



**Technological University of the Shannon:
Midlands Midwest**

Ollscoil Teicneolaíochta na Sionainne:
Lár Tíre Iarthar Láir

**Annual Financial Statements
Period Ended 31 August 2022**

Technological University of the Shannon: Midlands Midwest

CONTENTS

Technological University Information.....	1
Corporate Governance Statement	2
Statement on System of Internal Controls	13
Report of the Comptroller and Auditor General	16
Consolidated and University Statement of Comprehensive Income	18
Consolidated and University Statement of Changes in Reserves and Capital Account	19
Consolidated and University Statement of Financial Position	20
Consolidated Statement of Cash Flows	21
Notes to the Financial Statements.....	22

TECHNOLOGICAL UNIVERSITY OF THE SHANNON: MIDLANDS MIDWEST

TECHNOLOGICAL UNIVERSITY INFORMATION

Charity Registered Number	20206335
Charity Tax Exemption Number	22917
Registered Office	Technological University of the Shannon: Midlands, Midwest, University Road, Athlone, Co. Westmeath N37 HD68
Independent Auditors	Office of the Comptroller and Auditor General 3A Mayor Street Upper, Dublin 1 D01 PF72
Bankers	Bank of Ireland 31 Church Street Athlone Co. Westmeath Allied Irish Bank 106 O'Connell Street Limerick
Solicitors	Byrne Wallace LLP 88 Harcourt Street Dublin 2 D02 DK18

Introduction

On the 1st October 2021, Technological University of the Shannon: Midlands Midwest (TUS) was established under the Technological Universities Act 2018 (Section 36) and Statutory Instrument (360 of 2021) following the dissolution of Athlone Institute of Technology (AIT) and Limerick Institute of Technology (LIT). At that date all assets, rights, obligations and staff of the two Institutes were transferred to The University in accordance with the Technological Universities Act 2018 Act.

Governing Body

The Governing Body of TUS operates in accordance with a Governance Framework which comprises The Technological Universities Act 2018, the Interim TUS Code of Governance (the Code) and other applicable legislation. The Governing Body fulfils key functions including approving and reviewing implementation of the University's strategic plan, risk management policy, annual operating budgets, annual financial statements, performance management and oversees major capital expenditure and investment decisions. The Governing Body also has overall responsibility for the system of internal control in operation within the University. The Governing Body has a formal schedule of matters specifically reserved for its decision, comprising statutory functions and matters derived from the Code (as per Appendix B in the Interim TUS Code of Governance). The Governing Body established and operated the following committees during the period to support them in their responsibilities:

- Audit and Risk Committee (ARC)
- Finance Committee
- Nominations Committee

The following committees were established by Governing Body on the 18th July 2022 and were in operation from 1st September 2022.

- Governance and Nominations Committee
- Equity, Diversity and Inclusion Committee

Under Section 55 of the Act, the Minister for Further and Higher Education, Research, Innovation and Science appointed the Governing Body of TUS on the 1st October 2021. The Governing Body sought nominations and conducted elections. On the 30th March, 2022 a further 15 members were appointed.

TECHNOLOGICAL UNIVERSITY OF THE SHANNON: MIDLANDS MIDWEST

Strategic Plan and the Annual Operating Budget

In accordance with the requirements of Section 18 of the Act, the President has progressed the development of the strategic plan. This development has involved substantial engagement with the Governing Body and all relevant internal and external stakeholders through an engaged and facilitated process. The draft Strategic Plan was submitted to the Governing Body on the 19th December 2022 and was approved by the Governing Body on 23rd January, 2023. The Governing Body approved the Annual Operating Budget 2022 for the University at its meeting on 28th March, 2022.

Statement of Compliance with the TUS Interim Code of Governance

TUS confirms the Governing Body adopted the TUS Interim Code of Governance on the 12th October 2021 and procedures have been put in place to ensure compliance with the Code.

Compliance with Public Spending Code

The Governing Body confirms that the University adheres to the relevant aspects of the Public Spending Code and that the Governing Body has ensured robust and effective systems and procedures are in place to ensure compliance with the relevant principles, requirements and guidelines of the Public Spending Code including guidelines for achieving value for money.

Management of Capital Projects

The University affirms that its policies and procedures in the management of capital projects are compliant with the relevant circulars, requirements and guidelines of the Public Spending Code, the Capital Works Management Framework and the Code.

Asset Disposals

There were no significant asset disposals or granting of access to assets by third parties during the period. The University confirms that it has complied with disposal procedures as outlined in Section 8.19 of the Code.

Risk Management

The Governing Body approved the University's risk management policy and monitored its effectiveness including structured and periodic reviews to TUS's Strategic Risk Register by the Senior Management Team. This review included an assessment of the principal risks, risk rating and associated mitigations for each of the risks set out in the Strategic Risk Register.

TECHNOLOGICAL UNIVERSITY OF THE SHANNON: MIDLANDS MIDWEST

Governing Body Meetings

During the period from 1st October 2021 to 31st August 2022 the Governing Body met on 15 separate occasions on the following dates . A quorum was maintained at all meetings.

01 October 2021	12 October 2021	27 October 2021	11 November 2021	01 December 2021
15 December 2021	13 January 2022	24 January 2022	14 February 2022	07 March 2022
28 March 2022	11 April 2022	16 May 2022	20 June 2022	18 July 2022

Figure 1.1				
Schedule of Governing Body Meetings and Governing Body Member's Attendance				
1st October 2021 – 31st August 2022				
Governing Body Members	Role	Appointment Date/ Cessation Date*	Number of Governing Body meetings attended	Number of Governing Body meetings during the period
Josephine Feehily	Chairperson	01.10.2021	15	15
Prof Vincent Cunnane	President	01.10.2021	14	15
Colette Ryan	External Member	01.10.2021	12	15
John Griffin	External Member	01.10.2021	12	15
George O'Callaghan	External Member	01.10.2021	14	15
Anne Cusack	External Member	30.03.2021	3	4
James Ring	External Member	30.03.2022	3	4
Marguerite Doyle	External Member	30.03.2022	3	4
Catherine Collins	External Member	30.03.2022	3	4
Noel Gavin	External Member	30.03.2022	4	4
Martin Quinn	External Member	30.03.2022	3	4
Han Brezet	External Member	30.03.2022	2	4
John Doyle	Professional Managerial & Support Staff Member	30.03.2022	4	4
Kevin McLoughlin	Academic Staff member	30.03.2022	4	4
Anne Meagher	Academic Staff member	30.03.2022	4	4
Brigid Delamere	Academic Staff member	30.03.2022	3	4
Tony Mahon	Academic Staff member	30.03.2022	4	4
Áine Daly*	Student member	30.06.2022	2	3
Cormac Dillon*	Student member	30.06.2022	3	3
Shelley Ann McCarthy Buckingham*	Student member	30.06.2022	3	3
Niall Naughton	Student member	01.07.2022	1	1
James Hadnett	Student member	01.07.2022	1	1
Shahboz Babaev	Student member	01.07.2022	1	1

* Three student members of Governing Body ceased office on the 30th June 2022 as their term of office within the TUS Student Union ended on the same day. On the 1st July 2022, three new student members were appointed to the Governing Body.

The Governing Body met twice during the period without the executive members of management present.

The expenses paid to members of the Governing Body were in accordance with guidelines from the Department of Finance. No fees were paid to Governing Body members during the period.

Schedule of expenses paid to Governing Body members

<i>Figure 1.2</i> (1st October 2021 – 31 st August 2022)	
Governing Body Member	Expenses
Josephine Feehily	€4,424.02
Noel Gavin	€279.68
George O'Callaghan	€188.02
Shelly Ann McCarthy Buckingham	€186.62
Anne Meagher	€141.54
Tony Mahon	€123.62
Kevin McLoughlin	€125.73
Anne Cusack	€79.29
Martin Quinn	€77.38
Total Expenses	€5,625.90

Audit and Risk Committee (ARC)

The Terms of Reference for ARC are approved by the Governing Body of the University. The purpose of the ARC is to:

- Assist and support the Governing Body in its oversight of the integrity of the system of internal controls (SIC);
- Monitor the effectiveness and objectivity of ARC's relationship with the internal audit function and the external auditors;
- Evaluate risk management governance;
- Assist the Governing Body in its determination and oversight of risk appetite and risk tolerance;
- Review the risk management policy and framework by monitoring its effectiveness and performance to protect against and mitigate risks, including identifying new emerging risks and managing risk deficiencies;
- Review the internal control framework observing its reliability through the Institute of Internal Auditors (IIA's) Three Lines of Defence Model.

The Chairperson of Governing Body was satisfied that the ARC discharged its role effectively and efficiently and has met the requirements with regard to the frequency of meetings in the period 1st October 2021 to 31st August 2022.

TECHNOLOGICAL UNIVERSITY OF THE SHANNON: MIDLANDS MIDWEST

Finance Committee

The Terms of Reference for the Finance Committee are approved by the Governing Body of the University. The purpose of the Finance Committee is to:

- Assist and advise the Governing Body in the performance of its functions and oversight of the integrity of the statutory financial reporting, financial planning & analysis and financial management responsibilities of TUS.

The Chairperson of Governing Body was satisfied that the Finance Committee discharged its role effectively and efficiently and has met the requirements with regard to the frequency of meetings in the period 1st October 2021 to 31st August 2022.

Nominations Committee

The Terms of Reference for the Nominations Committee were approved by the Governing Body of the University. The purpose of the Nominations Committee was to enable the process for nomination of external members as provided under Section 12 (1) (h) of the Act.

ARC and Finance Committee Meetings

ARC – Eight meetings were held between 1st October 2021 and 31st August 2022. A quorum was maintained at all meetings.

