



**Consolidated Financial Statements
for the seven months ended 31 March
2022**

Financial Statements Contents

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GALWAY-MAYO INSTITUTE OF TECHNOLOGY

Corporate Governance Statement

At midnight on the 31st March 2022, the Galway-Mayo Institute of Technology, (the Institute) was dissolved and the Atlantic Technological University (the University) was established under the terms of the Technological Universities Act 2018 and the Technological Universities Act 2018 (section 36) (appointed day) Order 2022 (SI 56 of 2022). As the Governing Body Chair and President of the University, we make the following statements based on the work of the Governing Body and Management of the Institute.

Governing Body

The Institute's Governing Body was established under the Regional Technical Colleges Act, 1992 to 2001 and additional functions were assigned under the Institutes of Technology Act 2006. The Institute's Governing Body was accountable to the Minister for Further and Higher Education, Research, Innovation and Science and was responsible for ensuring good governance. The Institute's Governing Body was collectively responsible for leading and directing the Institute's activities and fulfilled key functions, including reviewing and guiding strategic direction and major plans of action, risk management policies and procedures, annual budgets and business plans, setting performance objectives, monitoring implementation and Institute performance, and overseeing major capital expenditure and investment decisions. The Institute's Governing Body acted on a fully informed and ethical basis, in good faith, with due diligence and care, and in the best interest of the Institute, having due regard to its legal responsibilities and the objectives set by Government. The Institute's Governing Body sought to comply with best practice public principles in its own activities and its use of committees.

Strategic Plan, Annual Programmes and Budget

The Institute's Governing Body had formally undertaken an evaluation of actual performance, by reference to the Institute's Strategic Plan and Budget and had subsequently approved an Annual Programme and Budget for the Institute.

Governing Body Operation, Reserved Functions and Decisions Delegated to Management

The Institute's Governing Body was collectively responsible for leading and directing the Institute's activities in compliance with the THEA Code of Governance. All functions and decisions that are not specifically listed within the Code of Governance (Appendix B, Reserved Functions, Statutory Functions and Regulatory Requirements), were functions and decisions of management.

GALWAY-MAYO INSTITUTE OF TECHNOLOGY

Corporate Governance Statement

Compliance with Public Spending Code

GMIT adhered to the relevant aspects of the Public Spending Code and the Institute's Governing Body ensured robust and effective systems and procedures were in place to ensure compliance with the relevant principles, requirements, and guidelines of the Public Spending Code. GMIT adhered to the Guidelines for the Appraisal and Management of Capital Proposals where appropriate. The Institute updated its Capital Project procedures in October 2021.

Governing Body Meetings

During the period from 1st September 2021 to 31st March 2022 the Institute's Governing Body met on 7 separate occasions on the following dates:

30th September 2021, 28th October 2021, 25th November 2021, 9th December 2021, 27th January 2022, 24th February 2022, 28th March 2022.

Figure 1.1 Meetings Attended during the seven months ended 31 March 2022				
	Governing Body	Total Fees & Expenses €	Fees to 31.03.2022 €	Expenses to 31.03.2022 €
Number of meetings	7			
Cormac MacDonncha	6/7			
Orla Flynn	6/7	2,373		2,373
Joe Cunningham	5/7			
Gareth Roe	7/7			
Michael Geoghegan	7/7			
Maureen Walsh	6/7			
Siobhan Kennedy	5/7			
Colin Kearney	4/7			
Michael Maher	6/7	8,343	6,270	2,073
David Leahy	6/7			
Mary McGinley	7/7	142	142	
Tom Grady	4/7			
Eleanor Rainsford	7/7			
Ricarda Bolle	6/7			
Colm Keaveney	4/7	1,483	1,483	
Paul Murphy	7/7	5,969	5,842	127
Terry O'Flaherty	5/7			
Maria Ruddy	4/7	2,645	2,565	80
Proinsias Ni Ghraíne	3/7			

GMIT confirmed that fees and/or expenses paid to members of the Governing Body are in accordance with guidelines from the Department of Finance.

GALWAY-MAYO INSTITUTE OF TECHNOLOGY

Corporate Governance Statement

Risk Management

The Institute's Governing Body approved the risk management framework and monitored its effectiveness, approval, and exercised oversight of GMIT's Risk Management Policy including structured and periodic reviews and updates to the Institute Corporate Risk Register by the Executive Management Team. This review includes an assessment of the principal risks, risk rating and associated mitigations for each of the risks set out in the Institute Corporate Risk Register.

Audit and Risk Committee

The Terms of Reference for the Audit and Risk Committee were set by the Governing Body of the Institute and include provision regarding:

- Membership
- Reporting Requirements
- Authority to investigate
- Meetings – timing, conduct and frequency
- Information requirements
- Value for money
- Governance and responsibilities regarding:
 - Risk Management
 - Internal Control
 - Internal Audit
 - External Audit
 - Review of its own effectiveness

The Institute's Governing Body was satisfied that the Audit and Risk Committee had discharged its role effectively and efficiently and had met the requirements with regard to frequency of meetings in this academic period. See figure 1.2 below for details of meetings held during the period.

GALWAY-MAYO INSTITUTE OF TECHNOLOGY

Corporate Governance Statement

Other Committee Meetings

See figure 1.2 below for details of meetings held during the period.

Meetings Attended during seven months ended 31 March 2022

	Audit and Risk Committee	Finance Sub-Committee	Capital Projects Sub-Committee	EDI Sub - Committee	Mayo Campus Sub - Committee
Number of Meetings	5	4	2	3	2
Mary McGinley	5/5				
Cliona Pierse	4/5				
Jerry O'Leary	4/5				
David Leahy	4/5				
Siobhan Kennedy	4/5				
Hannah Kiely		4/4			
Orla Flynn		4/4	2/2	3/3	1/2
Paul Shelly		4/4			
Maria Ruddy		2/4			
Michael Maher		3/4	2/2		1/2
Michael Geoghegan		3/4			2/2
Michael Lally		1/1			
Cormac MacDonncha			2/2		0/2
Eleanor Rainsford			2/2		
Siobhan Kennedy			2/2		
Joe Cunningham			2/2		
Colin Kearney			1/2		
Terry O'Flaherty			0/2		
Colm Keaveney				2/3	
Paul Murphy				3/3	
Terry O'Flaherty				3/3	
Jacqueline McCormack				2/3	
Anne Scott				3/3	
Tom Grady					2/2
Maureen Walsh					2/2
Justin Kerr					2/2
Kevin Kelly					1/2
Catherine Donoghue					1/2

GALWAY-MAYO INSTITUTE OF TECHNOLOGY

Corporate Governance Statement

Performance Evaluation of the Governing Body and its Committees

The Institute's Governing Body was committed to performing annual reviews of its effectiveness. An external review was completed by Mazars in April 2019. A New Governing Body commenced in April 2020 and a self-assessment by this new Governing Body took place in Q2 2021 and was considered at Governing Body meeting in June 2021.

General Governance and Accountability Issues

There were no governance and accountability issues that the Institute wished to bring to the attention of the Minister for Further and Higher Education, Research, Innovation and Science and the HEA.

Asset Disposals

Except for the granting of a lease for the CREW project there were no disposals of assets or grants of access to property or infrastructure for commercial arrangements with third parties above the threshold of €150,000 which have not been subject to auction or competitive tendering process during the financial period.

Commercially Significant Developments affecting the Institute

GMIT in collaboration with its CUA partners, Institute of Technology Sligo and Letterkenny Institute of Technology made an application on the 21st May 2021 for designation as a Technological University under section 29 of the Technological Universities Act 2018. In October 2021, the Minister advised the three Institutes that the application was granted and on 10th February 2022 the Minister made an order under section 36 of the 2018 Act to establish a Technological University. The merger of the three Institutes to establish the Atlantic Technological University took place on 1st April 2022.

Summary of all Off-Balance Sheet Transactions of the Institute

There were no off-Balance Sheet financial transactions during the period ended 31st March 2022.

GALWAY-MAYO INSTITUTE OF TECHNOLOGY

Corporate Governance Statement

Code of Conduct for Members and Employees

A Code of Conduct for both Members and Employees was implemented. In September 2020, the Governing Body approved the GMIT Conflict of Interest Policy and Procedure, these included clear conflict of interest and ethics in public office policies.

Compliance with Government Policy on Pay of the President and Institute Employees

The Institute complied with its obligations under the Government policy on the pay of the President and all other Institute employees.

Please also refer to financial statements, disclosure note 9.

Statement of Compliance

Government Pay Guidelines were complied with in respect of such appointees who served on the Governing Body and any subsidiaries of the Institute.

Confidential Disclosure Reporting - Protected Disclosures Act 2014

Procedures for Confidential Disclosure Reporting were implemented in GMIT. These procedures allowed 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 took place. The Confidential Disclosure Reporting that was in place at GMIT was in line with the Protected Disclosures Act 2014.

