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Institiúid  
Teicneolaíochta  
Leitir Ceanainn

Letterkenny  
Institute  
of Technology

**Letterkenny Institute of Technology**  
**Financial Reporting Pack**

**For the nineteen months ended 31**  
**March 2022**



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Teicneolaíochta  
Leitir Ceannainn

Letterkenny  
Institute  
of Technology

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## **Part 1: Letterkenny Institute of Technology: Corporate Governance Statement for the nineteen months ended 31 March 2022**

At midnight on the 31<sup>st</sup> March 2022, the Letterkenny Institute of Technology (the Institute) was dissolved and from the 1st April 2022, 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.

A new Code of Practice for the Governance of State Bodies was published in August 2016 with effect from 1 September 2016. A Code of Governance for Irish Institutes of Technology in line with the new requirements of the State Code, was published in January 2018 and updated in June 2019 by THEA. The Institute adopted the 2019 Code of Governance (referred to as the Code of Governance) at their September 2019 Governing Body meeting.

### **1. Governing Body (THEA Code of Governance 2019 Section 1.18 and 6.3)**

The 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 Governing Body was accountable to the Minister for Further and Higher Education, Research, Innovation and Science and was responsible for ensuring good governance.

The 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, set performance objectives, monitored implementation and Institute performance, and oversaw major capital expenditure and investment decisions. The 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.

### **2. Code Compliance and Statement of Agreement with the HEA (THEA Code – 8.1 and Appendix G, Paragraph 1)**

The Institute confirms that it had formally documented and reached agreement with the HEA, on its adaptation of and compliance with the requirements of the THEA Code of Governance for Institutes of Technology. This compliance includes both the internal practices and procedures of the Institute and the external relations with Government, the Minister for Further and Higher Education, Research, Innovation and Science and the Minister for Public Expenditure and Reform.

### **3. Strategic Plan, Annual Programmes and Budget (THEA Code – 1.17 and Appendix G, Paragraph 2)**

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



#### **4. Governing Body Operation, Reserved Functions and Decisions Delegated to Management (THEA Code – 6.3 and Appendix G, Paragraph 5)**

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 function and decisions that are not specifically listed within the Code of Governance (Appendix B, Reserved Functions, Statutory Functions and Regulatory Requirements), are functions and decisions of management.

#### **5. Compliance with Public Spending Code (THEA Code – 6.10 (viii), 8.22 and Appendix G, Paragraph 11)**

The Governing Body confirmed that the Institute adhered to the relevant aspects of the Public Spending Code and that the Governing Body had 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. The Institute confirmed that its policies and procedures in the management of capital projects were compliant with the relevant principles, requirements and guidelines of the Public Spending Code and the Capital Works Management Framework.

## 6. Governing Body Meetings (THEA Code – 4.9, 6.4 (iv) and Appendix G, Paragraph 8)

During the period from 1st September 2020 to 31st March 2022 the Governing Body met on thirteen separate occasions on the following dates:

<b>Figure 1.1</b>			
<b>Schedule of Governing Body Meetings and Governing Body Members' Attendance</b>			
<b>GB Members</b>	<b>Role</b>	<b>Number of Governing Body meetings attended</b>	<b>Number of Governing Body meetings during the period</b>
Fintan Moloney	Chairperson	13	13
Paul Hannigan, President	President	13	13
Pat Campbell	Member	13	13
Joan Crawford	Member	12	13
Siobhan Cullen	Member	12	13
Emily Duffy	Member	2	2
Mary Hernandez	Member	7	8
Seamus Hughes	Member	12	13
Cllr Niamh Kennedy	Member	7	13
Seamus Kilgannon	Member	12	13
Peter Lynch	Member	3	8
Philip Maguire	Member	8	13
Cllr Michael McBride	Member	9	13
Linda McGlinchey	Member	13	13
Anne McHugh	Member	11	13
Bernie Mulhern	Member	8	11
Grainne O'Brien	Member	12	13
Adam O'Flaherty	Member	5	5
Cllr Paddy O'Rourke	Member	10	13
Meadbh Seoighe	Member	8	13
Marie Slevin	Member	8	13

The Governing Body met without management present on five occasions during the period in September 2020, December 2020, June 2021, November 2021, March 2022. The Governing Body also met without any members associated with the Institute on these five occasions in September 2020, December 2020, June 2021, November 2021 and March 2022 in line with Section 4.9 of the THEA Code of Governance 2019.

## 7. Fees and Expenses (THEA Code 6.4 (iv) and Appendix G, Paragraph 8)

Fees and/or expenses paid to members of the Governing Body were in accordance with the guidelines from the Department of Finance. The Institute affirmed that Governing Body members did not receive fees in respect of this membership of the Governing Body. Governing Body members may have received expenses for attending Governing Body meetings and may have received fees and expenses for facilitating the Institute in respect of Interview Boards. All such fees and expenses were paid in accordance with the guidelines issued by the Department of Finance and included below.