TUS ARC Meeting * 1st October 2021 – 31st August 2022			
<i>Committee Members</i>	<i>Role</i>	<i>Number of Committee meetings attended</i>	<i>Number of Committee meetings during the period</i>
Colette Ryan	Chairperson	8	8
Tom Kennedy	External Member	8	8
John Griffin	Governing Body Member	8	8
Tina Dolan	External Member	8	8

TECHNOLOGICAL UNIVERSITY OF THE SHANNON: MIDLANDS MIDWEST

Finance Committee – Seven meetings were held between 1st October 2021 and 31st August 2022. A quorum was maintained at all meetings.

TUS Finance Committee Meeting * 1st October 2021 – 31st August 2022			
<i>Committee Members</i>	<i>Role</i>	<i>Number of Committee meetings attended</i>	<i>Number of Committee meetings during the period</i>
George O'Callaghan	Chairperson	5	7
Prof. Vincent Cunnane	President	7	7
Brian Feeney	External Member	7	7
Paul Tierney	External Member	7	7

On 18th July 2022 Tony Mahon was approved by the Governing Body as an internal member of the Finance Committee.

* On the 23rd and 30th May 2022, the Audit & Risk Committee and the Finance Committee held joint meetings to review the (former) AIT and LIT financial statements for thirteen months to 30th September 2021.

Performance Evaluation of the Governing Body and its Committees

The Governing Body conducted a self-assessment of its own performance and the performance of its committees.

General Governance and Accountability Issues

The University can confirm that there are no governance and accountability issues that the University wishes to bring to the attention of the Minister for Further & Higher Education, Research, Innovation & Science and the Higher Education Authority.

Commercially Significant Developments affecting the University

Athlone Institute of Technology and Limerick Institute of Technology were dissolved on the 30th September 2021 and Technological University of the Shannon: Midlands Midwest (TUS) was established on the 1st October 2021 by Ministerial Order (Statutory Instrument 360 of 2021).

Under the TU Act all land, other property, rights in or granted over land or other property, work in progress and pre-existing contractual and other rights and liabilities of Athlone Institute of Technology and Limerick Institute of Technology transferred to TUS on 01 October 2021.

Technological University of the Shannon: Midlands Midwest can confirm that there were no other significant commercially sensitive developments in the period under review and no likely developments for the rest of the year, including the establishment of subsidiaries, joint ventures and acquisitions apart from those that occurred as part of the establishment of TUS. There are also, to the University's knowledge, no major issues likely to arise in the short to medium term that will significantly affect the University.

Summary of all Off-Balance Sheet Transactions of the University

There were no off-balance sheet transactions.

Code of Conduct for Members and Employees

A Code of Conduct for both Members and Employees has been put in place and is being adhered to. The Codes of Conduct include Sections on Ethics in Public Office Act 2005, conflicts of interest and disclosures of interest.

Compliance with Government Policy on Pay & Pensions of the President and University Employees

The University complied with its obligations under the Government policy on pay and pensions for the President and all other University employees.

Please also refer to financial statement's disclosure note 9.

Compliance with Government Pay Policy on fees to Governing Body members and subsidiary company board members.

The University complied with Government Pay Guidelines in respect of members on the Governing Body and the subsidiaries company boards of the University.

Confidential Disclosure Reporting - Protected Disclosures Act 2014

The University confirms that procedures for Confidential Disclosure Reporting are in place in accordance with Section 21(1) of the Protected Disclosures Act 2014. These procedures allow employees, in confidence, to raise concerns about possible irregularities in financial reporting or any other matters, as well as ensuring that meaningful follow-up of matters raised this way takes place.

The annual reports for 2021 and 2022, as required under Section 22(1) of the Act have been published.

The University had no protected disclosures under the Policy/Act during the period.

An anonymous report was received in late December, 2021 containing a number of allegations. No documentary evidence was provided with the report. The allegations in the report were assessed by TUS and determined not to meet the criteria of a protected disclosure. The report was included in the TUS annual protected disclosures report 2022.

Tax Laws

The University has complied with its obligations under tax law.

Please also refer to financial statements' disclosure note 11.

TECHNOLOGICAL UNIVERSITY OF THE SHANNON: MIDLANDS MIDWEST

Legal Disputes

There were no legal disputes involving other State bodies, other persons or other bodies.

A breakdown of the legal costs/settlements is included below.

University Subsidiaries and Investments

Details of any shareholdings and interests held by the University:

Subsidiary/Investment name	Year of establishment	Purpose / function
CSS CLG	1994	Provision of Catering Services – AIT Campus <i>Wholly owned subsidiary</i>
AIT SportsCo Ltd	2010	Provision of Sport Facilities and Gym <i>Wholly owned subsidiary</i>
LIT Sports & Leisure Facilities CLG	2012	Management of LIT Sports Facilities & Activities <i>Wholly owned subsidiary</i>
AIT Training International	2013	To carry on the Business of International Education & Training. <i>Wholly owned subsidiary</i> (This company is dormant/not trading)
Empower Eco CLG	2020	Community-based Eco Innovation Enterprise Stimulus and Education. <i>30% share of control</i> (This company has been wound up by voluntary resolution with effect from 10 th May 2022)

University subsidiaries continue to operate solely for the purpose for which they were established and in full compliance with the terms and conditions of the consent under which they were established.

The THEA Code of Governance for Subsidiary Companies was approved by the Governing Body on the 18th July, 2022. The board of each subsidiary company provided the annual financial statements and a statement of internal control for the period to the Governing Body. The financial statement of all subsidiary companies (per fig. 1.5 above) are consolidated within the TUS financial statements for the period.

Please refer to the financial statements' disclosure note 14 for additional detail.

Intellectual Property (IP) and Conflict of Interest

- (i) The University operated the existing IP policy from the appointed day 1st October 2021 and a new IP policy for TUS was approved by the Governing Body on the 21st November 2022 and is published on its website. The IP Policy reflects the National IP Management Requirements of the National IP Protocol.

TECHNOLOGICAL UNIVERSITY OF THE SHANNON: MIDLANDS MIDWEST

- (ii) The University operated the existing Conflict of Interest policy from the appointed day and a new TUS Conflict of Interest policy was approved by the Governing Body on the 21st November, 2022 and is published on its website.
- (iii) The Governing Body confirms that there was no relevant IP commercialisation in the period. Conflicts of Interest were managed in accordance with the policy.

Gender Balance, Diversity and Inclusion

The first TUS Governing Body as at 30th March, 2022 comprised 12 male and 8 female members, thereby achieving the gender objective of at least 40% of either gender. On the 1st of July, 2022 TUS appointed three new student members, nominated by the student's union in accordance with their own procedures. This resulted in an overall Governing Body membership of 13 male and 7 female members, achieving 35% of female members. The Governing Body accepted this membership and resolved to amend the student nomination process at the time of the next appointments to ensure achievement of the overall gender objective.

Please refer to Figure 1.1 for the listing of Governing Body members and their roles.

TUS recognised the importance of diversity and inclusion for all staff and students of the University. TUS is committed to equality of opportunity for all its staff and students and promotes a culture of inclusivity. A culture of inclusivity and diversity is critical to maintaining excellence in all activities where all staff and students are enabled to achieve their full potential in an environment characterised by equality of respect and opportunity. To that regard the Governing Body has approved the TUS Equality Statement as required under Section 19 of the Act and has established an Equality, Diversity and Inclusion Committee. TUS was awarded an Athena Swan Legacy award in May 2022.

Travel and Subsistence

The Government travel policy requirements were complied with in all respects.

Travel & Subsistence	11 months to 31/08/2022 €000's	13 months to 30/09/2021 €000's
Travel Domestic	416	148
Travel International	419	68
Total	835	216

Hospitality Expenditure	11 months to 31/08/2022 €000's	13 months to 30/09/2021 €000's
Staff	17	2
Client	33	
Other	81	31
Total	131	33

TECHNOLOGICAL UNIVERSITY OF THE SHANNON: MIDLANDS MIDWEST

Legal Costs

	11 months to 31/08/2022	13 months to 30/09/2021
	€000's	€000's
Legal Costs	113	291
Settlements	0	517
Total	113	808

Professional/Consultancy Fees

	11 months to 31/08/2022	13 months to 30/09/2021
	€000's	€000's
Tax & Financial Advisory Fees	110	108
PR & Marketing Fees	394	177
TU Fees	217	454
Building Fees	342	225
Other Fees	463	544
Total	1,526	1,508

Annual Report and Financial Statements 2021/2022

The Governing Body has reviewed and approved the Annual Report and Financial Statement and considers the Financial Statement to be a true and fair view of the University's financial performance and its financial position at the end of the period.

Governing Body Responsibilities

Athlone Institute of Technology and Limerick Institute of Technology (The Institutes) were dissolved with effect from 30th September 2021. At that date all assets, rights, obligations and staff of The Institutes were transferred to The University in accordance with the Act.

Technological University of the Shannon: Midlands Midwest (The University) was established under the terms of the Technological Universities Act 2018 (the Act) and the Technology Universities Act 2018 (Section 36) (Appointed Day) Order 2021 (SI 360 of 2021).

The University is required under the Act to prepare financial statements which give a true and fair view of the state of affairs of the University at 31 August 2022 and of its income and expenditure for the period 1st October 2021 to the 31st August 2022.

TECHNOLOGICAL UNIVERSITY OF THE SHANNON: MIDLANDS MIDWEST

In preparing these Consolidated Financial Statements, The University is required to:

- Select suitable accounting policies and apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- Prepare Financial Statements on the going concern basis, unless it is inappropriate to presume that the University will continue in operation.
- Disclose and explain any material departures from applicable accounting standards.

The Governing Body is responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the University and which enables it to ensure that the Consolidated Financial Statements comply with the Technological Universities Act 2018.

The University is also responsible for safeguarding its assets and for taking reasonable steps for the prevention and detection of fraud, corruption and other irregularities.