The annual report, as required under section 22(1) of the Act was published.

There were no protected disclosures received during the period seven months ended 31st March 2022.

Tax Laws

The Institute complied with its obligations under tax law. Please also refer to financial statements, disclosure note 11.

GALWAY-MAYO INSTITUTE OF TECHNOLOGY

Corporate Governance Statement

Legal Disputes

A breakdown of the legal costs/settlements is included on page 8. GMIT had no legal disputes involving other State Bodies.

Institute Subsidiaries

GMIT had one subsidiary which ceased to trade on the 31st of August 2020.

The THEA Code of Governance applied to the subsidiary. Annual financial statements were provided to the Institute's Governing Body.

Gender balance, diversity, and inclusion

GMIT recognised the importance of diversity and inclusion for all staff and students of the Institute. To that regard the Institute implemented a number of initiatives aimed at further promoting an inclusive environment, including:

- GMIT Awarded Athena SWAN Bronze Award in March 2021.
- Implementation of Consent Framework (ongoing since 2019). GMIT developed a four-year Action Plan on Preventing and Responding to Sexual Misconduct and Harassment which was submitted to the HEA in March 2021.
- Establishment of LBGT+ & Allies Staff Network – launched in June 2021 (work ongoing since Q3 2020)
- Series of events and guest speakers to promote inclusion ongoing, including programmes of events to celebrate International Women's Day, International Men's Day, International Day for People with Disabilities, Intersex Awareness etc.

With respect to the membership of the Institute's Governing Body, while the Institute could, and did engage in the appointments process, the appointment decisions were made by the Minister. As at 31st March 2022 the Governing Body had 9 (47%) female and 10 (53 %) male members. The Institute's Governing Body therefore met the Government target of a minimum of 40% representation of each gender in the membership of boards of state bodies.

Please refer to page 2 for the listing of Governing Body members and their attendance at meetings.

GALWAY-MAYO INSTITUTE OF TECHNOLOGY
Corporate Governance Statement

Travel and Subsistence

	2022	2021
	7 months	12 months
	€	€
Domestic Travel	101,605	101,047
International Travel	109,318	26,985
Total	210,923	128,032

Hospitality Expenditure

	2022	2021
	7 months	12 months
	€	€
Staff Events	10,710	2,775
Student Events (excluding costs associated with conferring)	6,661	817
Other External	7,999	3,454
Total	25,370	7,046

Legal Costs/Settlements

	2022	2021
	7 months	12 months
	€	€
Professional Fees	2,355	46,419
Settlements	17,500	-
Total	19,855	46,419

Consultancy fees

	2022	2021
	7 months	12 months
	€	€
Professional Fees: Legal	2,355	46,419
Professional Fees: Tax and financial advisory	3,177	240,823
Professional Fees: Public relations/marketing	230,920	309,075
Professional Fees: Pensions and human resources	15,669	47,730
Professional Fees: Other	413,958	391,304
Total	666,079	1,035,351

GALWAY-MAYO INSTITUTE OF TECHNOLOGY

Corporate Governance Statement

Annual Report and Financial Statements

ATU Governing Body has reviewed and approved the Annual Report and Financial Statements and considers the Financial Statements to be a true and fair view of the Institute's financial performance and its financial position as at the 31st of March 2022. The ATU ARC and ATU Governing Body deemed it appropriate to present the Financial Statements on a going concern basis notwithstanding the fact that the Institute was merged with IT Sligo and Letterkenny IT to form the ATU.

Governing Body Responsibilities

The Regional Technical Colleges and Institutes of Technology Acts 1992 to 2006 required the Institute to prepare Financial Statements in such form as may be approved by the Higher Education Authority and to submit them for audit to the Comptroller and Auditor General. In preparing these Financial Statements, the Institute was required to:

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

The Institute was responsible for keeping adequate accounting records which disclosed with reasonable accuracy at any time the financial position of the Institute and which enabled it to ensure that the Consolidated Financial Statements complied with the Institutes of Technology Acts 1992 to 2006. The Institute was also responsible for safeguarding its assets and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of Compliance

GMIT adopted the Code of Practice for the Governance of State Bodies, 2016 as encapsulated by the THEA Code of Governance for Institutes of Technology and put procedures in place to ensure compliance with this Code. GMIT was fully compliant with the THEA Code of Governance for seven months ended 31st March 2022 except for the Anti-corruption policy which was approved by the Governing Body in October 2021.

GALWAY-MAYO INSTITUTE OF TECHNOLOGY
Corporate Governance Statement

As of 31st March 2022, the Galway-Mayo Institute of Technology was dissolved, and all functions were transferred to Atlantic Technological University. The University is approving the financial statements.

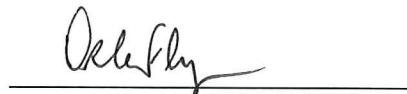
Chairperson:


Ms. Maura McNally

Date:

15 May 2023

President:



Dr. Orla Flynn

Date:

15 May 2023

GALWAY-MAYO INSTITUTE OF TECHNOLOGY

Statement on System of Internal Control

At midnight on the 31st March 2022, the Galway-Mayo Institute of Technology, (the Institute) was dissolved and the Atlantic Technological University (the University) was established under the terms of the Technological Universities Act 2018 and the Technological Universities Act 2018 (section 36) (appointed day) Order 2022 (SI 56 of 2022).

Scope of Responsibility

As the Governing Body and Chair of the Atlantic Technological University, we acknowledge the responsibility of the Institute's Governing Body for ensuring that an effective system of internal control is maintained and operated in the Institute 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 THEA Code of Governance for Institutes of Technology.

As the Governing Body Chair and President of the University, we make the following statements based on the work of the Governing Body and Management of the Institute.

Purpose of the System of Internal Controls

The system of internal controls was 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 were safeguarded, transactions were authorised and properly recorded, and that material errors or irregularities were either prevented or detected in a timely way.

The system of internal control, which accords with guidance issued by the Department of Public Expenditure and Reform, has been in place in GMIT for the seven months ended 31st March 2022 and up until the date of approval of the financial statements.

Annual Review of the Effectiveness of Internal Control

The Governing Body of the Institute conducted an annual review of the effectiveness of the system of internal control for the period from 1st September 2021 to 23rd March 2022 on the 28th March 2022. The Governing Body of the University, under Section 52 of the Technological University Act of 2018, conducted a further review for the period from 23rd March 2022 to 31st March 2022 on 4th July 2022.

GALWAY-MAYO INSTITUTE OF TECHNOLOGY

Statement on System of Internal Control

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

Weaknesses in internal control:

Weaknesses in internal control that have been identified during the period have been addressed, with control actions put in place or in progress at the year end. No material losses or misstatements were identified during the course of independent testing carried out by the internal auditors.

Internal control weaknesses are outlined in the table below.

Area of non-compliance or weaknesses in internal control	Actions to be taken to attain compliance or correct weaknesses	Due date or date implemented
Potential weaknesses in IT Security were identified	<p>Review of pre 2020 configuration of IT Devices</p> <p>Procedure for documenting IT Security incidents. Responsibilities and procedures for responding to information security incidents require the following actions:</p> <ol style="list-style-type: none"> 1. Establish dedicated IT Security team 2. The University's security Project Manager has completed a procurement process and appointed a cyber security training specialist to assist in developing a standardised security operations framework for the University. The number of staff required in the IT Security team is still under review 3. The University has begun implementing a SIEM (Security Information & Event Management) proof of concept. The University are also engaging with HEAnet to explore the possibility of a sector wide SIEM solution 	<p>This was completed Q1 2022</p> <p>Completed</p> <p>Planned completion date for the framework is Q4 2023</p> <p>Planned completion for this in Q3 2023</p>
THEA Code of Governance for Institutes of Technology	Implementation of plan to ensure compliance	Completed in October 2021
Non-compliant procurement for the seven months ended 31/03/22 amounted to €291,478	Implement improvement in system for monitoring framework threshold limits	The University has approved the implementation of a contract management system and are currently in the process of procuring this with a planned implementation date of Q2 2023

GALWAY-MAYO INSTITUTE OF TECHNOLOGY

Statement on System of Internal Control

Non-compliant procurement for the seven months ended 31/03/22 amounted to €291,478.	Ongoing monthly monitoring of supplier spend totals and framework are in place The University is also in the process of increasing resources within the procurement team to facilitate additional reviews of monitoring	Completed Q2 2023
Fixed Asset tagging and cycle counts not performed since March 2020	Fixed Asset tagging and cycle counts to resume when COVID-19 restrictions permit	This work is in progress and planned completion date is the end of Q2 2023.
Significant data breach arose from a recording of student assessments	Incident was the subject of a report by an Independent Investigator	Completed Q3 2021
Significant weaknesses identified in the academic timetabling practices in one academic department.	Recommendations and improvements in timetabling practices to be implemented	Completed Q4 2022

Review of Statement of Internal Control

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

Appropriate Control Environment

The Institute's Governing Body took steps to ensure an appropriate control environment is in place by:

- Clearly defining management responsibilities
- Developing procedures and regulations which were reviewed regularly and were documented, implemented and up to date.
- Establishing formal procedures through various committee functions to monitor the activities and safeguard the assets of the organisation.
- Developing a strong culture of accountability across all levels of the organisation.
- Establishing procedures for reporting significant control failures and ensuring corrective action was taken.
- Adopting and adhering to the Code of Practice for the Governance of State Bodies as encapsulated by the THEA Code of Governance for Institutes of Technology.
- Ensuring the control environment includes an active Audit and Risk Committee, internal audit function and regular reporting to the Governing Body on financial results.

