	201	454	22,292
Rounding adjustment to tie with Finance System	(1)	(1)	1	(1)
Surplus / (Deficit) from the Statement of Income and Expenditure			225	225
Amortisation of capital account	(895)			(895)
State grant allocated to capital	1,531			1,531
Transfers between Reserves		(54)	54	-
Balance at 30 September 2023	22,272	146	734	23,152

The Statement of Cash flows and notes 1-24 form part of these financial statements.

Signed on behalf of the Board:



Christine O'Donovan,
Chair of An Bord
 24/06/2024



Sarah Glennie,
Director
 24/06/2024

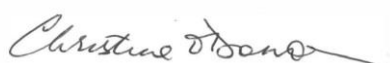
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NATIONAL COLLEGE OF ART AND DESIGN

STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 30 SEPTEMBER 2023

	Notes	2023 €000	2022 €000
Fixed Assets			
Property, plant and equipment	11	22,258	21,622
Heritage assets	12	20	20
		22,278	21,642
Current Assets			
Receivables	13	1,668	1,740
Cash and cash equivalents	16	4,804	4,692
		6,472	6,432
Current Liabilities: amounts falling due within one year			
	14	(5,598)	(5,782)
		(5,598)	(5,782)
Net Current Assets		874	650
Total Assets less Current Liabilities		23,152	22,292
Retirement Benefits			
Deferred Pension Funding	15 (d)	80,556	73,303
Pension Liabilities	15 (b)	(80,556)	(73,303)
Total net assets		23,152	22,292
Reserves and Capital Account			
Capital Account		22,272	21,637
Restricted Reserves		146	201
Income and Expenditure Reserve		734	454
		23,152	22,292

The Statement of Cash-flows and notes 1-24 form part of these financial statements.

Signed on behalf of the Board:



Christine O'Donovan,
Chair of An Bord
 24/06/2024



Sarah Glennie,
Director
 24/06/2024

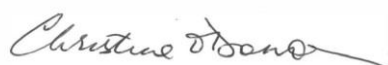
COLÁISTE NÁISIÚNTA EALAÍNE IS DEARTHÁ
NATIONAL COLLEGE OF ART AND DESIGN

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 SEPTEMBER 2023

	Notes	2023 €000	2022 €000
Net cash flow from operating activities			
Surplus / (Deficit) for the year		225	444
Adjustment for non-cash items			
Depreciation	11	895	782
Amortisation of capital account		(895)	(782)
State funds allocated to capital	4	1,531	1,854
Decrease / (Increase) in receivables		72	804
(Decrease) / Increase in payables		(184)	(179)
Net cash flows from operating activities		1,644	2,923
Cash flows from investing activities			
Payments to acquire property, plant, equipment & Heritage Assets	11 & 12	(1,531)	(1,854)
Net cash flows from investing activities		(1,531)	(1,854)
Cash flows on restricted reserves movements			
		-	-
Net increase/(decrease) in cash and cash equivalents in the year		113	1,069
Cash and cash equivalents at 1 October 2022	16	4,692	3,624
Rounding issue		(1)	(1)
Cash and cash equivalents at 30 September 2023	16	4,804	4,692

The Statement of Cash-flows and notes 1-24 form part of these financial statements.

Signed on behalf of the Board:



Christine O'Donovan,
 Chair of An Bord
 24/06/2024



Sarah Glennie,
 Director
 24/06/2024

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

NOTES TO THE FINANCIAL STATEMENTS

1 SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

(a) General information and Statement of Compliance

The College was set up under the National College of Art and Design Act 1971 with its Head Office located on 100 Thomas Street, Dublin 8.

NCAD working vision: NCAD is the force driving critical practise and radical innovation through excellence in art and design. NCAD shapes the material world domestically and internationally through inclusivity, public discourse and cultural engagement.

The financial statements have been prepared in compliance with the applicable legislation, and with FRS102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland, issued by the Financial Reporting Council in the UK.

The College is a public benefit entity and has therefore applied the relevant public benefit entity requirements of FRS102.

The accounts are prepared in Euro, which is the functional currency of the College. Monetary amounts in these financial statements are rounded to the nearest €1,000.

Certain comparative figures for the prior period have been reclassified in line with the current year.