Chairperson: Ms. Josephine Feehily

Date: 29th May 2023

President: Professor Vincent Cunnane

Date: 29th May 2023

STATEMENT ON SYSTEM OF INTERNAL CONTROLS

Scope of Responsibility

On the 1st October 2021, Technological University of the Shannon: Midlands Midwest (TUS) was established under the Technological Universities Act 2018 (Section 36) and Statutory Instrument (360 of 2021) following the dissolution of Athlone Institute of Technology and Limerick Institute of Technology. At that date all assets, rights, obligations and staff of the two Institutes were transferred to The University in accordance with the Technological Universities Act 2018 (Act). The Governing Body of the Technological University of the Shannon: Midlands Midwest (TUS) acknowledges its responsibility for ensuring that an effective system of internal controls is maintained and operated in the University and for putting in place processes and procedures for the purpose of ensuring that the system is effective. This responsibility reflects the requirements of the Code of Practice for the Governance of State Bodies (2016) as encapsulated by the Interim TUS Code of Governance.

Purpose of the System of Internal Controls

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

The system of internal controls, which accords with guidance issued by the Department of Public Expenditure NDP Delivery and Reform, has been in place in TUS for the period 1st October 2021 to 31st August 2022 and up until the date of approval of the financial statements.

Annual Review of the Effectiveness of Internal Control

The Governing Body has conducted an annual review of the effectiveness of the system of internal control for the period ended 31st August 2022 and concluded that the system of internal control operated effectively with on-going monitoring and review being conducted by the ARC, the Finance Committee and management to the Governing Body.

Disclosure of Breaches in Internal Control, Weakness in Internal Control and Material Losses or Frauds

No breaches or weaknesses in internal control were identified which required disclosure in the University's Statement on System of Internal Controls.

Review of Statement of Internal Control

The Statement on the System of Internal Control was reviewed by the Audit and Risk Committee and the Governing Body to ensure it accurately reflects the control system in operation during the reporting period.

Key Procedures put in place designed to provide Effective Internal Control

Appropriate Control Environment

The Governing Body has taken steps to ensure an appropriate control environment was in place by:

- Implementation and operation of an Internal Control Framework (ICF), with clearly identified compliance requirements as required by the TU Act, the Code of Governance, relevant circulars and best practice guidance and the completion of an ICF annual self-evaluation report, to assess the operating effectiveness of internal controls which was reviewed by the ARC and approved by the Governing Body.
- Approval of a Policy Framework for developing, approving and reviewing TUS policies and procedures.
- Establishing formal processes and procedures through Governing Body committees to monitor the activities and safeguard the assets of the University.
- Developing a strong culture of accountability across all levels of the organisation.
- Adopting and adhering to the Code of Practice for the Governance of State Bodies as encapsulated by the Interim TUS Code of Governance.
- Ensuring the control environment includes an active Audit and Risk Committee, internal audit function and regular reporting to the Governing Body on financial results.

Business Risks

The Governing Body has approved a Risk Management Policy which includes processes to identify, evaluate and monitor major business risks that affect TUS. The ARC and Governing Body conducted regular reviews of the Strategic Risk Register during the period. The Governing Body also:

- Reviewed and approved the annual operating budget and review of financial reports of performance against budget, and
- Reviewed and approved capital projects during the period.

Information Systems

TUS implemented a number of Management Information Systems to provide a means of comparing actual results to targets and forecasts. These systems include:

- Financial Management – Agresso
- Human Resources and Payroll Management – CoreHR & Core Payroll
- Travel and Expenses – CoreHR
- Student Administration – Banner
- Resource Allocation – Power BI and SSRS
- Timetabling – Syllabus

Financial Implications of Major Business Risks

TUS employs a range of actions to reduce the potential for fraudulent activity. The University's internal control policy framework includes written policies and procedures requiring transactions to be properly authorised and providing for sufficient segregations of duties.

Compliance with Procurement Rules and Guidelines

The University's procurement procedures are in line with the national guidelines for public procurement and the requirements of the Office of Government Procurement (OGP), Education Procurement Service ("EPS") and Guidelines on Achieving Value for Money in Public Expenditure, as set out in the Public Spending Code. The University's Corporate Procurement Plan was presented and approved by Governing Body on the 16th May, 2022. All relevant staff within the University are fully conversant with the public procurement guidelines. The Annual Procurement Report 2021/22 as presented to the ARC and Governing Body identified five instances in relation to non-compliance with procurement guidelines in the amount of €275,465. TUS has put in place appropriate actions and timelines to address the instances of non-compliance.

Review of the Effectiveness of the Internal Control System

The Governing Body's monitoring and review of the effectiveness of the system of internal control operated throughout the period and was concluded on the 21st November, 2022. The review was informed by the work of the University Senior Management who have responsibility for the development and maintenance of the internal control framework, the Audit and Risk Committee, the Internal Auditors and comments made by the Comptroller and Auditor General in his management letter.

Signed on behalf of the Governing Body of Technological University of the Shannon: Midlands Midwest

Chairperson: Ms Josephine Feehily

Date: 29th May 2023

President: Professor Vincent Cunnane

Date: 29th May 2023



Ard Reachtaire Cuntas agus Ciste Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Technological University of the Shannon: Midlands Midwest

Opinion on the financial statements

I have audited the financial statements of Technological University of the Shannon: Midlands Midwest for the period from 1 October 2021 to 31 August 2022 as required under the provisions of the Technological Universities Act 2018. The financial statements comprise

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

In my opinion, the financial statements give a true and fair view of the assets, liabilities and financial position of the University and of the University Group at 31 August 2022 and of the income and expenditure of the University and of the University Group for the period 1 October 2021 to 31 August 2022 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 University and have fulfilled my other ethical responsibilities in accordance with the standards.

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

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

The University has presented certain other information together with the financial statements. This comprises a corporate governance statement and a 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.

Seamus McCarthy
Comptroller and Auditor General

1 June 2023

Appendix to the report

Responsibilities of Governing Body members

The members are responsible for

- the preparation of annual financial statements in the form prescribed under the Technological Universities Act 2018
- ensuring that the financial statements give a true and fair view in accordance with FRS102
- ensuring the regularity of transactions
- assessing whether the use of the going concern basis of accounting is appropriate, and
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibilities of the Comptroller and Auditor General

I am required under the Technological Universities Act 2018 to audit the financial statements of the University and to report thereon to the Houses of the Oireachtas.

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

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

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

- I conclude on the appropriateness of the use of the going concern basis of accounting and, based on the audit evidence obtained, on whether a material uncertainty exists related to events or conditions that may cast significant doubt on the University's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause the University to cease to continue as a going concern.
- I evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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.

TECHNOLOGICAL UNIVERSITY OF THE SHANNON: MIDLANDS MIDWEST
CONSOLIDATED AND UNIVERSITY STATEMENT OF COMPREHENSIVE INCOME

Period Ended 31 August 2022

		Consolidated 11 months 31/08/22 €000's	University 11 months 31/08/22 €000's	Consolidated 13 months 30/09/21 €000's Restated	University 13 months 30/09/21 €000's Restated
Income					
State Grants	3	64,818	64,818	68,699	68,699
Tuition Fees and Student Contribution	4	48,057	48,057	54,632	54,632
Research Grants & Contracts	5	13,428	13,428	13,088	13,093
Student Support Funding	7	2,243	2,243	1,887	1,887
Other Income	8	9,391	7,185	8,488	7,237
Amortisation of Deferred Capital Grants	20	6,108	5,989	7,126	6,956
Deferred Pension Funding	25	31,421	31,421	32,728	32,728
Total Income		175,466	173,141	186,648	185,232
Expenditure					
Staff Costs	9	100,495	99,385	107,798	107,160
Retirement Benefit Costs	25	31,421	31,421	32,728	32,728
Other Operating Expenses	10	34,178	33,624	30,373	30,156
Depreciation	13	6,888	6,462	8,160	7,544
Total Expenditure		172,982	170,892	179,059	177,588
Surplus before other gains and share of surplus in joint ventures & associates		2,484	2,249	7,589	7,644
Surplus before tax		2,484	2,249	7,589	7,644
Taxation	11	(33)	-	-	-
Surplus for the period before other gains and losses	12	2,451	2,249	7,589	7,644
Experience losses on retirement benefit obligations		-	-	(2,305)	(2,305)
Reduction in pension liabilities arising from retirements in period		12,458	12,458	20,593	20,593
Changes in assumptions underlying the present value of retirement benefit obligations	25	159,131	159,131	(17,378)	(17,378)
Total actuarial gains in the period		171,589	171,589	910	910
Adjustment to deferred retirements benefits funding	25	(171,589)	(171,589)	(910)	(910)
Total Comprehensive Income for the period		2,451	2,249	7,589	7,644

*The Consolidated Statement of Comprehensive Income includes all gains and losses recognised in the period.
Notes 1 – 28 form part of these financial statements.*

Signed on behalf of the Governing Body

Chairperson: Ms. Josephine Feehily

Date: 29th May 2023

President: Professor Vincent Cunnane

Date: 29th May 2023

TECHNOLOGICAL UNIVERSITY OF THE SHANNON: MIDLANDS MIDWEST
CONSOLIDATED AND UNIVERSITY STATEMENT OF CHANGES IN RESERVES AND CAPITAL ACCOUNT