GALWAY-MAYO INSTITUTE OF TECHNOLOGY

Statement on System of Internal Control

Business Risks

GMIT developed processes to identify and evaluate business risks. This was achieved in a number of ways including:

- Developing an Essential Activities & Process Model to facilitate management and the Institute's Governing Body in identifying the key activities and the processes in place to manage its operations effectively.
- Adoption of a Risk Management Policy.
- Identifying key risks, risk owners and the controls to mitigate these risks.
- Developing annual and longer-term targets and reporting on results achieved.
- Implementation of an Internal Control Framework.
- A comprehensive budgeting system with an annual budget which is reviewed and agreed by the Institute's Governing Body.
- Regular reviews by the Institute's Governing Body and its committees of periodic and annual financial reports which indicate financial performance against forecasts.
- Setting targets to measure financial and other performances.
- Clearly defined capital investment control guidelines.

Information Systems

GMIT 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
- Travel and Expenses – CoreHR
- Student Administration – Banner
- Timetabling – Syllabus
- Library – Koha

Financial Implications of Major Business Risks

GMIT employed a range of actions to reduce the potential for fraudulent activity. GMIT's internal control policy framework included written policies and procedures requiring transactions to be properly authorised and providing for sufficient segregations of duties.

GALWAY-MAYO INSTITUTE OF TECHNOLOGY

Statement on System of Internal Control

Compliance with Procurement Rules and Guidelines

We confirm that the Institute had a Corporate Procurement Plan and procedures in place that were being implemented to ensure compliance with Public Procurement Guidelines and relevant guidance that may be issued by the Office of Government Procurement (OGP), the Education Procurement Service (EPS) and the Department of Public Expenditure and Reform. There were no breaches of these guidelines identified during the period, with the exception of non-compliant expenditure of €291,478.

Review of the Effectiveness of the Internal Control System

We confirm that GMIT had procedures to monitor the effectiveness of its risk management and control procedures. The Governing Body's monitoring and review of the effectiveness of the system of internal control was informed by the work of the Institute Executive and Management who had 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.

As a result of the impact of Covid-19 pandemic several operational procedures were modified by Galway-Mayo Institute of Technology in order to support business continuity requirements. These procedures have enabled effective continuation of all services while at the same time maintaining an effective control environment. The Galway-Mayo Institute of Technology was satisfied that effective controls have been maintained through all relevant transaction cycles. In relation to academic provision the deployment of agreed emergency remote teaching structures and processes has ensured that a blended education delivery model has been maintained to the required and approved academic standards.

GMIT has an outsourced internal audit function, which was in accordance with the Internal Audit Charter approved by the Governing Body and the THEA Code of Governance for Institutes of Technology.

GALWAY-MAYO INSTITUTE OF TECHNOLOGY
Statement on System of Internal Control

Signed on behalf of the Governing Body of GMIT



Ms. Maura McNally

15th May 2023

Date

Chairperson, Atlantic Technological University



Dr. Orla Flynn

15 May 2023

Date

President, Atlantic Technological University



Ard Reachtaire Cuntas agus Ciste Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Galway-Mayo Institute of Technology

Opinion on the financial statements

I have audited the financial statements of Galway-Mayo Institute of Technology (now dissolved) for the period from 1 September 2021 to 31 March 2022 as required under the provisions of the Technological Universities Act 2018. The financial statements were prepared by the Atlantic Technological University and comprise

- the consolidated and Institute statement of comprehensive income
- the consolidated and Institute statement of changes in reserves and capital account
- the consolidated and Institute 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 Group and the Institute at 31 March 2022 and of the income and expenditure of the Group and the Institute for the period 1 September 2021 to 31 March 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 Institute and of the Atlantic Technological 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 Atlantic Technological University has presented certain other information together with the financial statements. This comprises the corporate governance statement and the statement on the system of 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

31 May 2023

Appendix to the report

Responsibilities of the Institute and the Atlantic Technological University

Galway-Mayo Institute of Technology was dissolved on 31 March 2022 and its assets, liabilities and staff transferred to the Atlantic Technological University.

The corporate governance statement sets out the respective responsibilities of the Institute and the Atlantic Technological University for

- the preparation of the financial statements in the form prescribed under the Institutes of Technology Acts 1992 to 2006
- ensuring that the financial statements give a true and fair view in accordance with FRS102
- ensuring the regularity of transactions
- assessing whether the use of the going concern basis of accounting is appropriate, and
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibilities of the Comptroller and Auditor General

I am required under section 52 of the Technological Universities Act 2018 to audit the financial statements of the Institute 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.
- 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.

GALWAY-MAYO INSTITUTE OF TECHNOLOGY
Consolidated and Institute Statement of Comprehensive Income
For the seven months ended 31 March 2022

		Consolidated 7 months 2022 €'000	Institute 7 months 2022 €'000	Consolidated 12 months 2021 €'000	Institute 12 months 2021 €'000
Income					
State grants	3	26,011	26,011	39,991	39,991
Tuition fees and student contribution	4	14,489	14,489	25,280	25,280
Research grants and contracts	5	2,863	2,863	4,073	4,073
Student support funding	7	1,149	1,149	1,126	1,126
Other income	8	2,762	2,762	3,788	3,788
Amortisation of deferred capital grants	22	2,435	2,435	4,225	4,225
Interest income		-	-	-	-
Deferred pension funding	27	11,937	11,937	17,845	17,845
Total income		61,646	61,646	96,328	96,328
Expenditure					
Staff costs	9	36,368	36,368	56,369	56,369
Retirement benefit costs	27	11,937	11,937	17,845	17,845
Other operating costs	10	12,153	12,153	14,929	15,094
Depreciation	13-16	2,435	2,435	4,225	4,225
Total expenditure		62,893	62,893	93,368	93,533
(Deficit)/Surplus before tax		(1,247)	(1,247)	2,960	2,795
Taxation		-	-	-	-
(Deficit)/Surplus before other gains and losses		(1,247)	(1,247)	2,960	2,795
Reduction in pension liabilities arising from retirements	27	-	-	10,472	10,472
Experience gains/(losses) on plan liabilities	27	-	-	(8,584)	(8,584)
Changes in assumptions underlying the present value of retirement benefit obligations	27	12,153	12,153	(6,778)	(6,778)
Total actuarial gains/(losses) in the period/year		12,153	12,153	(4,890)	(4,890)
Adjustment to deferred retirement benefits funding	27	(12,153)	(12,153)	4,890	4,890
Total comprehensive income for the period/year	12	(1,247)	(1,247)	2,960	2,795

The Consolidated Statement of Comprehensive Income includes all gains and losses recognised in the period/year.

Notes 1 to 31 form part of these Financial Statements.