(b) Basis of preparation

The financial statements have been prepared under the historical cost convention, except for certain assets and liabilities that are measured at fair values as explained in the accounting policies below. The financial statements are in the form approved by the Minister for Further and Higher Education, Research, Innovation and Science with the concurrence of the Minister for Finance under Section 15(1) of the National College of Art and Design Act, 1971.

(c) Going concern

The College has sustained several years of operating surplus which has resulted in a cumulative surplus being carried forward for two years.

The financial statements of the College show a surplus for the year of €225,000 (2022: surplus of €444,000) and an income and expenditure reserve surplus of €734,000 (2022: surplus of €454,000). A managed approach to growth in student recruitment year on year is projected by the College, it is expected to support the College in strengthening the financial position going forward.

HEA financial support for the necessary investments in IT equipment, additional staffing and health and safety measures has been very much appreciated and it has ensured that the College continues to operate at a highly effective level.

On this basis, and combined with the cash reserves held by the College, the Members of An Bord consider it appropriate to have prepared these financial statements on a Going Concern basis.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

(d) (i) Land and Buildings

Land and buildings are stated at cost less accumulated depreciation, adjusted for any provision of impairment.

A valuation of College land and buildings was carried out by McNally Handy and Partners, Chartered Surveyors at an effective date of 1 October 2014, being the transition date for reporting under FRS 102. The College has elected to use this valuation as the deemed cost of College Land and Buildings as at the transition date.

(d) (ii) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation, adjusted for any provision for impairment. Depreciation is provided on all property, plant and equipment, other than freehold land, at rates estimated to write off the cost less the estimated residual value of each asset on a straight line basis over their estimates useful lives, as follows:

Asset Category	Depreciation rate	
Land	0%	per annum
Buildings	2%	per annum
Revalued Buildings at 01/10/2014	4.4%	per annum
Leasehold Improvements	The life of the Lease	per annum
Professional fees in relation to building projects/Leasehold improvements	10%	per annum
Plant and Equipment	10%	per annum
Furniture, Fixtures and Fittings	20%	per annum
Computer Equipment	33.33%	per annum

Professional fees associated with building works are depreciated over 10 years. Professional fees associated with leasehold improvement works are depreciated over 10 years or over the life of the lease if the life of the lease is shorter than 10 years.

Residual value represents the estimated amount which would currently be obtained from the disposal of an asset after deducting estimated costs on disposal, if the asset were already of an age and in the condition expected at the end of its useful life.

If there is objective evidence of impairment of the value of an asset, an impairment loss is recognised in the Statement of Income and Expenditure.

(e) Heritage Assets

The College holds and maintains heritage assets such as books, paintings and artwork. Heritage assets acquired pre 1 October 2015 are not capitalised in the financial statements because it is considered that no reasonable value can be attributed to them owing to the lack of information on the original purchase cost. All costs incurred in relation to preservation and conservation are expensed as incurred.

In relation to Heritage asset additions acquired subsequent to 1 October 2015, the College capitalises these at either their cost (in the case of acquisitions made by the College) or their fair value (in the case of donations). Fair value is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal. While valuations are completed by appropriate experts, given the characteristics of the assets and the diverse nature of the collection in what is invariably a limited transaction market, there is a high level of judgement involved in assigning fair values to the collection.

COLÁISTE NÁISIÚNTA EALAÍNE IS DEARTHÁ
NATIONAL COLLEGE OF ART AND DESIGN

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Donated heritage assets are capitalised with reference to their insurance value, as this approximates their fair value. Heritage assets valued at less than €5,000 are not capitalised in the financial statements.

(f) Receivables

Receivables are recognised at fair value.

(g) Taxation

As an exempt charity, the College is not liable for corporation tax or income tax on any of its charitable activities. It is registered for value added tax. However, 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. Certain research and commercial activities within the College are liable for VAT. Any input or output tax relating to these activities is returned to the Revenue by the College.

(h) Recognition of Income

State grants

State Grants for recurrent expenditure are allocated by the HEA on a calendar year basis. The grant reported in the Statement of Income and Expenditure is the amount determined to be appropriate to the relevant academic year, based on a 75%/25% split of the calendar year grant.