Period Ended 31 August 2022

	Note 20 Consolidated Deferred Capital Grants €000's	Note 20 University Deferred Capital Grants €000's	Note 21 Consolidated Capital Development Reserve €000's	Note 21 University Capital Development Reserve €000's	I&E Consolidated Revenue Reserves €000's	I&E University Revenue Reserves €000's	Consolidated Totals €000's	University Totals €000's
Balance at 1 October 2021	139,227	137,630	9,293	9,293	29,982	17,982	178,502	164,905
Surplus for the period before appropriations	-	-	-	-	2,451	2,249	2,451	2,249
Amortisation of Deferred Capital Grants	(6,108)	(5,989)	-	-	-	-	(6,108)	(5,989)
State Recurrent Grant allocated to capital	3,002	3,002	-	-	-	-	3,002	3,002
State Capital Grants	4,097	4,097	-	-	-	-	4,097	4,097
Research Grants & Contracts	1,733	1,733	-	-	-	-	1,733	1,733
Other Grants	-	-	-	-	-	-	-	-
Tipperary Co Council	3,671	3,671	-	-	-	-	3,671	3,671
Transfer to Expenditure	-	-	(226)	(226)	226	226	-	-
Transfer from/to Capital Development Reserve	1,644	1,644	(1,644)	(1,644)	-	-	-	-
Movement for the Period	8,039	8,158	(1,870)	(1,870)	2,677	2,475	8,846	8,763
Balance at 31 August 2022	147,266	145,788	7,423	7,423	32,659	20,457	187,348	173,668
Balance at 1 September 2020	137,748	135,981	3,465	3,465	28,221	16,166	169,434	155,612
Surplus for the period before appropriations	-	-	-	-	7,589	7,644	7,589	7,644
Amortisation of Deferred Capital Grants	(7,126)	(6,956)	-	-	-	-	(7,126)	(6,956)
State Recurrent Grant allocated to capital	2,844	2,844	-	-	-	-	2,844	2,844
State Capital Grants	1,214	1,214	-	-	-	-	1,214	1,214
Research Grants & Contracts	2,513	2,513	-	-	-	-	2,513	2,513
Other Grants	314	314	-	-	-	-	314	314
Tipperary Co Council	273	273	-	-	-	-	273	273
Reversal of Coonagh HEA Debtor	1,394	1,394	-	-	-	-	1,394	1,394
Corrections	53	53	-	-	-	-	53	53
Transfer to Capital Development Reserve	-	-	5,828	5,828	(5,828)	(5,828)	-	-
Movement for the Period	1,479	1,649	5,828	5,828	1,761	1,816	9,068	9,293
Balance at 30 September 2021	139,227	137,630	9,293	9,293	29,982	17,982	178,502	164,905

Notes 1 – 28 form part of these financial statements

Signed on behalf of the Governing Body

Chairperson: Ms. Josephine Feehily
Date: 29th May 2023

President: Professor Vincent Cunnane
Date: 29th May 2023

TECHNOLOGICAL UNIVERSITY OF THE SHANNON: MIDLANDS MIDWEST

CONSOLIDATED AND UNIVERSITY STATEMENT OF FINANCIAL POSITION

As at 31 August 2022

	Note	Consolidated 31/08/22 €000's	University 31/08/22 €000's	Consolidated 30/09/21 €000's	University 30/09/21 €000's
Fixed Assets					
Property, Plant & Equipment	13	164,287	153,506	156,890	145,802
		164,287	153,506	156,890	145,802
Current Assets					
Inventory		48		3	
Receivables	15	10,679	10,599	5,698	5,647
Cash and Cash Equivalents	16	64,737	61,466	60,218	57,347
		75,464	72,065	65,919	62,994
Less Payables: Amounts due within 1 year	17	(50,477)	(50,103)	(41,769)	(41,490)
Net Current Assets		24,987	21,962	24,150	21,504
Total Assets less Current Liabilities		189,274	175,468	181,040	167,306
Payables: Amounts due after 1 year	18	(1,926)	(1,800)	(2,538)	(2,401)
Retirement Benefits					
Retirement Benefits Obligations	25	(415,824)	(415,824)	(551,741)	(551,741)
Deferred Retirement Benefit Funding Asset	25	415,824	415,824	551,741	551,741
Total Net Assets		187,348	173,668	178,502	164,905
Deferred State Capital Grants	20	147,266	145,788	139,227	137,630
Capital Development Reserve	21	7,423	7,423	9,293	9,293
		154,689	153,211	148,520	146,923
Unrestricted Reserves					
Income & Expenditure Reserve		32,659	20,457	29,982	17,982
		32,659	20,457	29,982	17,982
Total		187,348	173,668	178,502	164,905

Notes 1 – 28 form part of these financial statements.

Included in the total for Revenue Reserves is an amount of €7,733k (University only), €17,035k (Consolidated), representing the undepreciated value of Non-State Funded Capital Assets, which will offset the depreciation charge of the corresponding assets over their remaining life.

Signed on behalf of the Governing Body

Chairperson: Ms. Josephine Feehily

Date: 29th May 2023

President: Professor Vincent Cunnane

Date: 29th May 2023

TECHNOLOGICAL UNIVERSITY OF THE SHANNON: MIDLANDS MIDWEST

CONSOLIDATED STATEMENT OF CASH FLOWS

Period Ended 31 August 2022

	11 months 31/08/2022 €000's	13 months 30/09/2021 €000's
Cash Flows from Operating Activities		
Surplus for the Period	2,451	7,589
Depreciation of Fixed Assets	6,888	8,160
Amortisation of Deferred Capital Grants	(6,108)	(7,126)
(Increase)/Decrease in Stock	(45)	17
(Increase) Decrease in Receivables	(4,981)	474
Increase in Payables less than 1 year	8,708	16,862
(Decrease) in Payables greater than 1 year	(612)	(362)
Increase in Capital Grants in relation to reversal of Coonagh Debtor	-	1,394
Capital Grants received	12,503	7,158
Net Cash Inflow from Operating Activities	18,804	34,166
Cash Flows from Investing Activities		
Payments to acquire Property, Plant & Equipment	(14,285)	(7,225)
Net Cash (Out Flow) from Investing Activities	(14,285)	(7,225)
Cash Flows from Financing Activities		
Interest Received	-	-
Net Cash Flows from Financing Activities	-	-
Net Increase in Cash Equivalents in the Period	4,519	26,941
Cash & Cash Equivalents at 1 October	60,218	33,277
Cash & Cash Equivalents at Period End	64,737	60,218

Notes 1 – 28 form part of these financial statements.

Signed on behalf of the Governing Body

Chairperson: Ms. Josephine Feehily

Date: 29th May 2023

President: Professor Vincent Cunnane

Date: 29th May 2023

NOTES TO THE FINANCIAL STATEMENTS

Period Ended 31 August 2022

1. Significant Accounting Policies

The accounting policies which are considered material in relation to the financial statements are summarised below. They have all been applied consistently throughout the period and to the preceding period.

a) General Information

The primary objectives of the University are to provide third level education and other associated activities.

b) Basis for Accounting

The financial statements have been prepared under the historical cost convention, and in accordance with generally accepted accounting principles. They comply with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council and promulgated for use in Ireland by Chartered Accountants Ireland, and with the requirements of the Higher Education Authority.

The functional currency under FRS 102 for Technological University of the Shannon: Midlands Midwest is considered to be Euro because that is the currency of the primary economic environment in which the University operates. The consolidated financial statements are also presented in Euro. Foreign operations are included in accordance with the policies set out below.

For comparative purposes, these financial statements include the combined amounts for Limerick Institute of Technology and Athlone Institute of Technology for their final periods of account, 13 months to 30 September 2021. On that date both Institutes were dissolved and all assets, rights, liabilities, obligations and staff were transferred to the Technological University.

c) Basis of Consolidation

The Group financial statements consolidate the financial statements of the University and its subsidiary undertakings made up to 31 August 2022.

The results of subsidiaries acquired or sold are consolidated for the periods from or to the date on which control passed.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

d) Property, Plant and Equipment

(i) Land and Buildings

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than investment properties and freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Freehold buildings	50 years
--------------------	----------

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

(ii) Equipment

From 1 October 2021, equipment costing less than €10,000 (previously €3,000) per individual item is written off to the income and expenditure account in the year of acquisition. All other equipment is capitalised at cost.

Capitalised equipment is depreciated on a straight-line basis over its useful economic life as follows:

Fixtures & Fittings including Prefabs	10 years
Computer equipment	3 years
Plant & Machinery	10 years
Equipment	5 years
Motor Vehicles	5 years
Furniture	5 years

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

e) Inventory

Inventory is stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to the net realisable value.

f) Impairment of Assets

Assets, other than those measured at fair value, are assessed for indicators of impairment. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Financial Assets

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

g) Taxation

(i) Corporation Tax

As an exempt charity, the University is not liable for corporation tax or income tax on any of its charitable activities. It is registered for value added tax, but since the supply of education is an exempt activity on which no output tax is charged it is unable to recover input tax on the majority of its purchases. Certain research and commercial activities within the University falls into the VAT net. Any input or output tax relating to these activities is returned to the Revenue by the University.

(ii) Deferred Taxation

In subsidiary companies, who do not hold a charitable status and are therefore liable to corporation tax, deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the Statement of Financial Position date. Provision is made at the rates expected to apply when the timing differences reverse. Timing differences are differences between taxable profits and results as stated in the financial statements that arise from the inclusion of gains and losses in taxable profits in period's different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and, therefore, recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

h) Recognition of Income

(i) State Grants

Recurrent state 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 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 charged over the life of the assets.

(ii) Fee Income

Fee income is accounted for on an accruals basis.

(iii) Research Grants and Contracts

Income from research grants and contracts is matched to expenditure and included in the period the expenditure is incurred unless the grant has performance related conditions or restrictions associated with it. The most common classes of such transactions are set out below:

a. Donations with No Restrictions

Donations with no restrictions include amounts given to the University by way of cash or asset with no restriction as to how the donation should be used. Such donations are recorded in the Statement of Comprehensive Income on entitlement to the income.

b. Donations with Restrictions

Donations with restrictions are recorded within the Statement of Comprehensive Income on entitlement to the income. The restricted income received is held in the temporarily restricted reserve until such time that the expenditure is incurred in accordance with the restrictions.

c. Research Grants from non-government sources

Income from grants from non-government sources is recognised in the Statement of Comprehensive Income when the performance-related conditions are met. If a restriction is in use but no performance related condition exists, the income is recorded in the Statement of Comprehensive Income when the University becomes entitled to the income.

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 Comprehensive Income.

TECHNOLOGICAL UNIVERSITY OF THE SHANNON: MIDLANDS MIDWEST

Grants with restrictions are recorded within the Statement of Comprehensive Income 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.