<b>Figure 1.2</b>			
<b>Governing Body Expenses from the period 1 September 2020 to 31 March 2022</b>			
<b>(THEA Code – 9.17 and THEA Code – Appendix H, Paragraph 3)</b>			
<b>GB Members</b>	<b>Expenses</b>	<b>Fees (Interviews etc.)</b>	<b>Total Paid</b>
Bernie Mulhern	1,327	8,250	9,577
Seamus Kilgannon	1,137	6,000	7,137
<b>Total</b>	<b>2,464</b>	<b>14,250</b>	<b>16,714</b>

## 8. Risk Management (7.2 and THEA Code – Appendix G, Paragraph 10)

The Governing Body approved the Institute's risk management framework and monitored its effectiveness, approval and oversight of the Institute's Risk Management Policy including structured and periodic reviews and updates to the Institute Corporate Risk Register by the Executive Board. This review included an assessment of the principal risks, risk rating and associated mitigations for each of the risks set out in the Institute Corporate Risk Register. The Institute also contributed to a Risk Register relating to the CUA (Connacht Ulster Alliance) in June 2021. The Governing Body reviewed the Risk Register in February 2022.

## 9. Audit and Risk Committee (THEA Code – 1.13 and Appendix G, Paragraph 6)

The Terms of Reference for the Audit and Risk Committee were set by the Governing Body of the Institute and included 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 Chairperson of 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 the period. The Audit and Risk Committee met on eight occasions during the nineteen months ended 1 September 2020 to 31 March 2022.

See figure 1.3 below for details of meetings held during the period.

<b>Figure 1.3</b>			
<b>Schedule of Audit and Risk Committee Meetings and Member attendances</b>			
GB Members	Role	Number of Audit and Risk Committee meetings attended	Number of Audit and Risk Committee meetings during the period
Philip Maguire	Chairperson	8	8
Seamus Hughes	Member	8	8
Anne McHugh	Member	8	8
Cllr Niamh Kennedy	Member	4	8
Deborah Nolan	External Member	7	8

#### **10. Other Committee Meetings (THEA Code – 4.9, 6.4 (iv) and Appendix G, Paragraph 8)**

The Gender Equality Committee met on three occasions during the period 1 September 2020 to 31 March 2022. See figure 1.4 below for details of meetings held during the year.

<b>Figure</b>				
<b>Other Committee</b>				
Governing Body Member	Committee Name	Role	Number of Committee meetings attended	Number of Committee meetings during the
Grainne Devine	Gender Equality Committee	Chairperson	3	3
Pat Campbell	Gender Equality Committee	Member	1	3
Bernie Mulhern	Gender Equality Committee	Member	2	3
Peter Lynch	Gender Equality	Member	1	3

#### **11. Performance Evaluation of the Governing Body and its Committees (THEA Code- 4.6, 6.10 (xxii) and Appendix G, Paragraph 4) (DPER Code – 4.6) (THEA Code – Appendix I, Paragraph 26)**

The Governing Body conducted two self-assessment of its own performance and the performance of its committees during the period 1 September 2020 to 31 March 2022 which were concluded on 18 February 2021 and 17 February 2022 respectively. The Governing Body utilised the self-assessment evaluation questionnaire contained within the THEA Code of Governance for this purpose / engaged an independent external provider to take a review once per term. The external review that was carried out on the governing body and its committee's performance was in March 2019. This was carried out by

Mazars. A presentation was made to the Governing Body in May 2020. An external review at the end of term of the Governing Body was not carried out as the Institute ceased to exist on 31<sup>st</sup> March (in line with the TU Act 2018). The requirement for an external review at the end of term and the practicalities of carrying this out once the body had ceased to be in existence were discussed by the Governing Body and it was agreed that an external review would not be carried out at the end of term.

**12. General Governance and Accountability Issues (THEA Code – 6.9 (xxviii) and Appendix I, Paragraph 32)**

The Institute confirmed that there were no governance and accountability issues that the Institute wished to bring to the attention of the Minister for Further & Higher Education, Research, Innovation & Science and the Higher Education Authority.

**13. Asset Disposals (THEA Code – 8.39)**

The Institute confirmed 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 had not been subject to auction or competitive tendering process during the financial period.

**14. Commercially Significant Developments affecting the Institute (THEA Code – 6.10 (ii) and Appendix I, Paragraph 3)**

Letterkenny Institute of Technology confirmed that there were no commercially significant developments that affected the Institute in the period. There were also, to the Institute's knowledge, no major issues likely to arise in the short to medium term that would have affected the Institute.