Signed on behalf of the Governing Body:


 Ms. Maura McNally
 Chairperson, Atlantic Technological University

Date: 15th May 2023


 Dr. Orla Flynn
 President, Atlantic Technological University

Date: 15 May 2023

GALWAY-MAYO INSTITUTE OF TECHNOLOGY
Consolidated and Institute Statement of Changes in Reserves and Capital Account
For the seven months ended the 31 March 2022

	Note 22 Consolidated Deferred Capital Grants €000s	Note 22 Institute Deferred Capital Grants €000s	Note 23 Consolidated Capital Development Reserve €000s	Note 23 Institute Capital Development Reserve €000s	I & E Consolidated Revenue Reserves €000s	I & E Institute Revenue Reserves €000s	Consolidated 12 months Total €000s	Institute 12 months Total €000s
Opening Balance at 1 September 2020	60,181	60,181	7,523	7,523	3,877	4,042	71,581	71,746
Surplus for the Year before Appropriations	-	-	-	-	2,960	2,795	2,960	2,795
Amortisation of Deferred Capital Grants	(4,225)	(4,225)	-	-	-	-	(4,225)	(4,225)
State Grant Allocated to Capital	4,384	4,384	-	-	-	-	4,384	4,384
Transfer from capital development reserve	465	465	(685)	(685)	220	220	-	-
Movement for the Period	624	624	(685)	(685)	3,180	3,015	3,119	2,954
Balance at 31 August 2021	60,805	60,805	6,838	6,838	7,057	7,057	74,700	74,700

	Note 22 Consolidated Deferred Capital Grants €000s	Note 22 Institute Deferred Capital Grants €000s	Note 23 Consolidated Capital Development Reserve €000s	Note 23 Institute Capital Development Reserve €000s	I & E Consolidated Revenue Reserves €000s	I & E Institute Revenue Reserves €000s	Consolidated 7 months Total €000s	Institute 7 months Total €000s
Opening Balance at 1 September 2021	60,805	60,805	6,838	6,838	7,057	7,057	74,700	74,700
Surplus for the period before Appropriations	-	-	-	-	(1,247)	(1,247)	(1,247)	(1,247)
Amortisation of Deferred Capital Grants	(2,435)	(2,435)	-	-	-	-	(2,435)	(2,435)
State Grant Allocated to Capital	7,408	7,408	-	-	-	-	7,408	7,408
Transfer from Capital Development Reserve	2,498	2,498	(2,500)	(2,500)	2	2	-	-
Movement for the Period	7,471	7,471	(2,500)	(2,500)	(1,245)	(1,245)	3,726	3,726
Balance at 31 March 2022	68,276	68,276	4,338	4,338	5,812	5,812	78,426	78,426

Notes 1-34 form part of these Financial Statements
Signed on behalf of the Governing Body


Maura McNally

Ms Maura McNally

Chairperson, Atlantic Technological University

Date 15th May 2023


Orla Flynn

Dr. Orla Flynn

President, Atlantic Technological University

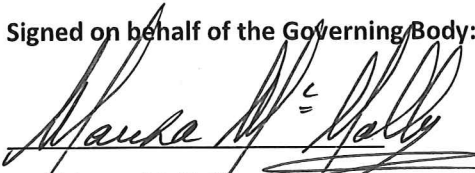
Date 15 May 2023

GALWAY-MAYO INSTITUTE OF TECHNOLOGY
Consolidated and Institute Statement of Financial Position
As at 31 March 2022

		Consolidated 2022 €'000	Institute 2022 €'000	Consolidated 2021 €'000	Institute 2021 €'000
Fixed assets					
Property, Plant & Equipment	13-16	68,276	68,276	60,805	60,805
		68,276	68,276	60,805	60,805
Current assets					
Receivables	18	8,060	8,060	5,166	5,166
Cash and cash equivalents	19	34,720	34,720	21,684	21,684
		42,780	42,780	26,850	26,850
Less payables: amounts due within one year	20	(32,630)	(32,630)	(12,955)	(12,955)
Net current assets		10,150	10,150	13,895	13,895
Total assets less current liabilities		78,426	78,426	74,700	74,700
Provision for Amount & Charges:					
Retirement benefits					
Retirement benefit obligations	27	344,254	344,254	342,620	342,620
Deferred retirement benefit funding asset	27	(344,254)	(344,254)	(342,620)	(342,620)
Total net assets		78,426	78,426	74,700	74,700
Deferred state capital grants	22	68,276	68,276	60,805	60,805
		68,276	68,276	60,805	60,805
Unrestricted reserves					
Income and expenditure reserve		5,812	5,812	7,057	7,057
Capital development reserve	23	4,338	4,338	6,838	6,838
Total		78,426	78,426	74,700	74,700

Notes 1 to 31 form part of these Financial Statements.

Signed on behalf of the Governing Body:


 Ms. Maura McNally
 Chairperson, Atlantic Technological University

Date: 15th May 2023


 Dr. Orla Flynn
 President, Atlantic Technological University

Date: 15 May 2023

GALWAY-MAYO INSTITUTE OF TECHNOLOGY
Consolidated Statement of Cashflows
For the seven months ended the 31 March 2022

	2022 €'000 7 months	2021 €'000 12 months
Cash flow from operating activities		
Excess income over expenditure	(1,247)	2,960
Depreciation of fixed assets	2,435	4,225
Amortisation of deferred capital grants	(2,435)	(4,225)
Decrease in inventories	-	4
(Increase)/Decrease in receivables	(2,843)	1,103
Increase in payables	19,656	1,209
Interest income	-	-
Capital Grants Received	7,356	4,997
Net cash inflow from operating activities	22,922	10,273
Cash flows from investing activities		
Payments to acquire property, plant & equipment	(9,886)	(5,042)
Net cash flows from investing activities	(9,886)	(5,042)
Cash flows from financing activities		
Interest received	-	-
Net cash flows from financing activities	-	-
Net increase in cash equivalents in the period/year	13,036	5,231
Cash and cash equivalents at 1 September	21,684	16,453
Cash and cash equivalents at 31 March	34,720	21,684

Notes 1 to 31 form part of these Financial Statements.

Signed on behalf of the Governing Body:


 Ms. Maura McNally
 Chairperson, Atlantic Technological University

Date: 15th May 2023


 Dr. Orla Flynn
 President, Atlantic Technological University

Date: 15 May 2023

GALWAY-MAYO INSTITUTE OF TECHNOLOGY
Notes to the Financial Statements
For the seven months ended 31 March 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 year.

a. General information and statement of compliance

The primary objective of the Institute is to provide vocational and technical education and training for the economic, technological, scientific, commercial, industrial, social and cultural development of the state with particular reference to the region served by the Institute.

b. Basis of Accounting

The financial statements have been prepared under the historical cost convention, and in accordance with generally accepted accounting principles and comply with applicable Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council and with the requirements of the HEA.

The functional currency under FRS 102 for Galway-Mayo Institute of Technology is considered to be Euro because that is the currency of the primary economic environment in which the Institute operates. The Consolidated Financial Statements are also presented in Euro. Foreign operations are included in accordance with the policies set out below.

c. Basis of consolidation

The group financial statements consolidate the financial statements of the Institute and its subsidiary undertakings made up to 31st March 2022.

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. Going concern

GMIT was dissolved on 31 March 2022 and the Atlantic Technological University was established on 1 April 2022 under the Technological Universities Act 2018 and Statutory Instrument 56 of 2022. As all of GMIT's functions, operations, assets and liabilities were transferred to the Atlantic Technological University under the Act, these financial statements have been prepared on a going concern basis.

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GALWAY-MAYO INSTITUTE OF TECHNOLOGY
Notes to the Financial Statements
For the seven months ended 31 March 2022

e. Property, plant & equipment

(i) Land and buildings

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Buildings which were transferred from Galway VEC on the establishment of GMIT were valued on a depreciated replacement cost on 1st January 1993 (date of commencement order) and were depreciated on the basis of their remaining useful life of 29 years from that date. Depreciation is provided on all remaining tangible fixed assets 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
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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

Equipment costing less than €10,000 (€3,000:2021) per individual item is written off to the income and expenditure account in the year of acquisition. Where individual items of equipment purchased are below the capitalisation limit (€10,000) (€3000:2021) and the total purchase invoice is in excess of the limit, these items are individually capitalised in the normal way. All other equipment is capitalised at cost. Capitalised equipment is depreciated over its useful economic life as follows:

Fixtures & fittings including prefabs	10 years
Computer equipment	3 years
Plant & machinery	10 years
Furniture & Equipment	5 years
Motor vehicles	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.

GALWAY-MAYO INSTITUTE OF TECHNOLOGY
Notes to the Financial Statements
For the seven months ended 31 March 2022

f. Inventory

Inventory comprise canteen stock. Inventory is valued at the lower of cost and net realisable value. Expenditure on books and consumable stock is charged to the income and expenditure account as incurred.

Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in income and expenditure 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 Institute is not liable for corporation tax or income tax on any of its charitable activities. It is registered for value added tax (VAT), 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 Institute falls into the VAT net, any input or output tax relating to these activities is returned to the Revenue by the Institute.

GALWAY-MAYO INSTITUTE OF TECHNOLOGY
Notes to the Financial Statements
For the seven months ended 31 March 2022

(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 balance sheet 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 HEA and other bodies are recognised in the period in which they are receivable. Capital grants from the HEA or other state bodies received in respect of the acquisition or construction of fixed assets are treated as deferred State Capital Grants and amortised in line with the depreciation over the life of the assets. State capital Grants for land are accounted for in accordance with the performance model.

(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 income of the year in which the related expenditure has been incurred unless the grant has performance related conditions or restrictions associated with it. The most common classes of such transactions are:

- *Donations with no restrictions*

Donations with no restrictions include amounts given to the Institute 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.

- *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

GALWAY-MAYO INSTITUTE OF TECHNOLOGY
Notes to the Financial Statements
For the seven months ended 31 March 2022

restricted reserve until such time that the expenditure is incurred in accordance with the restrictions.