(iv) Minor Capital Works

The Minister for Further and Higher Education, Research, Innovation and Science introduced a scheme to devolve responsibility to the University for summer and other Capital Works. In all cases Minor Capital Works funding is matched to expenditure and included in the period the expenditure is incurred.

(v) Income from Short-Term Deposits

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

(i) Retirement Benefits

Pension entitlements of staff recruited prior to 1 January 2013 are conferred under a defined benefit pension scheme established under the Education Sector Superannuation Scheme 2015. The scheme is operated on a Pay-as-You-Go basis, with superannuation deductions made from employees being retained by the University as an agreed part of its funding.

The University also operates the Single Public Service Pension Scheme ("Single Scheme"), which is the defined benefit scheme for pensionable public servants appointed on or after 1 January 2013 in accordance with the Public Service Pensions (Single Scheme and Other Provisions) Act 2012. Single Scheme members' contributions are paid over by the University to the Department of Public Expenditure NPD Delivery and Reform (DPER).

Pension costs charged to expenditure in the period reflect the benefits earned by current employees during the period and are shown net of staff pension contributions which, in respect of (i) the Education Sector Superannuation Scheme 2015, are retained by the University and (ii) the Single Scheme, are remitted to DPER. An amount corresponding to the pension cost is recognised as income, to the extent that it is recoverable.

Pension liabilities represent the present value of future pension payments earned to date. The retirement benefit funding asset reflects the expectation that the Department of Further and Higher Education, Research, Innovation and Science will continue to pay pensions and retirement lump sums as they fall due.

TECHNOLOGICAL UNIVERSITY OF THE SHANNON: MIDLANDS MIDWEST

Actuarial gains or losses arising on scheme liabilities are reflected in the Statement of Comprehensive Income and a corresponding adjustment is recognised in the retirement benefit funding asset.

The financial statements reflect, at fair value, the assets and liabilities arising from the University's pension obligations in respect of its current staff only and any related funding. The costs of providing pension benefits are recognised in the accounting periods in which they are earned by employees. Pension liabilities in respect of former employees who are in receipt of pensions are excluded because pension payments are charged to the appropriation account of the Department of Further and Higher Education, Research, Innovation and Science. The reduction in liability arising from members who retire during the period is reflected as an experience gain. Retirement benefit scheme liabilities are measured on an actuarial basis using the projected unit credit method.

Subsidiary staff are not part of the Public Sector scheme and each company operates its own private scheme.

(ii) Short-Term Benefits

Short-term benefits such as holiday pay are recognised as an expense in the period, and benefits that are accrued at period end are included in the Payables figure in the Statement of Financial Position. There is no accrual for holiday pay for Academic staff at period end due to the nature of their contracts.

j) 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 Statement of Financial Position date are reported at the rates of exchange prevailing at that date.

k) Leases

Assets held under finance leases, hire purchase contracts and other similar arrangements, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets at the fair value of the leased asset (or, if lower, the present value of the minimum lease payments as determined at the inception of the lease) and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the profit and loss account over the period of the leases to produce a constant periodic rate of interest on the remaining balance of the liability.

TECHNOLOGICAL UNIVERSITY OF THE SHANNON: MIDLANDS MIDWEST

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

l) Deferred Capital Grants

Deferred State capital grants represent the unamortised value of accumulated funds from State sources used for the acquisition or construction of fixed assets.

Capital Grants from the Higher Education Authority 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 charged over the life of the assets.

m) Reserves

Capital Development Reserve

The capital development reserve represents funds set aside by the University for specified capital development purposes. Such funds arise from Student Registration Fees, non-state capital donations, banking facility fees and transfers from Revenue Reserves. 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 University's Capital Development plan, have been approved by the Governing Body and are time phased and with estimates of costs.

2. Critical Accounting Judgements and Key Sources of Estimation

In the application of the University's accounting policies, which are described in note 1, the Governing Body are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. These estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical Judgements in Applying the University's Accounting Policies

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the Governing Body has made in the process of applying the University's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

TECHNOLOGICAL UNIVERSITY OF THE SHANNON: MIDLANDS MIDWEST

a) **Going Concern**

There is no material uncertainty regarding the University's ability to meet its liabilities as they fall due, and to continue as a going concern. On this basis, the University considers it appropriate to prepare financial statements on a going concern basis. Accordingly, these financial statements do not include any adjustments to the carrying value and classification of assets and liabilities that may arise if the University was unable to continue as a going concern.

b) **Provision for Doubtful Debts**

The University makes an estimate of the recoverable value of trade debtors and other debtors. The University uses estimates based on historical experience in determining the level of debts, which may not be collected. These estimates include such factors as the current rating of the debtor, the ageing profile of debtors and historical experience. The level of provision required is reviewed on an on-going basis.

c) **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 and mortality 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

d) **Holiday Pay**

The holiday pay accrual is calculated by reference to the days' holidays outstanding at the period end. Academic staff do not require an accrual at period end due to the nature of their contract.

e) **Establishing Lives for Property, Plant and Equipment for Depreciation Purposes**

Long lived assets, consisting primarily of property, plant and equipment, comprise a significant portion of the total assets of the University. The annual depreciation charge depends on the estimated expected useful life of each type of asset and estimates of residual values. The University regularly reviews these expected useful lives and changes them as necessary to reflect generally accepted norms for the relevant category. Changes in expected useful lives can have a significant impact on depreciation charges for the period. Details of expected useful lives for all asset categories are included in Note 1.

TECHNOLOGICAL UNIVERSITY OF THE SHANNON: MIDLANDS MIDWEST

3. State Grants

	2022 Allocated for Recurrent Expenditure €000's	2022 Allocated for Capital Expenditure €000's	2022 11 months Total €000's	2021 13 months Total €000's
Recurrent grant	46,414	3,068	49,482	56,056
Apprentices	6,560	-	6,560	7,097
Nursing	701	-	701	778
Covid-19	1,005	-	1,005	4,015
TU Project	5,146	-	5,146	4,310
Other State Grant	4,992	59	5,051	1,665
Capital Grant	-	3,972	3,972	161
Total 2022	64,818	7,099	71,917	74,082
Total 2021	68,699	5,383	74,082	

Included in the figure for Recurrent Grant is €2.942m in respect of the Devolved Grant.

4. Tuition Fees and Student Contribution

	2022 Student No's WTE	2022 State Funded €000's	2022 Non State Funded €000's	2022 11 month Total €000's	2021 Student No's WTE	2021 State Funded €000's	2021 Non State Funded €000's	2021 13 month Total €000's
Fees paid by State	8,270	8,929	-	8,929	9,357	10,740	-	10,740
Fees paid by Other State Agencies	31	159		159	23	91	-	91
Non EU Fees	570	-	4,431	4,431	565	-	5,313	5,313
Fees paid by students or on behalf of students	1,077	0	1,051	1,051	1,978	-	1,682	1,682
Life Long Learning and other fees	1,641	5,269	2,185	7,454	1,693	4,767	1,946	6,713
Student Contribution (including repeat exam fees)		13,065	12,968	26,033		15,977	14,116	30,093
Student No's/ Fee Income	11,589	27,422	20,635	48,057	13,616	31,575	23,057	54,632

The Higher Education Authority paid tuition fees in the period of €6.52m (2021: €7.54m) and €7.68m for Springboard/ICT Skills (2021: €7.96m).

SUSI paid tuition fees of €159k (2021: €91k) and student contribution fees of €13.07m (2021: €15.61m).

5. Research Grants and Contracts

	2022 11 months Total €000's	2021 13 months Total €000's Restated
Income		
State & Semi State	7,972	9,702
European Union	5,448	3,919
Industry	969	1,272
Other	772	708
Capital Expenditure	<u>(1,733)</u>	<u>(2,513)</u>
	13,428	13,088
Expenditure		
Pay Costs	7,065	8,006
Non-Pay Costs	<u>8,204</u>	<u>6,934</u>
	15,269	14,940
Net Outcome	(1,841)	(1,852)

Expenditure exceeds income because research-related funding received under RFAM Top slice of €581k (2021: €739k) and under TU Transformation Funding of €2,528k (2021: €3,085k) is shown in Note 3 State Grants, and is not included in Note 5 above.

Included in the Research Grant and Contract Income is an amount of €725k in respect of overhead recovery.

In 2022, following consultation within the sector, TUS has declared all research income, including funds later transferred to Project Partners, as Research Income. Payments to Project Partners are included in expenditure, and are separately identified in Note 10 below. There is no impact on the net surplus or deficit from research activities.

The results for 2021 have been restated to reflect the change. This caused an increase in income of €2,379k in the thirteen-month period, and a matching increase in expenditure.