**15. Summary of all Off-Balance Sheet Transactions of the Institute (THEA Code – 6.10 (iii) and Appendix I, Paragraph 4)**

*This is not applicable for the period 1 September 2020 to 31 March 2022.*

**16. Code of Conduct for Members and Employees (THEA Code – 6.10 (vi) and Appendix I, Paragraph 6)**

The Institute confirmed that a Code of Conduct for both Members and Employees had been implemented. This included clear conflict of interest and ethics in public office policies.



**17. Compliance with Government Policy on Pay of the President and Institute Employees (THEA Code – 6.10 (viii) and Appendix I, Paragraph 7)**

The Institute confirmed that the Institute had 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.

**18. Statement of Compliance (THEA Code – 9.17 and Appendix I, Paragraph 9)**

The Chairperson of the Institute confirmed that Government Pay Guidelines were being complied with in respect of such appointees who served on the Governing Body and any subsidiaries of the Institute. Figure 1.2 above includes a schedule of all fees and expenses paid to Governing Body members.

**19. Confidential Disclosure Reporting - Protected Disclosures Act 2014 (THEA Code – 6.10 (xiii) and Appendix I, Paragraph 13)**

The Governing Body confirmed that procedures for Confidential Disclosure Reporting had been implemented in the Institute. 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 in place at Letterkenny Institute of Technology was in line with the Protected Disclosures Act 2014.

The Governing Body also confirmed that the annual reports, as required under section 22(1) of the Act had been published on the Institute's website.

There were no protected disclosures received from employees of the Institute during the period.

**20. Tax Laws (THEA Code – 6.9 (xvi) and Appendix I, Paragraph 15)**

The Institute confirmed that it had complied with its obligations under tax law.

Please also refer to financial statements disclosure note 12.

**21. Legal Disputes (THEA Code – 8.45 and Appendix I, Paragraph 16 and THEA Code 8.45)**

A breakdown of the legal costs/settlements is included in the financial statements disclosure note 11. Letterkenny Institute of Technology had no legal disputes involving other State Bodies.

**22. Institute Subsidiaries (THEA Code – 6.10 (xviii), 6.10 (xxviii) and Appendix I, Paragraph 18 and Paragraph 31)**

*This is not applicable for the period 1 September 2020 to 31 March 2022.*

### **23. Intellectual Property (IP) and Conflict of Interest**

The Institute had in place a single IP policy, published on its website, which reflected the National IP Management Requirements of the national IP Protocol.

The Institute had in place a single Conflict of Interest Policy, published on its website. The Institute confirmed that the Governing Body reviewed all IP commercialisation and conflicts of interest on an annual basis.

### **24. Gender Balance, Diversity and Inclusion (DPER Code Annex, Circular 14/2020)**

The Institute recognised the importance of diversity and inclusion for all staff and students. To that regard the Institute had implemented a number of initiatives aimed at further promoting an inclusive environment, including applying for an Institutional Athena SWAN Bronze Award. The Institute was successful in being awarded the Athena SWAN Bronze Award during 2021.

With respect to the membership of the Governing Body, while the Institute could and had, engaged in the appointments process, the appointment decisions were made by the Minister. As at 31 March 2022 the Governing Body had 8 (50%) female and 8 (50%) male members. The 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 Figure 1.1 for the listing of Governing Body members and their roles.

### **25. Additional Disclosures**

The Governing Body adopted the 2019 THEA Code of Governance for Institutes of Technology at its meeting in September 2019. The Code requires additional disclosures in relation to a number of matters and these disclosures have been made as follows:

- Travel and Subsistence (THEA Code – 6.3 and Appendix H, Paragraph 8) is disclosed in Financial Statements Note 11b
- Hospitality Expenditure (THEA Code – 6.3 and Appendix H, Paragraph 9) is disclosed in Financial Statements Note 11b
- Legal Costs/ Settlements (THEA Code- 6.3 and Appendix H, Paragraph 10) is disclosed in Financial Statements Note 11
- Consultancy fees (THEA Code – 6.5. Appendix H, Paragraph 4 and Appendix I, Paragraph 23) is disclosed in Financial Statements Note 11b

### **26. Report and Financial Statements (THEA Code – 1.18 and Appendix G, Paragraph 3)**

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

## 27. Statement of Responsibility of the Institute and the University

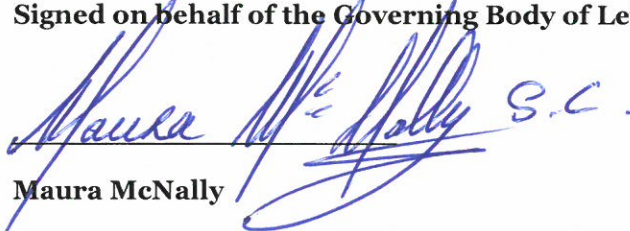
ATU is required under the Technological Universities Act 2018 to prepare Financial Statements of the Institute and to submit them for audit to the Comptroller and Auditor General. In preparing these Financial Statements, the Institute is required to:

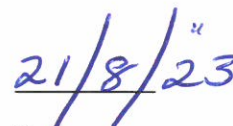
- Select suitable accounting policies and apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- Prepare Financial Statements on the going concern basis, unless it is inappropriate to presume that the Institute will continue in operation.
- Disclose and explain any 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 Financial Statements complied with the Institutes of Technology Acts 1992 to 2006.