State capital grants

Capital grants from the HEA or other state bodies received in respect of the acquisition or construction of fixed assets are treated as deferred State Capital Grants and amortised in line with the depreciation over the life of the assets.

Other state grants are recognised on an accruals basis in line with the level of activity in the year.

Academic Fee Income

Academic Fee Income (including for Continuing Education in Art & Design), is recognised in the academic year to which it relates.

State research grants

Income from research grants and other contracts from the state is matched to expenditure and is included in the income of the year in which the related expenditure has been incurred.

Non-State research grants

Income from grants from non-state sources is recognised in the Statement of Income and Expenditure when performance related terms are met. If a restriction in use is specified but no performance related condition exists, the income is recorded in the Statement of Income and Expenditure when the College becomes entitled to the income.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Grants with unfulfilled performance related conditions are held as deferred income until such time as the conditions are met, at which point the income is recorded in the Statement of Income and Expenditure.

Grants with restrictions are recorded within the Statement of Income and Expenditure on entitlement to the income and subsequently retained within a restricted reserve until such time that the expenditure is incurred in line with the restriction.

Donations and Endowments

Non exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor imposed restrictions are recognised in income when the College is entitled to the income. Income is retained within the restricted reserve until such time that it is utilised in line with such restrictions at which point the income is released to general reserves through a reserve transfer. Donations with no restrictions are recognised in income when the College is entitled to the funds.

Interest Income

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

(i) Employee benefits

Short term benefits

Short term benefits such as holiday pay are recognised as an expense in the year, and the benefits that are accrued at the year-end are included in the payables figure in the Statement of Financial Position. There is no accrual for holiday pay in the year for academic staff as it is not necessary due to the terms and conditions specified of their contracts.

Retirement benefits

● **Defined Benefit Pension Scheme**

The National College of Art and Design operates a defined benefit pension scheme, which is funded annually on a pay as you go basis from monies available to it including monies provided by the Higher Education Authority and from pension contributions deducted from staff salaries.

Pension costs reflect pension benefits earned by employees in the period and are shown net of staff contributions which are retained by the College. An amount corresponding to the pension charge is recognised as income to the extent that it is recoverable and offset by grants received in the year to discharge pension payments.

Actuarial gains or losses arising on scheme liabilities are reflected in the Statement of Comprehensive Income and a corresponding adjustment is recognised in the amount recoverable from the Higher Education Authority.

Pension Liabilities represent the present value of future payments earned by staff to date. Deferred pension funding represents the corresponding asset to be recoverable in future periods from the Higher Education Authority.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

● **Single Public Service Pension Scheme (SPSPS)**

The National College of Art and Design also operates the Single Public Service Pension Scheme (Single Scheme) which is the defined benefit pension scheme for pensionable public servants appointed on or after 1 January 2013. Single Scheme member's contributions are paid over to the Department of Public Expenditure and Reform.

(j) Operating Leases

Rental expenditure under operating leases is recognised in the Statement of Income and Expenditure over the life of the lease. Expenditure is recognised on a straight-line basis over the lease period, except where there are rental increases linked to the expected rate of inflation, in which case these increases are recognised when incurred. Any lease incentives received are recognised over the life of the lease.

(k) Foreign Currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the financial year end are reported at the rates of exchange prevailing at that date.

(l) Capital Account

The capital account represents the unamortised value of State funding allocated for property, plant, equipment and heritage assets purchased after the 1 October 2015.

(m) Agency arrangements

The College acts as an agent in the collection and payment of support funds. Related payments received from HEA and subsequent disbursements to students are included in the Statement of Income and Expenditure and are also shown separately in Note 21.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the reporting date and the amounts reported for income and expenditure during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements have had the most significant effect on amounts recognised in the financial statements.

Depreciation and Residual Values

The Directors have reviewed the asset lives and associated residual values of all fixed asset classes, and have concluded that asset lives and residual values are appropriate.

Retirement Benefit Obligation

The assumptions underlying the actuarial valuations for which the amounts recognised in the financial statements are determined (including discount rates, rates of increase in future compensation levels, mortality rates and inflation trend rates) are updated annually based on current economic conditions, and for any relevant changes to the terms and conditions of the pension and post-retirement plans.