- *Research grants from non-government sources*

Income from grants from non-government sources is recognised in the Statement of Income and Expenditure when 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 Institute 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.

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, Innovation and Science introduced a scheme to devolve responsibility to the Institute for Summer and other Capital Works. In all cases Minor Capital Works funding is recognised in the period to which it relates.

(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 (ESSS 2015). The scheme is operated on a "pay-as-you-go" basis, with superannuation deductions made from employees being retained by the Institute as an agreed part of its funding.

The Institute 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

GALWAY-MAYO INSTITUTE OF TECHNOLOGY
Notes to the Financial Statements
For the seven months ended 31 March 2022

Scheme members' contributions are paid over by the Institute to the Department of Public Expenditure 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 ESSS 2015, are retained by the Institute and (ii) the Single Scheme, are remitted to DPER. An amount corresponding to the pension cost is recognised as income.

Pension liabilities represent the present value of future pension payments earned to date. The retirement benefit funding asset reflects the expectation that the DFHERIS will continue to pay pensions and retirement lump sums as they fall due.

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 Institute'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 payments are charged to the appropriation account of the Department of Further and Higher Education, Research Innovation and Science (DFHERIS). 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 (staff of GMIT Catering Company CLG) had the option to join the public sector pension scheme up to the 31st August 2020.

(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.

GALWAY-MAYO INSTITUTE OF TECHNOLOGY
Notes to the Financial Statements
For the seven months ended 31 March 2022

Retirement Benefit Obligation

The assumptions underlying the actuarial valuation 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.

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

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.

l. Deferred State Capital Grants

Deferred state capital grants represent the unamortised value of accumulated funds used for the acquisition or construction of fixed assets. Capital Grants from the HEA or other State bodies received in respect of acquisition or construction of fixed assets are treated as deferred State capital grants and amortised in line with depreciation charged over the life of the assets.

m. Reserves

Capital Development Reserve

The capital development reserve represents funds set aside by the Institute for specified capital development purposes. Such funds arose from student registration fees, non-state capital donations, banking facility fees and transfers from revenue reserves, together with bank interest earned on these monies. Such funds shall be retained in the capital development reserve account provided the defined projects to which they are committed are in line with the Institute's capital development plan, have been approved by the Governing Body and are time phased and with estimates of costs.

GALWAY-MAYO INSTITUTE OF TECHNOLOGY
Notes to the Financial Statements
For the seven months ended 31 March 2022

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Institute'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. The 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 Institute'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 Institute's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

a. Going Concern

Operational and Financial Impact of Covid-19

The COVID-19 crisis has created major business challenges for all third level institutions. The Institute continued to assess the ongoing and projected financial and operational impacts. The Governing Body had conducted a review of the expected financial impact of COVID-19 and was satisfied that there was sufficient funding for the Institute to meet its liabilities as they fall due and to continue as a going concern. Accordingly, these financial statements do not include any adjustments to the carrying amounts and classification of assets and liabilities that may arise if the Institute was unable to continue as a going concern. GMIT was dissolved on 31 March 2022 and the Atlantic Technological University was established on 1 April 2022 under the Technological Universities Act 2018 and Statutory Instrument 56 of 2022. As all of GMIT's functions, operations, assets and liabilities were transferred to the Atlantic Technological University under the Act, these financial statements have been prepared on a going concern basis.

GALWAY-MAYO INSTITUTE OF TECHNOLOGY
Notes to the Financial Statements
For the seven months ended 31 March 2022

b. Establishing lives for depreciation purposes of property, plant & equipment

Long lived assets, consisting primarily of property, plant and equipment comprise a significant portion of the total assets. The annual depreciation charge depends primarily on the estimated lives of each type of asset and estimates of residual values. The Institute regularly reviews these assets lives and changes them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Change in asset lives can have a significant impact on depreciation charge for the period.

Detail of the useful lives are included in the accounting policies.

c. Provision for doubtful debts

The Institute makes an estimate of the recoverable value of trade debtors and other debtors. The Institute 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 is reviewed on an on-going basis.

d. Holiday Pay Accrual

The holiday pay accrual is calculated by reference to the number of 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. 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

GALWAY-MAYO INSTITUTE OF TECHNOLOGY
Notes to the Financial Statements
For the seven months ended 31 March 2022

3. State Grants

	Allocated for Recurrent Expenditure €'000	Allocated for Capital Expenditure €'000	2022 7 months Total €'000	2021 12 Months Total €'000
Recurrent Expenditure - HEA	22,124	611	22,735	35,172
Other state capital grants - HEA	73	6,679	6,752	562
Devolved grant - HEA	853	-	853	1,725
Other state Grants- HEA	2,961	-	2,961	5,224
Total 2022 (Note 6)	26,011	7,290	33,301	42,683
Total 2021	39,991	2,692	42,683	

Included in the recurrent grant allocation from the HEA in 2022, an amount of €1,097,957 (20/21: €1,621,332) relates to funding specifically associated with meeting the extra costs incurred in response to COVID-19.

- The HEA paid other state grants in the period of:
 - € 715,279 (20/21: € 1,411,934) for Springboard courses
 - € 596,590 (20/21: € 1,434,088) for ICT/ITIF Skills courses
 - € 50,299 (20/21: € 209,338) for July Stimulus
 - € 173,207 (20/21: € 341,640) for Human Capital Initiative (HC1)
 - € 68,792 (20/21: € 51,000) for Human Capital Initiative (HC2)
 - € 557,000 (20/21: € 968,535) for TU Transformation Fund
 - € 78,644 (20/21: € 27,652) for Third Level Access
 - € 30,000 (20/21: € 30,000) for HEA - Literacy & Numeracy
 - € 94,616 (20/21: € 355,911) for iNote HEA Innovation Teaching & Learning Project
 - € 4,889 (20/21: € 118,591) for National Forum for Teaching & Learning Enhance Fund 2020
 - € 35,242 (20/21: € 103,390) for HCIP3 Digital Academy for a Sustainable Built environment
 - € 106,000 (20/21: € 100,000) for 1916 Bursaries PATH 11
 - € 49,242 (20/21: € 33,994) for Access Transition and succeed PATH III Project
 - € 70,011 (20/21: € -) for Teaching & Learning Salte2 Enhancement Fund 21-22
 - € 15,176 (20/21: € -) for HCI P3 National RPL
 - € 218,564 (20/21: € -) for HCI P3 Higher Education 4.0
 - € 11,466 (20/21: € -) for HCI P3 Higher Education 4.3.7 Sustainability Framework
 - € 13,288 (20/21: € -) for HCI P3 Higher Education 4.0. RPL Career Learning Pathways
 - € 12,755 (20/21: € -) for National Forum Teaching & Learning VIT&L
 - € 25,543 (20/21: € -) for Teaching & Learning Salte Nutri PD Stage 2
 - € 34,313 (20/21: € 56,156) for Other HEA funded initiatives

GALWAY-MAYO INSTITUTE OF TECHNOLOGY
Notes to the Financial Statements
For the seven months ended 31 March 2022

4. Tuition Fees and Student Contribution

	2022 - 7 months			2021 - 12 months				
	Student Numbers WTE	State funded €'000	Non-state funded €'000	Total €'000	Student Numbers WTE	State funded €'000	Non-state funded €'000	Total €'000
Fees paid by state	5,392	2,932	-	2,932	5,427	5,032	-	5,032
Fees paid by other state agencies	139	115	-	115	144	289	-	289
Non-EU fees	109	-	316	316	108	-	561	561
Fees paid by students or on behalf of students	541	-	239	239	513	-	420	420
Lifelong learning and other fees	221	-	410	410	253	-	828	828
Student contribution including repeat exam fees	-	4,770	5,707	10,477	-	9,762	8,388	18,150
Net fee income / Student numbers (Note 6)	6,402	7,817	6,672	14,489	6,445	15,083	10,197	25,280

- The HEA paid tuition fees in the 7 months to the 31.03.2022:
- €2,328,345 (20/21: €4,007,876) for full time degree courses,
- € 147,693 (20/21: €285,808) for higher certificate and ordinary degree courses, and
- € 456,279 (20/21: €737,846) for full time nursing degree course, the total costs of which are partly funded by the ESF.
- SUSI paid tuition and student contribution fees totalling €4,805,000 (20/21: €8,986,014).
- Springboard student numbers not included in the above: 254, where the income is recorded in State Grant Note 3.

Student numbers are stated as whole-time equivalents based on enrolled credits.