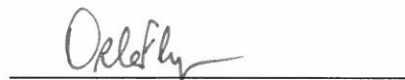
The Institute was also responsible for safeguarding its assets and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

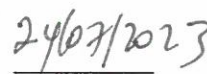
**Signed on behalf of the Governing Body of Letterkenny Institute of Technology**

  
Maura McNally

  
Date

**Chairperson; Atlantic Technological University**

  
Dr Orla Flynn

  
Date

**President; Atlantic Technological University**



## **Part 2: Letterkenny Institute of Technology: Statement on System of Internal Controls**

### **1. Scope of Responsibility (THEA Code – Appendix I, Statement on System of Internal Controls Paragraph 1)**

At midnight on the 31<sup>st</sup> March 2022, the Letterkenny Institute of Technology (the Institute) was dissolved and from the 1st April 2022, the Atlantic Technological University (the University) was established under the terms of the Technological Universities Act 2018 and the Technological Universities Act 2018 (section36) (appointed day) Order 2022 (SI 56 of 2022).

Up to that date, the Governing Body of the Institute was responsible for ensuring that an effective system of internal controls was maintained and operated in the Institute and for putting in place processes and procedures for the purpose of ensuring that the system was effective. This responsibility reflected 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,

### **2. Purpose of the System of Internal Controls (THEA Code – Appendix I, Statement on System of Internal Controls Paragraph 2)**

The system of internal controls was designed to manage risk to an acceptable level rather than to eliminate it. The system could 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 controls, which accorded with guidance issued by the Department of Public Expenditure and Reform, had been in place in the Institute up to the date of dissolution.

### **3. Annual Review of the Effectiveness of Internal Control (THEA Code –Appendix I, Statement on System of Internal Controls Paragraph 3, Sub-Paragraph i)**

An annual review of the effectiveness of the system of internal control for the period 1 September 2020 to 29<sup>th</sup> March 2022 was conducted by the Institutes' Governing Body on 31 March 2022. A follow up on review on the Internal Control Framework for the period ended 31 March 2022 was carried out with all control owners and users during June 2022 to ensure any progress made to rectify control weakness and make control improvements was captured and reported to the Audit and Risk Committee of the University. The Governing Body of the University, under Section 52 of the TU Act 2018, conducted a further review for the period from 29<sup>th</sup> March 2022 to 31<sup>st</sup> March 2022 at their meeting on 4<sup>th</sup> July 2022.



**4. Disclosure of Breaches in Internal Control, Weakness in Internal Control and Material Losses or Frauds (THEA Code – Appendix I, Statement on System of Internal Controls Paragraph 3 (ii), Appendix I, Statement on System of Internal Controls Paragraph 3 (iii), Appendix I, Statement on System of Internal Controls Paragraph 5 and THEA Code – Appendix I, Statement on System of Internal Controls Paragraph 6)**

- No breaches or weaknesses in internal control were identified which required disclosure in the Institute’s Statement of System of Internal Controls.
- There were no material losses or frauds during the period.

**5. Review of Statement of Internal Control (THEA Code – Appendix I, Statement on System of Internal Controls Paragraph 3, Sub-Paragraph iv and Sub Paragraph v.**

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

**6. Appropriate Control Environment (THEA Code – Appendix I, Statement on System of Internal Controls Paragraph 3, Sub-Paragraph vi)**

The Governing Body of the Institute had taken steps to ensure an appropriate control environment was in place by:

- Clearly defining management responsibilities.
- Developing procedures and regulations which are reviewed regularly and are 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 is 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.

**7. Business Risks (THEA Code – Appendix I, Statement on System of Internal Controls Paragraph 3, Sub-Paragraph vii)**

Letterkenny Institute of Technology had developed processes to identify and evaluate business risks. This was achieved in a number of ways including:



- Adoption of a Risk Management Policy.
- Identifying key risks, risk owners and the controls to mitigate these risks.
- Implementation of an Internal Control Framework.
- A comprehensive budgeting system with an annual budget which was reviewed and agreed by the Governing Body.
- Regular reviews by the Governing Body and its committees of periodic and annual financial reports which indicated financial performance against forecasts.
- Setting targets to measure financial and other performances.
- Clearly defined capital investment control guidelines.