The assumptions can be affected by:

- (i) the discount rate, changes in the rate of return on high-quality corporate bonds;
- (ii) future compensation levels, future labour market conditions; and
- (iii) inflation, the difference in yields on fixed-interest and index-linked bonds as at the accounting date
- (iv) demographic, life expectancy post- retirement.

As further explained in note 15 to the financial statements, NCAD has recognised a deferred pension asset in respect of the Staff Superannuation Scheme and a Spouses' and Children's Pension Scheme on the basis that it anticipates that funding will be provided by the State to meet retirement benefit obligations as they fall due. This accounting treatment assumes that any income generated by NCAD will in the first instance be applied towards current expenses and that State funding will meet any shortfall in resources to fund future retirement benefit liabilities.

COLÁISTE NÁISIÚNTA EALAÍNE IS DEARTHÁ
NATIONAL COLLEGE OF ART AND DESIGN

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3 TUITION FEES	'Whole time equivalents ' (WTEs)	2023	'Whole time equivalents ' (HCs)	2022
		€000		€000
Full-time Tuition Fees	1,225	5,893	1,230	5,719
Student Contribution	1,043	3,009	987	2,856
Part-time Tuition Fees	75	224	224	225
Continuing Education in Art & Design (CEAD) Non Credit Fees	390	145	-	115
		9,271		8,945

In 2022 student numbers were based on Head Count, in 2023 the College went back to using whole time equivalents based on enrolled credits in the year.

4 STATE GRANTS	2023 Allocated for Recurrent Expenditure €000	2023 Allocated for Capital Expenditure €000	2023 Total €000	2022 Total €000
Higher Education Authority				
Recurrent Grants	10,473	503	10,976	9,821
Pay Award	441		441	25
Information Technology	40		40	40
Disability & Financial Assistance	57		57	122
Improved Access and Progression	247	1	248	263
Irish Language	6		6	3
CoVid-19 Financial Supports*	(324)		(324)	927
Grants for onward dispersal	220		220	237
Literacy and Numeracy	55		55	110
Strategic Innovation Funding	165		165	-
HCI Pillar 3 Funding – CFA	1,045	13	1,058	-
Mental Health & Wellness	141		141	-
Other Grants	372		372	782
Capital Funding**	(11)	1,014	1,003	1,478
University College Dublin				
Grants for onward dispersal	245		245	177
Department of Further & Higher Education, Research, Innovation and Science				
Implementation of Shared Services	50		50	-
Arts Council & Heritage Council				
Arts Council & Heritage Council	137		137	70
Total 2023	13,359	1,531	14,890	14,055
Total 2022	12,201	1,854	14,055	

*Refund to HEA on pre-financed Covid -19 funding not utilised

**Capital funding over recognised in 2022 by €11,000

COLÁISTE NÁISIÚNTA EALAÍNE IS DEARTHÁ
NATIONAL COLLEGE OF ART AND DESIGN

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

RESEARCH GRANTS AND OTHER

5 CONTRACTS	2023	2022
	€000	€000
Income		
State and semi-state	313	162
European Union	31	32
Industry	140	77
Other	26	18
Total income	510	289
Expenditure		
Staff Costs	320	157
Other Operating Costs	221	114
Total costs	541	271
Net Outcome	(31)	18
6 OTHER INCOME	2023	2022
	€000	€000
Sponsorship/Donations	-	1
Donations & Bequests	1	-
Student Charges	47	24
Photocopy Income	14	-
Miscellaneous Income	35	14
	97	39

7 STAFF COSTS

The average number of persons (including senior post-holders) employed by the College during the year, expressed in full-time equivalent is:

	2023	2022
	No. of	No. of
	employees	employees
Teaching	80.6	85.6
Research	0.5	3.4
Technical, Support and Central Administration	100	80.9
	181.1	169.9
	2023	2022
	€000	€000
Salaries and wages	13,738	12,257
Social welfare costs	1,394	1,225
Employer welfare costs	-	-
Total NCAD pay	15,132	13,482
Agency Pay	214	229
Total Pay	15,346	13,711

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7 STAFF COSTS (continued)

The number of staff who received emoluments including benefits in kind, in the following ranges was:

	2023	2022
	No. of staff	No. of staff
€60,000 to €69,999 p.a.	31	22
€70,000 to €79,999 p.a.	12	5
€80,000 to €89,999 p.a.	5	20
€90,000 to €99,999 p.a.	17	11
€100,000 to €109,999 p.a.	11	2
€110,000 to €119,999 p.a.	1	4
€120,000 to €129,999 p.a.	4	-
€130,000 to €139,999 p.a.	1	-
€140,000 to €149,999 p.a.	-	-
€150,000 to €159,999 p.a.	-	1
€160,000 to €169,999 p.a.	1	-
	83	65

Note: For the purposes of this disclosure, short-term employee benefits in relation to services rendered during the reporting period include salary, overtime allowances and other payments made on behalf of the employee, but exclude employer's PRSI.

Key management compensation

Key management personnel in the College consists of the Director, Head of Corporate Services/Registrar and Head of Academic Affairs in 2023 (2022 did not include the Head of Academic Affairs). The total remuneration of key management personnel is made up as follows:

	2023	2022
	€000	€000
Salaries and wages	407	259
Social welfare costs	43	27
	450	286

The above compensation includes amounts payable to the Director (who is the highest paid member) of:

	2023	2022
	€000	€000
Salaries and wages	168	156
Social welfare costs	17	16
	185	172

The Director is a member of the NCAD Superannuation Pension Scheme and her entitlements in that regard do not extend beyond the terms of that scheme.

COLÁISTE NÁISIÚNTA EALAÍNE IS DEARTHÁ
NATIONAL COLLEGE OF ART AND DESIGN

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8 OTHER OPERATING EXPENSES	Notes	2023	2022
		€000	€000
Books, Catalogues and Periodicals		183	165
Materials and consumables		405	246
Student services		307	431
Student travel & grants funded externally		534	319
Examination and Registration Fees		131	119
Examiner fees and expenses		17	45
Exhibitions, Seminars and Catering		49	46
Research costs		221	114
Gallery		19	23
Light, Heat and Power		296	251
Repairs and maintenance		360	136
Cleaning costs		323	334
Security		128	130
Rent and Rates		149	254
Connectivity		220	128
Bank Negative Interest, Charges and PPI		19	46
Stationery Supplies and Printing and Photocopying		87	69
IT Expenditure		465	487
Professional Fees		403	521
Memberships and Subscriptions		56	68
Staff development and training		63	55
Auditors' Remuneration		59	67
Travel and Subsistence		82	29
Advertising and PR		226	125
Insurance		138	130
Safety Costs		30	53
Entertainment Expenditure		8	2
Miscellaneous		49	50
Bad Debt write off		77	59
		5,104	4,502
Other operating expenses include:		2023	2022
Auditors remuneration		€000	€000
External audit - C&AG		48	47
Internal audit - Mazars		12	20
Hire of assets under operating leases (full year expense)	18	-	-
Rental of premises under lease (part of rent & rates expenses above)	18	128	127

COLÁISTE NÁISIÚNTA EALAÍNE IS DEARTHÁ
NATIONAL COLLEGE OF ART AND DESIGN

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

9 TAXATION

The National College of Art and Design is exempt from Corporation Tax under a charitable status order.

10 ANALYSIS OF EXPENDITURE	Staff Costs 2023	Other Operating Expenses 2023	Total 2023	Total 2022
	€000	€000	€000	€000
Academic Departments	11,037	998	12,035	10,345
Academic & Other Central Services	915	436	1,351	1,264
Premises	861	1,849	2,710	1,497
Central Administration	1,479	837	2,316	3,032
CoVid-19 Specific operating costs	-	-	-	428
Student Facilities and Amenities	734	615	1,349	1,336
General Education Expenses	-	148	148	45
Research Expenditure	320	221	541	266
Total 2023	<u>15,346</u>	<u>5,104</u>	20,450	18,213
Total 2022	<u>13,711</u>	<u>4,502</u>		
Depreciation			895	782
Retirement benefit costs			<u>4,710</u>	<u>4,514</u>
			<u>26,055</u>	<u>23,509</u>