TECHNOLOGICAL UNIVERSITY OF THE SHANNON: MIDLANDS MIDWEST

6. Analysis of State Derived Income

Name of Grantor	Note	Op Deferral 01/10/2021 €000's	Grant Received €000's	Cl Deferral 31/08/2022 €000's	I&E 2022 €000's
Note 3 - State Grant					
Higher Education Authority		10,658	69,132	(14,787)	65,003
Devolved Grant		2,223	3,796	(3,077)	2,942
State Capital Grant		(161)	1,867	2,266	3,972
Total State Income		12,720	74,795	(15,598)	71,917
Allocated for Capital Expenditure					(7,099)
	3				64,818
Note 4 - Tuition					
Higher Education Authority		1,126	14,031	(960)	14,197
Student Universal Support Ireland (SUSI)		-	13,214	11	13,225
Total State Income	4	1,126	27,245	(949)	27,422
Note 5 - Research & Contracts					
Environmental Protection Agency		(20)	1	36	17
Ballyhoura Development CLG		0	4	(4)	0
Bord Iascaigh Mhara		(43)	86		43
Brothers of Charity		0	2	(3)	(1)
Dept of Agriculture		0	75	(62)	13
Dept of Rural and Community Development		54	(54)		0
Dept. of Education & Science		3		(3)	0
Enterprise Ireland		1,214	4,786	(563)	5,437
Health Research Board		23	(1)	(22)	0
Health Service Executive		14	60	(17)	57
Higher Education Authority		1,572	584	(1,117)	1,039
International Energy Research Centre		108		(99)	9
Irish Cancer Society		0	4	17	21
IRISH MANU RESEARCH		0	34	(4)	30
Irish Research Council		113	60	(27)	146
Leargas		28	72	(14)	86
Limerick City Arty Gallery		0	12	(1)	11
Limerick Co. Council		0		1	1
National Youth Council of Ireland		(2)	7	(3)	2
Other		(7)	7		0
Paul Partnership Limerick		0	4	(1)	3
Science Foundation Ireland		(8)	565	320	877
Solas		9	27	(35)	1
Sustainable Energy Authority of Ireland		5	21	2	28
T&L		(10)	15		5
Tipperary County Council		(12)	28	(5)	11
Tipperary Sports Partnership		(2)	31	(8)	21
TUSLA		6			6
University of Limerick		164	(139)	86	111
Waterford Wexford Education Training Board		(24)	24	(2)	(2)
Total State Income	5	3,185	6,315	(1,528)	7,972
Note 7 - Student Support Funding					
Higher Education Authority		358	1,617	(187)	1,788
Dublin City University			200	(3)	197
University of Limerick			257	(37)	220
Total State Income	7	358	2,074	(227)	2,205

TECHNOLOGICAL UNIVERSITY OF THE SHANNON: MIDLANDS MIDWEST

7. Student Support Funding

	2022 11 months Student Disabilities €000's	2022 11 months Student Assistance €000's	2022 11 months Total €000's	2021 13 months Total €000's
Balance at 1 October 2021	306	108	414	1,064
Receipts				
Higher Education Authority	227	1,893	2,120	1,537
Other				3
Amounts Applied				
Pay Costs	257	61	318	391
Other Operating Expenses	204	1,721	1,925	1,485
Total Expenditure	461	1,782	2,243	1,876
Capital				314
Balance at 31 August 2022	72	219	291	414

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

8. Other Income

	2022 11 months Total €000's	2021 13 months Total €000's
Superannuation deductions retained	3,806	4,156
Sundry Income		
Rental of Facilities	75	133
Concession Fee	223	22
Regional Skills	273	162
Exam Fees	181	46
Erasmus	141	-
International Administration Fee	767	713
Commercial Income	301	460
Sundry Income	1,223	1,430
Total Sundry Income	3,184	2,966
Total University Income	6,990	7,122
Subsidiary Company Income	2,401	1,366
Net Income	9,391	8,488

TECHNOLOGICAL UNIVERSITY OF THE SHANNON: MIDLANDS MIDWEST

9. Staff Costs

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

	2022 No. of Employees	2021 No. of Employees
Teaching and Research	987	908
Technical	100	99
Central Administration & Services	389	361
	1,476	1,368

	2022 11 months €000's	2021 13 months €000's
Salaries and wages	90,709	97,478
Overtime and Allowances	107	383
Employers PRSI	8,542	9,288
Subsidiary Company	1,137	649
Totals	100,495	107,798

Key Management Compensation

For the purposes of this note, key management personnel in the University includes the Governing Body, President, Registrar, Vice Presidents, Deans of Faculty and any other person on these salary grades, including any staff on these salary grades seconded elsewhere in the Public Sector.

	WTE	Salary €000's	Fees €000's	Employee Benefits €000's	Post- Employment Benefits €000's	Termination Benefits €000's	2022 11 months Total Compensation €000's	2021 13 months Total Compensation €000's
Governing Body Members	-	-	-	-	-	-	-	341
President	1	171	-	-	-	-	171	348
Senior Management	18	1,946	-	-	-	-	1,946	1,965
Seconded Senior Management	1	147	-	-	-	-	147	174
	20	2,264	-	-	-	-	2,264	2,828

The pay disclosed above is the actual pay for the 11-month period ended 31st August 2022. It does not include retrospective pay relating to the period, which was accrued at 31st August 2022 and paid after the period end date. Such retrospective pay will be disclosed in the period in which it is paid.

TECHNOLOGICAL UNIVERSITY OF THE SHANNON: MIDLANDS MIDWEST

Post-employment benefits of key management staff

Nineteen members of the senior management team are members of a defined benefit final salary pension arrangement with benefits and contributions defined by reference to current “model” public sector scheme regulations only.

One member of the senior management team is a member of the Single Public Service Pension Scheme. The Single Scheme is the occupational pension scheme for new entrant public servants hired since 01 January 2013. It is a defined benefit scheme with retirement benefits based on career-average pay.

Termination Payments

No termination payments were paid to any staff of the University.

Higher Paid Staff

The table below provides details of employees earning €60,000 or more in salary bands of €10,000:

	Consolidated No of Employees 2022	University No of Employees 2022	Consolidated No of Employees 2021	University No of Employees 2021
Remuneration Bands				
€60,000 to €70,000	100	99	139	139
€70,001 to €80,000	94	94	75	74
€80,001 to €90,000	300	299	85	85
€90,001 to €100,000	71	71	275	275
€100,001 to €110,000	25	25	74	74
€110,001 to €120,000	12	12	25	25
€120,001 to €130,000	5	4	11	11
€130,001 to €140,000	-	-	7	7
€140,001 to €150,000	1	1	-	-
€150,001 to €160,000	1	1	-	-
€160,001 to €170,000	-	-	2	2
€170,001 to €180,000	1	1	1	1
€180,001 +	-	-	-	-
Grand Total	610	607	694	693

The overall figure for employer pension contribution in the period was €180k (2021: €272k).

TECHNOLOGICAL UNIVERSITY OF THE SHANNON: MIDLANDS MIDWEST

10. Operating Expenses

	Consolidated 11 months 2022 €000's	Consolidated 13 months 2021 €000's Restated
Materials and Other Consumables	2,657	2,578
Light, Heat and Power	1,673	1,699
Library Costs	719	838
Communication, Printing and Other Office Costs	891	782
Travel and Subsistence	835	216
Security, Cleaning and Waste Disposal	2,205	2,116
Rent, Rates and Insurance	985	1,029
Staff Recruitment and Development	604	965
Audit Fees	74	111
Professional Costs	1,639	1,799
Settlement Costs	0	517
Computer Costs	1,571	1,726
General Educational Expenses	981	1,138
Commission re International Student Fees	594	463
Services to Students	1,890	1,130
Student Support	1,345	1,622
Buildings, Grounds Maintenance and Health and Safety Costs	2,524	2,727
Hospitality	131	33
Marketing and Advertising	1,173	697
Equipment purchase and maintenance	3,175	1,506
Other Expenses	747	1,007
Payments to Project Partners	3,974	2,379
Innovation Centre Participation Grants	424	516
Student Scholarships and Other Stipends	1,795	1,456
Bad Debts and Movement in Provision for Bad Debts	442	564
Refunds and Waivers	77	88
Negative Bank Interest	97	251
Subsidiary Company Expenditure	956	420
Total Other Operating Expenses	34,178	30,373
Other Operating Expenses includes	2022 €000's	2021 €000's
Audit Remuneration		
External Audit of TUS (OCAG)	74	86
Internal Audit Services	49	113
External Audit of Subsidiary Company	21	22
Total	144	221

TECHNOLOGICAL UNIVERSITY OF THE SHANNON: MIDLANDS MIDWEST

11. Taxation

Technological University of the Shannon: Midlands Midwest and its subsidiaries, with the exception of AIT SportsCo Ltd, are exempt from Corporation Tax under a charitable status order.

AIT SportsCo Ltd has an estimated liability of €33,000 for Corporation Tax for the period ended 31st August 2022.

12. Financial Result for the Period

The surplus for the period on continuing operations is made up as follows:

	2022	2021
	11 months	13 months
	€000'S	€000'S
Surplus for the period	2,249	7,644
Surplus/Loss generated by subsidiaries and other undertakings	202	(55)
Surplus for the period	<u>2,451</u>	<u>7,589</u>

TECHNOLOGICAL UNIVERSITY OF THE SHANNON: MIDLANDS MIDWEST

13. Property, Plant and Equipment

Consolidated

	Land & Buildings €000's	Assets in course of Construction €000's	Fixtures & Fittings €000's	Computer Equipment €000's	Plant & Machinery €000's	Furniture & Equipment €000's	Motor Vehicles €000's	Total €000's
Cost								
At 1 October 2021	200,333	9,391	14,779	15,829	3,672	24,040	743	268,787
Additions in period	636	11,971	789	286	205	345	53	14,285
Movement	632	(632)	-	-	-	-	-	0
Disposals in period	-	-	-	(466)	-	(64)	-	(530)
At 31 August 2022	201,601	20,730	15,568	15,649	3,877	24,321	796	282,542
Depreciation								
At 1 October 2021	63,711	-	10,670	13,566	2,100	21,252	598	111,897
Charge for period	3,588	-	867	1,286	236	832	79	6,888
Disposals in period	-	-	-	(466)	-	(64)	-	(530)
At 31 August 2022	67,299	0	11,537	14,386	2,336	22,020	677	118,255
Net Book Value								
At 31 August 2022	134,302	20,730	4,031	1,263	1,541	2,301	119	164,287
At 1 October 2021	136,622	9,391	4,109	2,263	1,572	2,788	145	156,890

Finance Lease Commitments at 31 August 2022 amounted to €2,100,528.