#### **8. Information Systems (THEA Code – Appendix I, Statement on System of Internal Controls Paragraph 3, Sub-Paragraph viii)**

Letterkenny Institute of Technology implemented a number of Management Information Systems to provide a means of comparing actual results to targets and forecasts. These systems included:

- Financial Management – Agresso
- Human Resources and Payroll Management – CoreHR
- Travel and Expenses – CoreHR
- Student Administration – Banner
- Library Management System – Koha
- Timetabling – Syllabus Plus

#### **9. Financial Implications of Major Business Risks (THEA Code – Appendix I, Statement on System of Internal Controls Paragraph 3, Sub-Paragraph ix)**

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

#### **10. Compliance with Procurement Rules and Guidelines (THEA Code – Appendix I, Statement on System of Internal Controls Paragraph 7)**

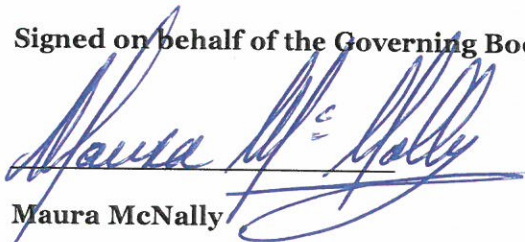
The Institute had an annual Corporate Procurement Plan which was approved by the Governing Body on an annual basis and procedures in place to ensure compliance with Public Procurement Guidelines and relevant guidance issued by the Office of Government Procurement (OGP), the Education Procurement Service (EPS) and the Department of Public Expenditure and Reform. The Institute was addressing procurement non-compliances where aggregate spend during the financial year with an individual supplier had exceeded €25,000 or €50,000 (works and civils). There was non-compliant procurement in the period in question of €61,018 relating to specialist IT teaching equipment and also low value IT consumables which cumulatively went above €25,000.

**11. Review of the Effectiveness of the Internal Control System (THEA Code – Appendix I, Statement on System of Internal Controls Paragraph 3, Sub-Paragraph x)**

The Institute had procedures to monitor the effectiveness of its risk management and control procedures. The Institute's Governing Body 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. Letterkenny Institute of Technology had an outsourced internal audit function, which is in accordance with the Internal Audit Terms of Reference (approved by the Governing Body in February 2021) and the THEA Code of Governance for Institutes of Technology.

In September 2021, the Audit and Risk Committee also reviewed the impact of the pandemic on the control environment and the operation of the Institute's control procedures, with a particular emphasis on IT security, and determined that there was minimal impact.

**Signed on behalf of the Governing Body of Letterkenny Institute of Technology**



**Maura McNally**

21/8/23  
**Date**

**Chairperson; Atlantic Technological University**



**Dr Orla Flynn**

24/09/2023

**Date**

**President; Atlantic Technological University**



# Ard Reachtaire Cuntas agus Ciste Comptroller and Auditor General

## Report for presentation to the Houses of the Oireachtas

### Letterkenny Institute of Technology

#### Opinion on the financial statements

I have audited the financial statements of Letterkenny Institute of Technology (now dissolved) for the 19 month period ended 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 statement of comprehensive income
- the statement of changes in reserves and capital account
- the statement of financial position
- the statement of cash flows, and
- the related notes, including a summary of significant accounting policies.

In my opinion, the financial statements give a true and fair view of the assets, liabilities and financial position of the Institute at 31 March 2022 and of its income and expenditure for the period then ended in accordance with Financial Reporting Standard (FRS) 102 — *The Financial Reporting Standard applicable in the UK and the Republic of Ireland.*

#### *Basis of opinion*

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

11 September 2023



## Appendix to the report

### Responsibilities of the Institute and of the Atlantic Technological University

Letterkenny 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 of the Atlantic Technological University for

- the preparation of annual 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.



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Letterkenny  
Institute  
of Technology

## **ANNUAL FINANCIAL STATEMENTS**

**Letterkenny Institute of Technology**

**Financial Statements**

**For the period ended 31 March 22**

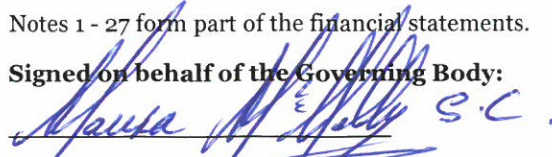
**Letterkenny Institute of Technology**
**Statement of Comprehensive Income**
**Period ended 31 March 2022**