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GALWAY-MAYO INSTITUTE OF TECHNOLOGY
Notes to the Financial Statements
For the seven months ended 31 March 2022

5. Research Grants and Contracts

	2022 7 months Total €000	2021 12 months Total €000
Income		
State and semi-state	2,147	3,326
European Union	405	350
Industry	247	333
Other	64	64
	<u>2,863</u>	<u>4,073</u>
Expenditure		
Pay costs	2,007	2,971
Non-pay costs	1,341	1,855
	<u>3,348</u>	<u>4,826</u>
Net Outcome	(485)	(753)

6. Analysis of state derived income

Name of Grantor	Opening deferral 1 September 2021 €'000	Grant received €'000	Closing deferral 31 March 2022 €'000	I&E 2022 €'000
Note 3 - State grant				
HEA	342	32,896	(7,227)	26,011
Total State Income	<u>342</u>	<u>32,896</u>	<u>(7,227)</u>	<u>26,011</u>

Note 4 - Tuition fees and student contribution

HEA	(10)	3,449	(507)	2,932
SUSI	10	8,239	(3,479)	4,770
Other state	1	101	13	115
Total State Income	<u>1</u>	<u>11,789</u>	<u>(3,973)</u>	<u>7,817</u>

GALWAY-MAYO INSTITUTE OF TECHNOLOGY
Notes to the Financial Statements
For the seven months ended 31 March 2022

6. Analysis of state derived income (continued)

Name of Grantor	Opening deferral	Grant received	Closing deferral	I&E 2022
	1 September 2021		31 March 2022	
	€'000	€'000	€'000	€'000
Note 5 - Research grant and contracts				
Enterprise Ireland	(177)	1,959	(1,068)	714
Education & Training Board	7	-	(59)	(52)
Environmental Protection Agency	140	18	(49)	109
Irish Research Council	20	32	(27)	25
Bórd Iascaigh Mhara	(103)	353	37	287
Marine Institute	(144)	609	(28)	437
Dept. of Agriculture & Food	(268)	215	213	160
National Parks and Wildlife Service	(42)	30	42	30
Dept. of Housing, Planning, Community & Local Govt.	4			4
Higher Education Authority	227	(5)	(42)	180
Maynooth University		5	(4)	1
National Economic & Social Council		9	(3)	6
Fáilte Ireland	3	-		3
NUIG	7	20	(15)	12
Dublin Port	-	70	-	70
Údarás na Gaeltachta	(47)	46	114	113
Geological Survey Ireland	-	5	(4)	1
SEAI	5	-	15	20
University College Cork	7	20	(15)	12
Dept. of Foreign Affairs	5	(5)	-	-
Galway County Council	-	7	(7)	-
Mayo County Council	3	4	-	7
Science Foundation Ireland	15	(15)	-	-
Teagasc	3	9	(4)	8
Total State Income	(335)	3,386	(904)	2,147

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Notes to the Financial Statements
For the seven months ended 31 March 2022

6. Analysis of state derived income (continued)

Note 7 – Student support funding	Opening deferral	Grant received	Closing deferral	I&E 2022
	1 September 2021		31 March 2022	
	€'000	€'000	€'000	€'000
HEA	511	1,170	(532)	1,149
Total State Income	511	1,170	(532)	1,149

7. Student Support Funding

	2022	2022	2022	2021
			7	12
			months	months
	Disabilities	Student Assistance	Total	Total
	€'000	€'000	€'000	€'000
Balance at 1 September	476	35	511	773
Receipts:				
HEA	546	663	1,209	1,210
Less transfer to capital account	(39)	-	(39)	(346)
	983	698	1,681	1,637
Balance at 31 August to defer	(440)	(92)	(532)	(511)
Income	543	606	1,149	1,126
Amounts applied:				
Pay costs	425	-	425	417
Non-pay costs	129	716	845	709
Total expenditure	554	716	1,270	1,126
Charge to statement of income and expenditure	(11)	(110)	(121)	-

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

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8. Other Income

	2022	2021
	7 months	12 months
	€'000	€'000
Superannuation deductions retained	1,436	2,543
Rental of facilities	117	153
Canteen	589	125
Sundry income	620	967
Net outcome	2,762	3,788

9. Staff Costs

The average number of persons (including senior post-holders) employed by the Institute during the 7 months to the 31st March, expressed in whole time equivalent is:

	2022	2021
	No. of	No. of
	employees	employees
Teaching and research	493	463
Technical	82	74
Central administration and services	278	269
	853	806

	2022	2021
	7 months	12 months
	€'000	€'000
Salaries and wages	32,994	51,028
Allowances and overtime	282	464
Employer's welfare Costs	3,092	4,877
	36,368	56,369

Termination payments to all staff

	2022	2021
	7 months	12 months
	€'000	€'000
Total termination payments with an aggregate value in excess of €10k paid to each employee	36	21

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Key management personnel compensation

Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the Institute, directly or indirectly, including any Governing Body members (whether executive or otherwise) of the Institute who report directly to the President.

The total remuneration for key management personnel for the 7 months to the 31st March is as follows:

	WTE	Fees	Salary Payments	Total
		€	€	€
Governing Body Members	-	16,302	-	16,302
President	1.00		97,840	97,840
Executive Board	10.60		691,440	691,440
		16,302	789,280	805,582

The President and the Executive Board are members of the Institute scheme. The pension scheme is a defined benefit final salary pension arrangement with benefits and contributions defined by reference to current “model” public sector regulations.

Employee Benefits

The table below provides details of employees earning €60,000 or more in salary bands of €10,000. The salary bands are for a 12-month period.

Salary bands	31 March 2022	31 August 2021
€	No. of employees	No. of employees
60,000 - 70,000	109	85
70,001 - 80,000	56	52
80,001 - 90,000	59	157
90,001 - 100,000	167	60
100,001 -110,000	12	14
110,001 - 120,000	7	6
120,001 - 130,000	2	2
130,001 - 140,000	-	-
140,001 – 150,000	-	-
150,001 – 160,000	-	-
160,001 – 170,000	1	1
170,001 –	-	-
Grand Total	413	377

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10. Other Operating Expenses

	2022	2022	2022	2021
			7	12
			months	months
	Pay costs	Other	Total	Total
		operating		
		expenses		
	€'000	€'000	€'000	€'000
Academic departments	25,372	2,287	27,659	42,369
Academic services	1,644	1,023	2,667	3,370
Facilities	1,369	2,915	4,284	6,480
Central administration	3,906	2,322	6,228	8,779
General education	150	336	486	839
Student services	999	786	1,785	2,683
Student support funding	425	845	1,270	1,126
Research grants and contracts	2,007	1,341	3,348	4,826
Canteen	496	298	794	826
Depreciation			2,435	4,225
Retirement benefit costs			11,937	17,845
Total expenditure	36,368	12,153	62,893	93,368
Total 2021	56,369	14,929	93,368	

	2022	2021
	7	12
	months	months
	€'000	€'000
Services to students	1,110	1,620
Professional fees	1,159	1,583
General education	707	961
Materials and other consumables	980	1,478
Maintenance costs	1,424	2,012
Energy costs	485	773
Travel and subsistence	211	129
Other premises costs	422	795

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Analysis of other operating expenditure (continued)

	2022	2021
	7	12
	months	months
	€'000	€'000
Equipment	2,076	654
Computer costs	584	1,019
Miscellaneous	345	395
Rent and rates	261	369
General advertising and publicity	259	417
Personnel costs	351	616
Library materials	296	383
Stationery and office materials	133	147
Postgraduate student grants	332	527
Insurance	237	349
Communications	86	137
Bad debts provision	333	53
Other research costs	157	155
Finance costs	154	313
Auditors' remuneration	51	43
Governing body expenses	-	1
Total other operating expenses	12,153	14,929

Other operating expenses include:

Auditors' remuneration:

- Audit of Institute by the C&AG	51	43
- External audit of subsidiary		
- Internal audit services provided by a third party	54	41

Auditors' remuneration disclosed above excludes VAT.

GALWAY-MAYO INSTITUTE OF TECHNOLOGY
Notes to the Financial Statements
For the seven months ended 31 March 2022

11. Taxation

The Galway-Mayo Institute of Technology is exempt from corporation tax under a charitable status order.

The GMIT Catering Company Limited, a wholly owned subsidiary, is not included in this exemption.