COLÁISTE NÁISIÚNTA EALAÍNE IS DEARTHÁ
NATIONAL COLLEGE OF ART AND DESIGN

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

11 PROPERTY, PLANT AND EQUIPMENT

	Land & Buildings	Lease Property Fit Out	Plant & Equip.	Furniture	Fixtures & Fittings	Computer Equipment	Total
	€000	€000	€000	€000	€000	€000	€000
Cost							
Balance at 1 st October 2022	22,422	605	837	339	511	1,894	26,608
Additions	915	163	152	28	71	202	1,531
Disposals							
Revaluation Adjustment							
Balance at 30 th September 2023	23,337	768	989	367	582	2,096	28,139
Depreciation							
Balance at 1 st October 2022	2,137	322	343	197	388	1,599	4,986
Charge for year	325	33	92	59	81	305	895
Disposals							
Revaluation Adjustment							
Total Depreciation for 2023	2,462	355	435	256	469	1,904	5,881
Net Book Value 30 th September 2023	20,875	413	554	111	113	192	22,258
Net Book Value 30 th September 2022	20,285	283	493	142	123	296	21,622

COLÁISTE NÁISIÚNTA EALAÍNE IS DEARTHÁ
NATIONAL COLLEGE OF ART AND DESIGN

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

12 HERITAGE ASSETS	Purchased	Donated	Total
	€000	€000	€000
1 October 2015 to 30 September 2016	9	-	9
1 October 2016 to 30 September 2017	-	-	-
1 October 2017 to 30 September 2018	11	-	11
1 October 2018 to 30 September 2019	-	-	-
1 October 2019 to 30 September 2020	-	-	-
1 October 2020 to 30 September 2021	-	-	-
1 October 2021 to 30 September 2022	-	-	-
1 October 2022 to 30 September 2023	-	-	-
	<u>20</u>	<u>-</u>	<u>20</u>

The National College of Art and Design holds a collection (known as the National Irish Visual Arts Library) of books, manuscripts, and art work that it has acquired mainly through donations and bequests. Items acquired pre 1 October 2015 have not been treated as fixed assets in the financial statements as no meaningful value can be attributed to them owing to the lack of information on the original purchase cost and the fact that these assets are not readily realisable.

An exercise was started in 2017/18 in which all heritage assets are being recorded in a heritage asset register. There were no disposals of heritage assets in the year.

All costs incurred in relation to preservation and conservation are expensed as incurred.

13 RECEIVABLES

	2023	2022
	€000	€000
Academic fees receivable	183	111
State grants receivable	798	1,043
Trade receivables	43	8
Research grants and contracts receivable	146	86
Prepayments	324	382
Other receivables	174	110
	<u>1,668</u>	<u>1,740</u>

14 CURRENT LIABILITIES

	2023	2022
	€000	€000
Trade Creditors	112	309
Research grants and other contracts in advance	218	188
Deferred other income	11	9
Tuition fees received in advance	1,348	1,531
State grant received in advance	1,868	1,646
Accruals	796	786
Other tax and social security	504	562
Human Capital Initiative - Pillar III	581	583
Other payables	160	168
	<u>5,598</u>	<u>5,782</u>

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

15 RETIREMENT BENEFITS

A Staff Superannuation Scheme and a Spouses' and Children's Pension Scheme set up under Section 20 of the National College of Art and Design Act, 1971 were approved in January 1984 and September 1987 respectively. The College's pension schemes are unfunded schemes. Staff contribute at a rate of 5% to the Staff Superannuation Scheme and 1.5% to the Spouses' and Children's Pension Scheme. The scheme provides a pension (eightieths per year of service), a lump sum (three eightieths per year of service) and spouses' and children's pensions. Normal retirement age is a members 65th birthday and pre-2004 members have an entitlement to retire without actuarial reduction from age 60. Pensions in payment (and deferment) normally increase in line with general public sector pay increases.

The Single Public Service Pension Scheme (Single Scheme) is the defined benefit pension scheme for pensionable public servants appointed on or after 1 January 2013 in accordance with the Public Service Pension (Single Scheme and Other Provisions) Act 2012. The scheme provides for a pension and retirement lump sum based on career-average pensionable remuneration, and spouse's and children's pensions. The minimum pension age is 66 years (rising in line with State pension age changes). It includes an actuarially-reduced early retirement facility from age 55. Pensions in payment increase in line with the consumer price index.