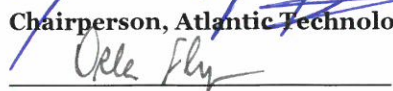
	Note	19 mths 31/03/22 €000's	12 mths 31/08/20 €000's
<b>Income</b>			
State Grants	3	34,701	18,183
Tuition Fees and Student Contributions	4	25,645	13,559
Research Grants & Contracts	5	4,721	2,208
Student Support Funding	7	1,121	482
Other Income	8	4,181	2,124
Other Income Generating Activities	10	489	506
Amortisation of Deferred State Capital Grants	18	4,194	2,345
Deferred Pension Funding	25	16,110	9,276
<b>Total Income</b>		<b>91,162</b>	<b>48,683</b>
<b>Expenditure</b>			
Staff costs	9	46,716	27,272
Retirement Benefit Cost	25	16,110	9,276
Other Operating Expenses	11	14,138	6,940
Depreciation	13	4,220	2,351
<b>Total Expenditure</b>		<b>81,184</b>	<b>45,839</b>
<b>Operating Surplus</b>			
		<b>9,978</b>	<b>2,844</b>
Experience gains / (losses) on retirement benefit obligations	25	2,747	(369)
Reduction in pension liabilities arising from retirements in the year	25	6,353	6,533
Changes in Assumptions underlying the Present Value of Retirement Benefit Obligations	25	1,377	6,850
<b>Total Actuarial Gains in the year</b>		<b>10,477</b>	<b>13,014</b>
Adjustment to Deferred Retirement Benefits Funding	25	(10,477)	(13,014)
Transfer to Capital Development Reserve	19	(12,270)	(2,844)
<b>Total Comprehensive Income</b>		<b>(2,292)</b>	<b>-</b>

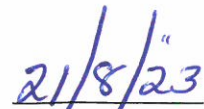
The Statement of Comprehensive Income includes all gains and losses recognised in the year.

Notes 1 - 27 form part of the financial statements.

Signed on behalf of the Governing Body:

  
Chairperson, Atlantic Technological University, Maura McNally

  
President, Atlantic Technological University, Dr Orla Flynn

  
21/8/23

Date

  
24/02/2023

Date

**Letterkenny Institute of Technology**
**Statement of Changes in Reserves and Capital Account**
**Period ended 31 March 2022**

	Deferred State Capital Grants	Capital Development Reserve	Revenue Reserves	Total
	€000's	€000's	€000's	€000's
<b>Balance at 31 August 2019</b>	<b>68,148</b>	<b>4,949</b>	<b>2,292</b>	<b>75,389</b>
Operating Surplus	-	-	2,844	<b>2,844</b>
Amortisation of Deferred State Capital Grants	(2,345)	-	-	<b>(2,345)</b>
State Grant Allocated to Capital	1,466	-	-	<b>1,466</b>
State Capital Grant	593	-	-	<b>593</b>
Student Support Funding allocated to Capital	44	-	-	<b>44</b>
Allocated from Research Grants & Contracts	223	-	-	<b>223</b>
Other Capital Grants	-	-	-	-
Allocated from Capital Development Reserve	28	(28)	-	-
Disposals	(7)	-	-	<b>(7)</b>
Transfer to Capital Development Reserve	-	2,844	(2,844)	-
<b>Balance at 31 August 2020</b>	<b>68,150</b>	<b>7,765</b>	<b>2,292</b>	<b>78,207</b>
Operating Surplus	-	-	9,978	<b>9,978</b>
Amortisation of Deferred State Capital Grants	(4,194)	-	-	<b>(4,194)</b>
State Grant Allocated to Capital	1,963	-	-	<b>1,963</b>
State Capital Grant	1,422	-	-	<b>1,422</b>
Student Support Funding allocated to Capital	54	-	-	<b>54</b>
Allocated from Research Grants & Contracts	441	-	-	<b>441</b>
Other Capital Grants	48	-	-	<b>48</b>
Allocated from Capital Development Reserve	439	(439)	-	-
Disposals	(10)	-	-	<b>(10)</b>
Transfer to Capital Development Reserve	-	12,270	(12,270)	-
<b>Balance at 31 March 2022</b>	<b>68,313</b>	<b>19,596</b>	<b>-</b>	<b>87,909</b>

Notes 1 - 27 form part of the financial statements.

Signed on behalf of the Governing Body:


  
Chairperson, Atlantic Technological University, Maura McNally


  
President, Atlantic Technological University, Dr Orla Flynn

Date

Date

21/8/23

24/02/2023

**Letterkenny Institute of Technology**
**Statement of Financial Position**

As at 31 March 2022

	Note	31/03/22 €000's	31/08/20 €000's
<b>Non-Current Assets</b>			
Tangible Fixed Assets	13	68,168	68,195
		<b>68,168</b>	<b>68,195</b>
<b>Current Assets</b>			
Receivables	14	3,687	1,527
Cash and Cash Equivalents	15	32,848	15,270
		<b>36,535</b>	<b>16,797</b>
<b>Less Payables; Amounts due within 1 year</b>	16	<b>(16,794)</b>	<b>(6,785)</b>
<b>Net Current Assets</b>		<b>19,741</b>	<b>10,012</b>
<b>Retirement Benefits</b>			
Retirement Benefit Obligations	25	(200,018)	(192,055)
Deferred Retirement Benefit Funding Asset	25	200,018	192,055
<b>Total Assets less Current Liabilities</b>		<b>87,909</b>	<b>78,207</b>
<b>Total Net Assets</b>		<b>87,909</b>	<b>78,207</b>
<b>Represented by:</b>			
Deferred State Capital Grants	18	68,313	68,150
Capital Development Reserve	19	19,596	7,765
Income & Expenditure Reserve		-	2,292
<b>Total</b>		<b>87,909</b>	<b>78,207</b>

Notes 1 - 27 form part of the financial statements.