Property, Plant and Equipment in respect of Prior Period

Consolidated

	Land & Buildings €000's	Assets in course of Construction €000's	Fixtures & Fittings €000's	Computer Equipment €000's	Plant & Machinery €000's	Furniture & Equipment €000's	Motor Vehicles €000's	Total €000's
Cost								
At 1 September 2020	199,982	7,891	13,610	14,229	3,235	22,498	673	262,118
Additions in period	298	1,500	1,177	2,008	437	1,735	70	7,225
Disposals in period	-	-	(8)	(408)	-	(193)	-	(609)
Correction	53	-	-	-	-	-	-	53
At 30 September 2021	200,333	9,391	14,779	15,829	3,672	24,040	743	268,787
Depreciation								
At 1 September 2020	59,515	-	9,714	12,447	1,823	20,333	514	104,346
Charge for period	4,196	-	964	1,527	277	1,112	84	8,160
Disposals in period	-	-	(8)	(408)	-	(193)	-	(609)
At 30 September 2021	63,711	0	10,670	13,566	2,100	21,252	598	111,897
Net Book Value								
At 30 September 2021	136,622	9,391	4,109	2,263	1,572	2,788	145	156,890
At 1 September 2020	140,467	7,891	3,896	1,782	1,412	2,165	159	157,772

Finance Lease Commitments at 30 September 2021 amounted to €2,747,460.

TECHNOLOGICAL UNIVERSITY OF THE SHANNON: MIDLANDS MIDWEST

13. Property, Plant and Equipment (continued)

University only

	Land & Buildings €000's	Assets in course of Construction €000's	Fixtures & Fittings €000's	Computer Equipment €000's	Plant & Machinery €000's	Furniture & Equipment €000's	Motor Vehicles €000's	Total €000's
Cost								
At 1 October 2021	185,885	9,390	13,364	15,805	3,566	22,941	742	251,693
Additions in period	636	11,868	789	286	204	330	53	14,166
Movement	632	(632)	-	-	-	-	-	0
Disposals in period	-	-	-	(466)	-	(60)	-	(526)
At 31 August 2022	187,153	20,626	14,153	15,625	3,770	23,211	795	265,333
Depreciation								
At 1 October 2021	60,155	-	9,364	13,542	2,004	20,228	598	105,891
Charge for period	3,258	-	809	1,286	226	804	79	6,462
Disposals in period	-	-	-	(466)	-	(60)	-	(526)
At 31 August 2022	63,413	0	10,173	14,362	2,230	20,972	677	111,827
Net Book Value								
At 31 August 2022	123,740	20,626	3,980	1,263	1,540	2,239	118	153,506
At 1 October 2021	125,730	9,390	4,000	2,263	1,562	2,713	144	145,802

Finance Lease Commitments at 31 August 2022 amounted to €2,100,528.

Property, Plant and Equipment in respect of Prior Period

University only

	Land & Buildings €000's	Assets in course of Construction €000's	Fixtures & Fittings €000's	Computer Equipment €000's	Plant & Machinery €000's	Furniture & Equipment €000's	Motor Vehicles €000's	Total €000's
Cost								
At 1 September 2020	185,534	7,890	12,204	14,205	3,129	21,405	672	245,039
Additions in period	298	1,500	1,168	2,008	437	1,729	70	7,210
Disposals in period	-	-	(8)	(408)	-	(193)	-	(609)
Correction	53	-	-	-	-	-	-	53
At 30 September 2021	185,885	9,390	13,364	15,805	3,566	22,941	742	251,693
Depreciation								
At 1 September 2020	56,348	-	8,553	12,424	1,738	19,379	514	98,956
Charge for period	3,807	-	819	1,526	266	1,042	84	7,544
Disposals in period	-	-	(8)	(408)	-	(193)	-	(609)
At 30 September 2021	60,155	0	9,364	13,542	2,004	20,228	598	105,891
Net Book Value								
At 30 September 2021	125,730	9,390	4,000	2,263	1,562	2,713	144	145,802
At 1 September 2020	129,186	7,890	3,651	1,781	1,391	2,026	158	146,083

Finance Lease Commitments at 30 September 2021 amounted to €2,747,460.

TECHNOLOGICAL UNIVERSITY OF THE SHANNON: MIDLANDS MIDWEST

14. Subsidiary Undertakings and Associates

TUS has the following subsidiary undertakings and associates through which certain ancillary activities are carried out:

a	Name	College Support & Services Clg.
	Registered Office	Dublin Road, Athlone.
	% owned by TUS	100%
	Activities	Campus Catering Services
	Loss for the 11 month period	€9,752
	Net Assets at the statement of financial position date	€2,323,648
b	Name	AIT SportsCo Ltd.
	Registered Office	Dublin Road, Athlone.
	% owned by TUS	100%
	Activities	Management of Indoor Sports Arena
	Profit for the 11 month period	€116,601
	Net Assets at the statement of financial position date	€11,021,767
c	Name	AIT Training International Ltd.
	Registered Office	Dublin Road, Athlone.
	% owned by TUS	100%
	Activities	Investment holding company
	Result for the 11 month period	Not trading
	Net Assets at the statement of financial position date	€3
d	Name	LIT Sports & Leisure Facilities Clg.
	Registered Office	Moylish Park, Limerick
	% owned by TUS	100%
	Activities	Management of Sports & Leisure Facilities
	Profit for the 11 month period	€23,962
	Net Assets at the statement of financial position date	€29,299
e	Name	Empower Eco Clg.
	Registered Office	University Road, Athlone
	% controlled by TUS	30%
	Activities	Community based Eco Innovation Enterprise Stimulus and Education
	Loss for the 4 months 10 days	€2,375
	Net Assets at the statement of financial position date	€0
	Voluntary Wind up	Unanimous Resolution effective 10th May 2022

TECHNOLOGICAL UNIVERSITY OF THE SHANNON: MIDLANDS MIDWEST

15. Receivables

	Consolidated 2022 11 months €000's	Consolidated 2021 13 months €000's	University 2022 11 months €000's	University 2021 13 months €000's
Research Grants & Contracts Receivable	3,999	2,988	3,999	2,988
State grant Receivable	3,094	161	3,094	161
Academic Fees Receivable	938	714	938	714
Provision for Bad Debts	(526)	(566)	(526)	(566)
Trade Receivables	1,387	908	1,387	908
Prepayments	1,330	1,129	1,330	1,129
Other receivables	377	313	377	313
	10,599	5,647	10,599	5,647
Subsidiary Companies	273	211	-	-
Elimination of Inter Co Receivables	(193)	(160)	-	-
Total	10,679	5,698	10,599	5,647

16. Cash and Cash Equivalents

	Consolidated 2022 11 months €000's	Consolidated 2021 13 months €000's	University 2022 11 months €000's	University 2021 13 months €000's
Cash at Bank including balances on short term deposit	61,466	57,347	61,466	57,347
Restricted	-	-	-	-
	61,466	57,347	61,466	57,347
Subsidiary Companies	3,271	2,871	-	-
Total	64,737	60,218	61,466	57,347

17. Payables: amounts falling due within one year

	Consolidated 2022 11 months €000's	Consolidated 2021 13 months €000's	University 2022 11 months €000's	University 2021 13 months €000's
Research grants and contracts	8,417	11,816	8,417	11,816
Student Support Funding	291	414	291	414
State Grant received in advance	17,869	12,881	17,869	12,881
Academic fees received in advance	6,959	7,322	6,959	7,322
Other amounts received in advance	986	132	986	132
Trade Payables	2,578	1,051	2,578	1,051
Accruals	7,018	2,853	7,018	2,853
Other tax and social security	5,631	4,653	5,631	4,653
Other payables	53	22	53	22
Lease Obligations	301	346	301	346
	50,103	41,490	50,103	41,490
Subsidiary Companies	610	490	-	-
Elimination of Inter Co Payables	(193)	(160)	-	-
Elimination of State deferred grant income	(43)	(51)	-	-
Total	50,477	41,769	50,103	41,490

TECHNOLOGICAL UNIVERSITY OF THE SHANNON: MIDLANDS MIDWEST

18. Payables: amounts falling after more than one year

	Consolidated 2022 11 months €000's	Consolidated 2021 13 months €000's	University 2022 11 months €000's	University 2021 13 months €000's
Other payables	126	137	-	-
Other lease obligations (Note 19)	1,800	2,401	1,800	2,401
	1,926	2,538	1,800	2,401

19. Lease Commitments

	Land & Buildings 2022 €000's	Land & Buildings 2021 €000's	Other 2022 €000's	Other 2021 €000's
Finance Leases				
Within 1 Year	300	300	1	46
Between 2 & 5 Years	1,200	1,200	-	1
Greater than 5 years	600	1,200	-	-
Total Finance Leases	2,100	2,700	1	47
Total Lease Commitments	2,100	2,700	1	47

The contractual basis of the Limerick Institute of Technology (LIT) merger with Tipperary Rural & Business Development Institute (TRBDI), known as Tipperary Institute, is set out in the scoping exercise "Towards a new Institute of Technology" which was approved by the LIT Governing Body, the Board of TRBDI and the Government in February 2010. This document includes the commitment to provide appropriate third level facilities on the Ballingarrane site to include Enterprise, Research and Training facilities (Chapter: Transition Funding and Physical Development Requirements).

In July 2012, LIT and South Tipperary County Council entered into a Memorandum of Understanding providing for the development of an enterprise promotion, research, development, education and training centre at Ballingarrane, Clonmel, Co. Tipperary. Upon completion of the centre in October 2014, LIT entered into a lease for a term of 15 years with Tipperary County Council (the lessor) the first payment due in October 2019. At the inception of this lease the present value of the minimum lease payments was €3.0M payable between years 6 and 15 inclusive. All Leasehold Commitments are disclosed above. As of 01 October 2021, the outstanding lease commitment passed from LIT to TUS.