GMIT Catering Company Limited	2022	2021
	€'000	€'000
Current tax on profit on ordinary activities		
Irish corporation tax on profits of subsidiaries for the period/year	-	-
Deferred tax	-	-
Total tax on profit on ordinary activities	-	-

12. Financial result for the period/year

The surplus/(deficit) for the period/year on continuing operations is made up as follows:

	2022	2021
	7	12
	months	months
	€'000	€'000
Institute (deficit) surplus for the period/year	(1,247)	2,795
subsidiaries and other undertakings	-	165
	(1,247)	2,960

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For the seven months ended 31 March 2022

13. Property, plant & equipment

Consolidated

	Land & buildings	Buildings in course of construction	Fixtures & fittings	Computer & equipment	Plant & machinery	Furniture & equipment	Motor vehicles	Other assets in course of construction	Subsidiary	Total
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Cost										
At 1 September 2021	95,928	1,164	1,331	7,827	857	13,491	134	136	-	120,868
Additions in period	9,025	22	-	-	-	830	48	(19)	-	9,906
Transfer from assets in course of construction	714	(714)	-	-	-	-	-	-	-	-
Disposals in period	-	-	-	(1)	-	(6)	-	-	-	(7)
At 31 March 2022	105,667	472	1,331	7,826	857	14,315	182	117	-	130,767
Depreciation										
At 1 September 2021	42,314	-	1,250	5,773	596	10,019	111	-	-	60,063
Charge for period	1,039	-	8	673	23	682	10	-	-	2,435
Eliminated on disposals	-	-	-	(1)	-	(6)	-	-	-	(7)
At 31 March 2022	43,353	-	1,258	6,445	619	10,695	121	-	-	62,491
Net book value:										
At 31 March 2022	62,314	472	73	1,381	238	3,620	61	117	-	68,276
At 1 September 2021	53,614	1,164	81	2,054	261	3,472	23	136	-	60,805

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Notes to the Financial Statements
For the seven months ended 31 March 2022

14. Property, plant & equipment

Institute only	Land & buildings	Buildings in course of construction	Fixtures & fittings	Computer & equipment	Plant & machinery	Furniture & equipment	Motor vehicles	Other assets in course of construction	Total
Cost	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
At 1 September 2021	95,928	1,164	1,331	7,827	857	13,491	134	136	120,868
Additions in period	9,025	22	-	-	-	830	48	(19)	9,906
Transfers from assets in course of construction	714	(714)	-	-	-	-	-	-	-
Disposals in period	-	-	-	(1)	-	(6)	-	-	(7)
At 31 March 2022	105,667	472	1,331	7,826	857	14,315	182	117	130,767
Depreciation									
At 1 September 2021	42,314	-	1,250	5,773	596	10,019	111	-	60,063
Charge for period	1,039	-	8	673	23	682	10	-	2,435
Eliminated on disposals	-	-	-	(1)	-	(6)	-	-	(7)
At 31 March 2022	43,353	-	1,258	6,445	619	10,695	121	-	62,491
Net book value:									
At 31 March 2022	62,314	472	73	1,381	238	3,620	61	117	68,276
At 1 September 2021	53,614	1,164	81	2,054	261	3,472	23	136	60,805

GALWAY-MAYO INSTITUTE OF TECHNOLOGY
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15. Property, plant & equipment – in respect of the prior year

Consolidated

	Land & buildings	Buildings in course of construction	Fixtures & fittings	Computer equipment	Plant & machinery	Furniture & equipment	Motor vehicles	Other assets in course of construction	Subsidiary	Total
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Cost										
At 1 September 2020	90,152	5,500	1,305	6,708	710	11,581	120	200	41	116,317
Additions in year	1,440	1,440	26	1,174	147	2,112	14	(64)	-	4,849
Transfer from assets in course of construction	5,776	(5,776)	-	-	-	-	-	-	-	-
Disposals in year	-	-	-	(55)	-	(202)	-	-	(2)	(259)
At 31 August 2021	95,928	1,164	1,331	7,827	857	13,491	134	136	39	120,907
Depreciation										
At 1 September 2020	40,335	-	1,237	4,642	549	9,227	105	-	39	56,134
Charge for year	1,979	-	13	1,186	47	994	6	-	-	4,225
Eliminated on disposals	-	-	-	(55)	-	(202)	-	-	-	(257)
At 31 August 2021	42,314	-	1,250	5,773	596	10,019	111	-	39	60,102
Net book value:										
At 31 August 2021	53,614	1,164	81	2,054	261	3,472	23	136	-	60,805
At 1 September 2020	49,817	5,500	68	2,066	161	2,354	15	200	2	60,183

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16. Property, plant & equipment – in respect of the prior year

Institute only	Land & buildings	Buildings in course of construction	Fixtures & fittings	Computer equipment	Plant & machinery	Furniture & equipment	Motor vehicles	Other assets in course of construction	Total
Cost	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
At 1 September 2020	90,152	5,500	1,305	6,708	710	11,581	120	200	116,276
Additions in year	-	1,440	26	1,174	147	2,112	14	(64)	4,849
Transfers from assets in course of construction	5,776	(5,776)	-	-	-	-	-	-	-
Disposals in year	-	-	-	(55)	-	(202)	-	-	(257)
At 31 August 2021	95,928	1,164	1,331	7,827	857	13,491	134	136	120,868
Depreciation									
At 1 September 2020	40,335	-	1,237	4,642	549	9,227	105	-	56,095
Charge for year	1,979	-	13	1,186	47	994	6	-	4,225
Eliminated on disposals	-	-	-	(55)	-	(202)	-	-	(257)
At 31 August 2021	42,314	-	1,250	5,773	596	10,019	111	-	60,063
Net book value:									
At 31 August 2021	53,614	1,164	81	2,054	261	3,472	23	136	60,805
At 1 September 2020	49,817	5,500	68	2,066	161	2,354	15	200	60,181

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17. Subsidiary Undertakings and Investments

The Institute holds an interest in the following subsidiary:

Subsidiary undertakings

GMIT Catering Company Ltd.

Principal activity

Management of canteen

Interest 100%

	2022	2021
	€'000	€'000
Retained (deficit)/surplus at 1 st September	(1)	(166)
Surplus for period/year	-	165
Amount written down for period/year	1	-
Retained (deficit) at 31 st March (31 st August)	<u>-</u>	<u>(1)</u>

The subsidiary undertaking has their registered office and place of business in GMIT, Dublin Road, Galway. The GMIT Catering Company ceased to trade on 31st August 2020. The business of GMIT Catering Company transferred to GMIT on 1st September 2020, all employees transferred to GMIT and became employees of GMIT retaining their existing term and conditions of employment. The company is being wound down through voluntary strike off with no material cost and all assets and liabilities of the company have been transferred to GMIT. We are awaiting a letter of no objection from the revenue commissioners to proceed with the voluntary strike off.

18. Receivables at the 31.03.2022(prior year 31.08.2021)

	Consolidated		Institute	
	2022	2021	2022	2021
	€'000	€'000	€'000	€'000
Trade receivables	150	206	150	206
Research grants and contracts receivable	1,970	2,514	1,970	2,514
State grants receivable	635	1,300	635	1,300
State capital grant receivable	254	131	254	131
Academic fees receivable	5,066	681	5,066	681
Provision for bad debts	(865)	(530)	(865)	(530)
Prepayments	225	327	225	327
Other receivables	625	537	625	537
	<u>8,060</u>	<u>5,166</u>	<u>8,060</u>	<u>5,166</u>

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19. Cash and Cash Equivalents

	Consolidated		Institute	
	2022	2021	2022	2021
	€'000	€'000	€'000	€'000
Cash at bank including balances held on short term deposit	34,720	21,684	34,720	21,684

20. Payables: amounts falling due within one year at 31.03.2022 (31.08.2021 prior year)

	Consolidated		Institute	
	2022	2021	2022	2021
	€'000	€'000	€'000	€'000
Trade payables	801	221	801	221
Research grants and contracts in advance	2,834	2,197	2,834	2,197
Fees received in advance	10,746	985	10,746	985
State grants received in advance	928	691	928	691
State capital grant received in advance	619	12	619	12
Accruals	6,481	4,527	6,481	4,527
Other amounts received in advance	7,909	2,217	7,909	2,217
Student support funding	532	511	532	511
Other tax and social security	1,780	1,594	1,780	1,594
	32,630	12,955	32,630	12,955

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21. Lease Commitments/Licence Agreements

Total future minimum lease payments under non-cancellable operating leases/licenses are as follows:

	Land & buildings	Land & buildings
	2022	2021
	€'000	€'000
Operating leases		
<i>Expiring:</i>		
within 1 year	313	315
between 2 and 5 years	76	84
greater than 5 years	8	18
Total commitments	397	417

GMIT entered into a licence agreement in October 2019 with Liam Mellows GAA club for a period of thirty years to use their property for the purpose of facilitating the GAA activities of GMIT on Liam Mellows playing pitches and training grounds. GMIT will pay an annual licence fee of €24,000 and have paid a capital contribution of €410,000 and an amount of €17,410 for design, tendering and planning fees.

In January 2022 GMIT purchased Crowley Park for € 8,950,000. This was approved by the Department of Further and Higher Education, Research, Innovation and Science and the Higher Education Authority and Exchequer funding of €6,450,000 was provided. GMIT granted a licence to Galwegians Rugby Club to use the property for 9 years and 11 months (annual fee starting at €12,500 per annum rising to €27,000 per annum). ATU can use the property during the period of the licence. In August 2022, ATU agreed a three year partnership/sponsorship agreement with Connaught Rugby. ATU will pay €220,000 over the period.