Signed on behalf of the Governing Body:


 Chairperson, Atlantic Technological University, Maura McNally


 President, Atlantic Technological University, Dr Orla Flynn

Date

 21/8/23  
24/07/2023

Date

**Letterkenny Institute of Technology**
**Statement of Cash Flows**
**As at 31 March 2022**

	<b>19 mths</b>	<b>12 mths</b>
	<b>31/03/22</b>	<b>31/08/20</b>
	<b>€000's</b>	<b>€000's</b>
<b>Net Cash flow from Operating Activities</b>		
Excess income over expenditure	9,978	2,844
Depreciation of fixed assets	4,220	2,351
Amortisation of deferred state capital grants	(4,194)	(2,345)
Decrease / (Increase) in receivables	(2,160)	377
Increase in payables	10,009	499
<b>Net Cash Inflow from Operating Activities</b>	<b>17,853</b>	<b>3,726</b>
<b>Cash Flows from Investing Activities</b>		
Payments to acquire Fixed Assets	(4,199)	(2,394)
<b>Net Cash Outflow for Investing Activities</b>	<b>(4,199)</b>	<b>(2,394)</b>
<b>Cash Flows from Financing Activities</b>		
State Recurrent Grants spent on Fixed Assets	1,963	1,466
Other funds spent on Fixed Assets	1,961	863
<b>Net Cash Inflow from Financing Activities</b>	<b>3,924</b>	<b>2,329</b>
<b>Net Increase in cash and Cash Equivalents in the period</b>	<b>17,578</b>	<b>3,661</b>
Cash & Cash Equivalents at 1 September	15,270	11,609
<b>Cash &amp; Cash Equivalents at end of period</b>	<b>32,848</b>	<b>15,270</b>

Notes 1 - 27 form part of the financial statements.

Signed on behalf of the Governing Body:


 Chairperson, Atlantic Technological University, Maura McNally


 President, Atlantic Technological University, Dr Orla Flynn

Date

 21/8/23  
24/07/2023

Date



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of Technology

**Letterkenny Institute of Technology**

**Notes to the financial statements**

**For the Period 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 third level education.

The financial statements have been prepared under the historical cost convention, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council, and with the requirements of the Higher Education Authority.

The functional currency of FRS 102 financial statements for Letterkenny Institute of Technology is considered to be Euro because that is the currency of the primary economic environment in which the Institute operates.

**b. Going concern**

Letterkenny Institute of Technology was dissolved at midnight on the 31<sup>st</sup> March 2022 under the Technological Universities Act 2018 (TU Act). The Atlantic Technological University (the University) was established on the 1<sup>st</sup> April 2022 by Ministerial Order under Section 36 of the Technological Universities Act 2018 and Statutory Instrument (56 of 2022).

Under the TU Act all land, other property, rights in or granted over land or other property, work in progress and pre-existing contractual and other rights and liabilities of Letterkenny Institute of Technology transferred automatically to the University on 1<sup>st</sup> April 2022 and any reference to Letterkenny Institute of Technology in any agreement or other instrument can be read as the University as of that date. As all of Letterkenny Institute of Technology's functions, operations, assets and liabilities were transferred to the University, these financial statements have been prepared on a going concern basis.

## Significant accounting policies (continued)

### c. Tangible Fixed Assets

#### (i) Land and buildings

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than 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
Leased Land & Buildings	Over the term of the lease

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

#### (ii) Equipment

From 1 September 2009, equipment costing less than €3,000 per individual item is written off to the income and expenditure account in the year of acquisition. Where individual items of equipment purchased are below the capitalisation limit (€3,000) and the total purchase invoice is in excess of the limit, these items are individually capitalised in the normal way. 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
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.

### d. Stocks

Expenditure on books and consumable stocks is charged to the Statement of Comprehensive Income as incurred.





## Significant accounting policies (continued)

### e. Taxation

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, 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.

### f. Recognition of income

#### *State Grants*

Recurrent State grants from the Higher Education Authority and other State bodies are recognised in the period in which they are receivable. Non-Recurrent Grants from the Higher Education Authority or other State bodies received in respect of the acquisition or construction of Fixed Assets are treated as Deferred State Capital Grants and amortised in line with the depreciation over the life of the assets.