Single Scheme members are included in the pension liability at 30 September 2023, the actuarial calculations took into account the differing entitlements that apply to that scheme. €5.3m of the €80.6m in assessed obligations at 30 September relates to the Single Scheme members.

	2023	2022
	€000	€000
(a) Analysis of Total Pension Costs Charged to Expenditure		
Current service cost	2,279	3,503
Interest on scheme liabilities	2,774	1,404
Employee pension contributions	(343)	(393)
	<u>4,710</u>	<u>4,514</u>
(b) Analysis of Movement in Scheme Liability during the Year		
	2023	2022
	€000	€000
Scheme Liability at Start of Year	73,303	100,123
Current Service Cost	2,279	3,503
Interest on Scheme Liabilities	2,774	1,404
Benefits Paid in the Year	(2,905)	(3,210)
Actuarial Loss / (Gain) recognised in the Statement of Total Recognised Gains and Losses	5,105	(28,517)
Scheme Liability at End of Year	<u>80,556</u>	<u>73,303</u>

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

(c) Deferred Funding for Pensions

The National College of Art and Design recognises these amounts as an asset corresponding to the unfunded deferred liability for pensions on the basis of a set of assumptions described in this note and a number of past events. These events include the statutory basis for the establishment of the pension scheme, and the policy and practice currently in place in relation to funding public service pensions, including contributions by employees and the annual estimates process. NCAD has no evidence that this funding policy will not continue to meet such sums in accordance with current practice.

The Net Deferred Funding for Pensions recognised in the Income and Expenditure Account was as follows:

	2023	2022
	€000	€000
Funding recoverable in respect of current year costs	5,053	4,907
Grants from tÚdarás um Ard-Oideachas applied to pay pension benefits	(2,905)	(3,210)
Net Deferred Funding for Pensions in year	<u>2,148</u>	<u>1,697</u>

The deferred funding asset for pensions as at 30th September 2023 amounted to €80,556,000 (2022: €73,303,000)

History of Deferred Benefit

(d) Obligations

	2023	2022	2021	2020	2019
	€000	€000	€000	€000	€000
Deferred Benefit Obligations	80,556	73,303	100,123	91,760	92,065
Experience gains/(losses) on Scheme					
Liabilities Amount	5,105	(28,517)	7,064	(1,328)	1,502
Percentage of Scheme Liabilities	6.3%	(39)%	7.1%	(1.5)%	1.6%

The valuation used for FRS102 disclosures has been based on an actuarial valuation at 30 September 2023 by a qualified actuary taking account of the requirements of FRS102 in order to assess the scheme liabilities at 30 September 2023.

The principal actuarial assumptions were as follows:

Assumption	2023	2022
Discount rate	4.30%	3.80%
Salary increase assumption	3.60%	3.40%
Pension increase in payment	3.60%	3.40%
Pension increase in deferment	3.60%	3.40%
Price inflation	2.60%	2.40%

Average future life expectancy according to the mortality tables used to determine the pension liabilities:

	2023	2022
Male aged 65	21.6	21.6
Female aged 65	24.1	24.2

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

16 ANALYSIS OF CASH AND CASH EQUIVALENTS

	At		At
	01/10/2022	Cash- flows	30/09/2023
	€000	€000	€000
Cash at Bank and on Hand	4,692	112	4,804
	<u>4,692</u>	<u>112</u>	<u>4,804</u>

17 CAPITAL COMMITMENTS

Capital commitments at 30 September 2023 amounted to Nil (2022: €1 M). Site survey works commenced in Apr 2021 on College the refurbishment project, funded by HEA for €2.9m. This project was completed in 2023, with final retention monies due to be paid out in Oct '24.