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22. Deferred Capital Grants

	Consolidated		Institute	
	2022	2021	2022	2021
	€'000	€'000	€'000	€'000
At 1 September opening balance	60,805	60,181	60,805	60,181
<i>Cash received in period/year:</i>				
Allocated from state recurrent grant	611	2,475	611	2,475
Higher Education Authority	2,539	839	2,539	839
Research Grants & Contracts	242	1,311	242	1,311
Higher Education Authority-capital	6,514	224	6,514	224
Total	9,906	4,849	9,906	4,849
Amortised to income and expenditure in period/year				
Amortised in line with depreciation	(2,435)	(4,225)	(2,435)	(4,225)
Write down of assets in course of construction	-	-	-	-
Release to income NBV on disposals	-	-	-	-
Total	(2,435)	(4,225)	(2,435)	(4,225)
At 31 March (31 August) closing balance	68,276	60,805	68,276	60,805

23. Capital Development Reserve

	Consolidated		Institute	
	2022	2021	2022	2021
	€'000	€'000	€'000	€'000
At 1 September opening balance	6,838	7,523	6,838	7,523
Transfer to income and expenditure Account	-	(220)	-	(220)
Transfer to deferred state capital grants	(2,500)	(465)	(2,500)	(465)
At 31 March (31 August) closing balance	4,338	6,838	4,338	6,838

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24. Capital Commitments

	Consolidated		Institute	
	2022	2021	2022	2021
	€'000	€'000	€'000	€'000
Contracted for but not provided	449	318	449	318
Authorised but not contracted	-	-	-	-
	449	318	449	318

25. Technological University: Connacht-Ulster Alliance (CUA)

The CUA (strategic alliance between Galway-Mayo Institute of Technology, Letterkenny Institute of Technology and Institute of Technology Sligo) submitted an application for TU designation in May 2021, which was subsequently evaluated by an International Panel held in July 2021. On October 28th, the Minister for FHERIS confirmed designation to function as a Technological University (TU). Atlantic Technological University was established on 1 April 2022 will deliver education and research to meet the economic, social and cultural needs of the West/North-West region and will contribute significantly to the achievement of the outcomes outlined in the National Development Plan and Ireland 2040. During the period in question, the main focus of the project was the preparation and implementation of Designation Day Plan to ensure Atlantic Technological University could function as a unified legal entity, compliant with all legal and statutory obligations. This included the orderly wind down of the three legacy institutions, registration of ATU with Revenue, completion of 'Cease and Rehire' process for all staff employed in legacy institutions, establishment of ATU Governing Body, preparation of all necessary documentation for inaugural meeting on April 1st, completion of ATU brand development exercise, and launch day planning.

This project has been funded directly by TUTF funded mechanism. The estimated total project cost to the end of August 2023 will be €34.95m. Between September 2020 and March 2022 the CUA allocated a total of €23.4m to TU activities, of which €11.59m has been funded directly by the HEA, via TUTF. All funding was expended in pursuance of the project objectives and has been aligned to 8 work packages which support the key pillars.

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26. Related Parties

In the normal course of business, the Institute may enter contractual arrangements with undertakings in which the Institute's Governing Body members are employed or otherwise interested. The Institute has adopted procedures in accordance with the THEA Code of Governance for Institutes of Technology 2018 in relation to the disclosure of interests by members of the Governing Body and the Institute has complied with these procedures during the year.

The Institute entered into a Licence Agreement arranged with TruCorp Ltd on 25th September 2018. This arrangement provided the Licensee (TruCorp Ltd) with rights to use Intellectual Property owned by the Institute (relating to Training Phantoms for Ultrasound Guided Regional Anaesthesia) and to develop and commercialise licensed products. GMIT has no shareholding arrangement with TruCorp Ltd. Revenues from the licence to TruCorp Ltd accrue only through initial milestone payments (€50,000 in such payments were received in 2018/2019) and through ongoing royalties (€5,613 received at year end 31st March 2022, (€6,027 2020/2021).

27. Retirement Benefit Costs

(i) Staffing

Retirement benefit obligations were accounted for the first time in the 2016/2017 financial statements. The opening position at 1 September 2016 has been estimated by the actuary, based on market conditions at that time. Examinations of records may identify changes to members' records in the future and these are reflected as past service costs. *(see (iii) below)*

(ii) Description of Schemes

Institute 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, and pre 2004 members have an entitlement to retire without actuarial

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27. Retirement Benefit Costs (*continued*)

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 Institute.

Single Scheme

New entrant staff employed by the Institute 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 DEPR 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 March 2022. On retirement, members’ pensions are paid by the National Shared Services Office on behalf of the DFHERIS and those payments are charged to that Department’s appropriation account. Therefore, former employees of the Institute who are in receipt of a pension have been excluded from the valuation. The reduction in liability arising from members who retire during the year is reflected as an experience gain and is separately identified in the liability reconciliation.

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27. Retirement Benefit Costs (continued)

The principal actuarial assumptions used to calculate the components of the defined benefit cost for the year ended 31 August 2021 were as follows:

	2022	2021
Discount rate	2.25%	1.40%
Inflation rate	2.55%	1.85%
Salary increases	3.80%	3.10%
Pension increases - Superann Scheme	3.30%	2.60%
Pension increases - Single Scheme	2.55%	1.85%

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:

	2022	2021
	Years	Years
Male aged 65	21.8 years	21.8 years
Female aged 65	24.1 years	24.1 years

(iii) Analysis of total retirement benefit costs charged to the Statement of Comprehensive Income

	Consolidated	Consolidated	Institute	Institute
	2022	2021	2022	2021
	€'000	€'000	€'000	€'000
Current service cost	10,988	17,380	10,988	17,380
Interest on retirement benefit scheme liabilities	2,799	3,419	2,799	3,419
Employee contributions / (benefits paid)	(1,850)	(2,954)	(1,850)	(2,954)
	<u>11,937</u>	<u>17,845</u>	<u>11,937</u>	<u>17,845</u>

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27. Retirement Benefit Costs (continued)

(iv) *Movement in net retirement benefit obligations during the financial year*

	Consolidated 2022 €'000	Consolidated 2021 €'000	Institute 2022 €'000	Institute 2021 €'000
Net retirement benefit obligation at 1 September	342,620	316,931	342,620	316,931
Current service costs	9,138	14,426	9,138	14,426
Employee contributions	1,850	2,954	1,850	2,954
Interest costs	2,799	3,419	2,799	3,419
Benefits paid in period	-	-	-	-
Experience losses /(gains) on liabilities	-	8,584	-	8,584
Changes in actuarial assumptions	(12,153)	6,778	(12,153)	6,778
Past service losses / (gains)	-	-	-	-
Reduction in pension liabilities arising from retirements	-	(10,472)	-	(10,472)
Net retirement benefit obligations at 31 August	<u>344,254</u>	<u>342,620</u>	<u>344,254</u>	<u>342,620</u>
Split between:				
SPSPS	9,131	8,022	9,131	8,022
ESS	335,123	334,598	335,123	334,598

(v) *Deferred funding asset for retirement benefits*

The Institute is prescribed in S.I. No 581 of 2012 as a relevant authority for the purposes of the Single Scheme. It is the Institute'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 Institute 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

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27. Retirement Benefit Costs (continued)

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 Institute 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:

	Consolidated 2022 €'000	Consolidated 2021 €'000	Institute 2022 €'000	Institute 2021 €'000
Funding recoverable in respect of retirement benefit costs	11,937	17,845	11,937	17,845
	<u>11,937</u>	<u>17,845</u>	<u>11,937</u>	<u>17,845</u>

The deferred funding liabilities for retirement benefit as at 31 August 2022 amounted to €344,254, (2020/2021: €342,620).

(vi) History of defined benefits obligations

	Consolidated 2022 €'000	Consolidated 2021 €'000	Institute 2022 €'000	Institute 2021 €'000
Defined benefit obligations	344,254	342,620	344,254	342,620

28. Contingent Liabilities

There were no contingent liabilities existing at 31 March 2022.

2023 2022

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29. Post Balance Sheet Events

On October 28th 2021 the Minister for Further and Higher Education, Research, Innovation and Science confirmed designation to Galway-Mayo Institute of Technology, Letterkenny Institute of Technology and Institute of Technology Sligo to function as a Technological University (TU) for the West and North-West. The Galway Mayo Institute of Technology, (the Institute) was dissolved on the 31st March 2022 and the Atlantic Technological University (the University) was established under the terms of the Technological Universities Act 2018 and the Technological Universities Act 2018 (section 36) (appointed day) Order 2022 (SI 56 of 2022) on the 1st April 2022.

30. Comparative Figures

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

31. Approval of Financial Statements

The financial statements were approved by the Governing Body on 15th May 2023.