TECHNOLOGICAL UNIVERSITY OF THE SHANNON: MIDLANDS MIDWEST

20. Deferred Capital Grants

	Consolidated 2022 11 months €000's	Consolidated 2021 13 months €000's	University 2022 11 months €000's	University 2021 13 months €000's
Opening Balance	139,227	137,748	137,630	135,981
Funding for Capital Grants in the period				
Assets Funded by Capital Grant	4,097	1,214	4,097	1,214
Allocated from State Recurrent Grant	3,002	2,844	3,002	2,844
Research Grants & Contracts	1,733	2,513	1,733	2,513
Higher Education Authority	-	314	-	314
Tipperary Co Council	3,671	273	3,671	273
Transfer from Capital Development Reserve	1,644	-	1,644	-
Reversal of Coonagh HEA Debtor	-	1,394	-	1,394
Fixed Asset Adjustment	-	53	-	53
Total Additions	14,147	8,605	14,147	8,605
Amortised to Income and Expenditure				
Amortisation in line with Depreciation	(6,108)	(7,126)	(5,989)	(6,956)
Total	(6,108)	(7,126)	(5,989)	(6,956)
Closing Balance	147,266	139,227	145,788	137,630

21. Capital Development Reserve

	Consolidated 11 months 2022 €000's	Consolidated 13 months 2021 €000's	University 11 months 2022 €000's	University 13 months 2021 €000's
Opening Balance	9,293	3,465	9,293	3,465
Transfer from I&E		5,828		5,828
Transfer to Deferred Capital Grants	(1,644)		(1,644)	
Transfer to Revenue Reserves	(226)		(226)	
Movement for period	(1,870)	5,828	(1,870)	5,828
Totals	7,423	9,293	7,423	9,293

22. Capital Commitments

	Consolidated 2022 €000's	Consolidated 2021 €000's	University 2022 €000's	University 2021 €000's
Contracted for but not provided	9,573	7,067	9,235	7,067
Authorised but not contracted	-	-	-	-
Totals	9,573	7,067	9,235	7,067

23. Related Parties

In the normal course of business, the University may enter into contractual arrangements with undertakings in which the University's Governing Body members are employed or otherwise interested. The University has adopted procedures in accordance with the Code of Governance of Irish Technological Universities in relation to the disclosure of interests by members of the Governing Body and the University has complied with these procedures during the period.

24. Contingent Liabilities

a) Ex Gratia Contribution to Inflation on Public Works Contracts

Following the publication by the Office of Government Procurement in May 2022 of the Guidance Note for parties to public works contracts to establish an Inflation Co-operation Framework Agreement, TUS entered discussions with Building Contractors on three of its main building contracts.

Under the three building contracts, there is an agreement in principle between TUS and the Contractors to share the inflationary costs of materials, energy and transport.

TUS is awaiting confirmation in relation to the funding of these additional costs and thus, no agreements have been signed with the Contractors to date.

At the 31st August 2022 the value of this contingent liability amounts to €494,662.

b) Grants held by AIT SportsCo Ltd

AIT SportsCo Ltd has a contingent liability to repay, in whole or in part, grants received from the Department of Transport, Tourism, Culture, Arts, Gaeltacht and Sport if certain conditions set out in the grant are not adhered to. The total amount received to date is €925,733.

25. Retirement Benefit Costs

Staffing

Examination of records may identify changes to members' records in the future and these are reflected as past service costs (see a. below).

Description of Scheme

University Scheme

The pension scheme is a defined benefit final salary pension arrangement with benefits and contributions defined by reference to current "model" public sector scheme regulations. The scheme provides a pension (one eightieth per year of service), a gratuity or lump sum (three eightieths per year of service) and spouse's and children's pensions. Normal Retirement Age is a member's 65th birthday. Pre-2004 members have an

TECHNOLOGICAL UNIVERSITY OF THE SHANNON: MIDLANDS MIDWEST

entitlement to retire without actuarial reduction from age 60. Pensions in payment (and deferment) normally increase in line with general public sector salary inflation. Deductions from staff are retained by the University.

Single Scheme

New entrant staff, employed by the University after 1 January 2013, are members of the Single Public Service Pension Scheme, in accordance with Public Sector Pensions (Single Scheme and Other Provisions) Acts 2012. Deductions from staff salaries under the Single Scheme are transferred to the Department of Public Expenditure and Reform on a monthly basis in accordance with the Act.

The Single Scheme is the occupational pension scheme for new-entrant public servants hired since 1 January 2013. It is a defined benefit scheme, with retirement benefits based on career-average pay.

The scheme generates pension credits and retirement lump sum credits for each scheme member. These money credits, known as “referable amounts”, accrue as percentages of pay on an ongoing basis. The referable amounts accrued each year are revalued annually until retirement in line with inflation increases (Consumer Price Index). The annual pension awarded on retirement is the cumulative total of a scheme member’s pension referable amounts, and the retirement lump sum awarded is, similarly, the total of the scheme member’s lump sum referable amounts.

Valuation

The valuation used for FRS 102 disclosures has been based on a full actuarial valuation by a qualified independent actuary taking account of the requirements of the FRS in order to assess the scheme liabilities at 31 August 2022. On retirement, members’ pensions are paid by the National Shared Services Office on behalf of the Department of Further and Higher Education, Research, Innovation and Science and the payments are charged to that Department’s appropriation account. Therefore, former employees of the University who are in receipt of a pension have been excluded from the valuation. The reduction in the liability arising from members who retired during the period is reflected as an experience gain and is separately identified in the liability reconciliation.

The principal actuarial assumptions used to calculate the components of the defined benefit cost for the Period Ended 31 August 2022 were as follows:

	31-Aug-22	30-Sep-21
Discount Rate	3.60%	1.40%
Price Inflation	2.45%	1.85%
Salary Increases	3.70%	3.10%
Pension Increases - Educational Sector Superannuation Scheme	3.20%	2.60%
Pension Increases - Single Public Service Pension Scheme	2.45%	1.85%
Revaluation in Deferment	2.45%	1.85%

TECHNOLOGICAL UNIVERSITY OF THE SHANNON: MIDLANDS MIDWEST

The mortality basis adopted allows for improvements in life expectancy over time, so that life expectancy at retirement will depend on the year in which a member attains retirement age (age 65). The number of members in the Scheme and the number of deaths are too small to analyse and produce any meaningful Scheme-specific estimates of future levels of mortality. Average future life expectancy according to the mortality tables used to determine the pension liabilities are:

	31-Aug-22	30-Sep-21
	Years	Years
Male aged 65	21.8	21.8
Female aged 65	24.1	24.1

a. Analysis of total retirement benefit costs charged to the Statement of Comprehensive Income

	31-Aug-22	30-Sep-21
	11 months	13 months
	€000's	€000's
Current service cost	28,410	31,187
Interest on retirement benefit scheme liabilities	7,262	6,325
Past Service Cost (Gain)		
Employee contributions/(benefits paid)	-4,251	-4,784
	31,421	32,728

b. Movement in net retirement benefit obligations during the financial period

	31-Aug-22	30-Sep-21
	11 months	13 months
	€000's	€000's
Net retirement benefit obligation at start of Period	551,741	515,139
Net current service costs	24,159	26,403
Employee contributions	4,251	4,784
Interest costs	7,262	6,325
Reduction in pension liabilities arising from retirements in the period	(12,458)	(20,593)
Experience loss/(gain) on liabilities	-	2,305
Change in actuarial assumptions	(159,131)	17,378
Past service / (Gains)		-
Net retirement benefit obligations at Period End	415,824	551,741

Split between

	31-Aug-22	30-Sep-21
	€000's	€000's
Single Public Sector Pension Scheme	14,146	14,883
Education Sector Superannuation Scheme	401,678	536,858
Total	415,824	551,741

TECHNOLOGICAL UNIVERSITY OF THE SHANNON: MIDLANDS MIDWEST

c. Deferred funding asset for retirement benefits

The University is prescribed in S.I. No 581 of 2012 as a relevant authority for the purposes of the Single Scheme. It is the University's opinion (in accordance with Section 44 of the 2012 Act) that any liability in respect of the Single Scheme would be offset by an equivalent asset in respect of future state funding.

The University recognises amounts owing from the State for the unfunded deferred liability for retirement benefits relating to the Education Sector Superannuation Scheme 2015 on the basis of the set of assumptions described above and a number of past events. These events include the statutory basis for the establishment of the retirement benefit 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. The University has no evidence that this funding policy will not continue to meet such sums in accordance with current practice. The net deferred funding for retirement benefits recognised in the Statement of Comprehensive Income was as follows:

	31-Aug-22	30-Sep-21
	11 months	13 months
	€000's	€000's
Funding recoverable in respect of current period retirement		
Benefit costs	31,421	32,728
Benefits paid in period	-	-
	<u>31,421</u>	<u>32,728</u>

The deferred funding liabilities for retirement benefit as at 31 August 2022 amounted to €415,824,000.

d. History of defined benefits obligations

	31-Aug-22	30-Sep-21
	11 months	13 months
	€000's	€000's
Defined Benefit Obligation	415,824	551,741
Experience losses/(gains) on deferred benefit scheme liabilities	-	-
Total	<u>415,824</u>	<u>551,741</u>

26. Post Balance Sheet Events

Limerick Institute of Technology secured the funding for the enabling works, shell and core, and detailed fit out of 5,140sqm of labs, workshop and teaching spaces on the Coonagh Engineering campus in January 2018. A total of €11.575m was allocated to the project. Detailed design was completed and the contract for shell and core and enabling works commenced on site in September 2018; these works were successfully completed by September 2019. A subsequent procurement process was undertaken for the detailed fit out. The detailed responses to the tender were well in excess of pre-tender estimates and in excess of the available funding. A value engineering exercise was completed, and TUS made a business case submission to the HEA for additional funding.

Following extensive engagement with the HEA, permission was received to recommence the project in July 2022. The procurement process was recommenced in August 2022 and PSC code Decision gate 2 approval was received on 1st November with final tender return date of 13th December 2022. The project programme has an anticipated substantial completion date of 24th November 2023.

27. Foundations and Trusts

The American Friends of Athlone Institute of Technology Inc. was established with the charitable purpose of raising and providing financial support to Athlone Institute of Technology, and other qualifying organisations. The incorporation was dissolved by the directors, effective 31st December, 2015. The organisation did not raise or transfer any funds to AIT or TUS.

28. Approval of Financial Statements

The financial statements were approved by the Governing Authority on 29th May 2023.