18 LEASE COMMITMENTS

At 30 September the College had minimum lease payments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2023	2022	2023	2022
	€000	€000	€000	€000
Future minimum lease payments due:				
Not later than one year	216	216	-	-
Later than one year and not later than five years	680	680	-	-
Later than five years	<u>2,215</u>	<u>2,385</u>	-	-
	<u>3,111</u>	<u>3,281</u>	-	-

The College lease premises at James Street, Dublin 8, from Diageo. It is a four-year lease which expired in June 2019. This lease has been rolled over on an annual basis for 19/20, 20/21, 21/22 and again for 22/23

The College entered a new lease agreement with Tagaste for Grace Clifford House, St John's Lane West for 20 years which expires in May '42

The College no longer leases photocopiers, they have been purchased by the College under the new OGP agreement

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

19 RELATED PARTY DISCLOSURES

The National College of Art and Design adopts procedures in accordance with the guidelines issued by the Department of Public Expenditure and Reform covering the personal interests of Board members. In the normal course of business, the College may approve Grants or enter into other contractual arrangements with entities in which the College Board members are employed or are otherwise interested. In cases of potential conflict of interest, Board members do not receive Board documentation or otherwise participate in or attend discussions regarding these transactions. A register is maintained and available on request of all such instances.

20 CONTINGENT LIABILITIES

There are no contingent liabilities at the end of 30th September 2023.

21 AMOUNTS DISBURSED AS AGENT

	2023	2022
	€000	€000
HEA Grants received	465	320
Less: Administration expenses	(13)	(26)
	<hr/>	<hr/>
	452	160
Disbursed to students	(441)	(290)
	<hr/>	<hr/>
Balance unspent at 30 September	11	4

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

22 Circular 13/2014 – Management of and Accountability for Grants from Exchequer Funds

Grantor	Government Funding Department / Office	Notes	Grant Deferred/ (Due) 01/10/22 €000	Cash Received 22/23 €000	Returned/to be returned to Grantor / Disbursed to sub-partners €000	Taken to Income 22/23 €000	Grant Deferred/ (Due) 30/09/23 €000
Recurrent Grants							
HEA (Recurrent)	DFHERIS		962	12,143	-	(11,843)	1,262
HEA (Erasmus)	DFHERIS		276	114	-	(168)	222
HEA (Non-Core)	DFHERIS		(688)	1,798	-	(1,684)	(574)
*Pillar 3 - CFA	DFHERIS		23	1,020	-	(1,058)	(15)
Total Exchequer Recurrent Grants		4	573	15,075	-	(14,753)	895
Academic Fees							
HEA	DFHERIS		-	5,628		(5,628)	-
S.U.S.I.	DFHERIS		-	862		(862)	-
Total Exchequer funded Fees		3	-	6,490	-	(6,490)	-
Research and Other							
Arts Council	DTCAGSM		62	83		(128)	17
Heritage Council	DTCAGSM		-	9		(9)	-
ISGNE	EU Commission		(20)	35		(29)	(14)
PartGo	EU Commission		(23)	26		(3)	-
Our Many Europes	EU Commission		(7)	5		2	-
Museum of the Commons	EU Commission		-	42		(1)	41
Enterprise Ireland	D.B.E.I.		34	157		(264)	(73)
Strokelink	Dept. of Health		22	8		(8)	22
HSE – Corp 1000	Dept. of Health		-	68		(33)	35
Ubuntu	Dept. of Foreign Affairs		12	11		(9)	14
Counter-Infrastructure	DFHERIS		-	5		2	7
Care & Creativity	Dept. of Foreign Affairs		1	-		(1)	-
Total Exchequer Research & Other Grants		4 & 5	81	449	-	(481)	49
Total Exchequer Grants			654	22,014	-	(21,724)	944

DFHERIS = Department of Further and Higher Education, Research, Innovation and Science

DTCAGSM = Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*NCAD is the lead partner in a Pillar 3 Human Capital Initiative, Creative Futures Academy, (CFA) which is funded through the Higher Education Authority. Funding in the amount of €10,018,527 was awarded in October 2020 across the three partner institutions NCAD, IADT and UCD. The funded element of CFA runs to 1 April 2025. The core objectives of Creative Futures Academy are to:

- Respond to emerging and future skills needs
- Build competencies to address the sustainability of careers in the creative sector
- Develop new frameworks and formats that offer flexible learning through micro-credentialed modules.
- Bridge gaps between HEI provision and the Creative and Cultural Industries.

These objectives link to Human Capital Initiative priorities and are core to the Future Jobs Ireland strategy and the programme for Government.

23 APPROVAL OF ACCOUNTS

The accounts for the year ended 30th September 2023 were approved by the Board at its meeting on 24th June 2024.

24 POST BALANCE SHEET EVENTS

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