#### *Fee Income*

Fee income is accounted for on an accruals basis.

#### *Research grants and contracts*

Income from research grants and contracts is matched to expenditure and is included in the income of the year in which the related expenditure has been incurred. The most common classes of such transactions are:

##### *(i) 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.

##### *(ii) 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 a restricted reserve until such time that the expenditure is incurred in accordance with the restrictions.

##### *(iii) Research grants from non-government sources*

Income from grants from non-government sources is recognised in the Statement of Comprehensive Income when performance related conditions are met. If there is a restriction 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.

**Significant accounting policies (continued)***Other Income from non-State sources used for capital purposes*

Income from non-government sources used for capital purposes is recognised in the Statement of Comprehensive Income 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.

Income from non-government sources used for capital purposes 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.

Income from non-government sources used for capital purposes 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.

*Minor Capital Works*

The Minister for Further and Higher Education, Research, 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 received.

*Income from short-term deposits*

All income from short-term deposits is credited to the Statement of Comprehensive Income in the period in which it is earned.

**g. Employee benefits***(i) Retirement Benefits*

Pension entitlements of staff recruited prior to 1 January 2013 are conferred under a defined benefit pension scheme established under the Education Sector Superannuation Scheme 2015. The scheme is operated on a Pay-as-You-Go basis, with superannuation deductions made from employees being retained by the 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 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 year reflect the benefits earned by current employees during the year and are shown net of staff pension contributions which, in respect of (i) the Education Sector Superannuation Scheme 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 to the extent that it is recoverable.

**Significant accounting policies (continued)**

Pension liabilities represent the present value of future pension payments earned to date. The retirement benefit funding asset represents future pension payments which will be paid by the Department of Further and Higher Education, Research, Innovation and Science.

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. Pension liabilities in respect of former employees who are in receipt of pension are excluded because pension payments are charged to the appropriation account of the Department of Further and Higher Education, Research, Innovation and Science. The reduction in liability arising from members who retire during the year is reflected as an experience gain. The costs of providing pension benefits are recognised in the accounting periods in which they are earned by employees. Retirement benefit scheme liabilities are measured on an actuarial basis using the projected unit credit method.

*(ii) Short-term benefits*

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

**h. 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.

**i. Leases**

Rentals under operating leases are charged to the Statement of Comprehensive Income in the period in which the expenditure is incurred.

**j. Deferred State Capital Grants**

Deferred state capital grants represent unamortised value of accumulated funds allocated for fixed assets.

**k. Capital Development Reserve**

The capital development reserve represents funds set aside by the Institute for specified capital development purposes. Such funds arise from Student contributions, non-State capital donations, banking facility fees and

## Significant accounting policies (continued)

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, time phased and with estimates of costs.

### 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 is 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.

The Governing body has determined that the going concern basis remains appropriate as outlined in note 1b. to the financial statements.

#### Key sources of estimation uncertainty:

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

*Provision for Bad Debts* - We have estimated the bad debt provision using historical collection rates, particularly in relation to tuition fee and student contribution receivables.

*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.

**Letterkenny Institute of Technology**
**Notes to the financial statements**
**For the Period ended 31 March 2022**
**3. State Grants**

	Allocated for Recurrent Expenditure €000's	Allocated for Capital Expenditure €000's	19 mths 31/03/2022 Total €000's	12 mths 31/08/2020 Total €000's
State Grant for Recurrent Expenditure - HEA	24,555	1,963	26,518	15,531
State Grant for Recurrent Expenditure - HEA (Nursing)	1,434	-	1,434	843
State Grant Other - HEA	7,119	-	7,119	2,685
State Grant for Minor Capital Works	1,593	-	1,593	590
<b>Total 2022</b>	<b>34,701</b>	<b>1,963</b>	<b>36,664</b>	<b>19,649</b>
<b>Total 2020</b>	<b>18,183</b>	<b>1,466</b>		<b>19,649</b>

Included in the State Grant Other – HEA in 2022 is an amount of €1,892,368 (2020 €373,339) which relates to funding specifically associated with meeting the extra costs incurred in response to Covid-19.

**4. Tuition Fees and Student Contributions**

	As at 31/03/22 Students WTE	19 mths 31/03/22 State Funded €000's	19 mths 31/03/22 Non State Funded €000's	19 mths 31/03/22 Total €000's	As at 31/08/20 Students WTE	12 mths 31/08/20 State Funded €000's	12 mths 31/08/20 Non State Funded €000's	12 mths 31/08/20 Total €000's
Fees paid by State	2,812	8,257	-	8,257	2,548	3,325	-	3,325
Non EU Fees	132	-	1,616	1,616	208	-	1,189	1,189
Fees paid by students/belief of students	315	-	102	102	510	-	260	260
Life Long Learning and other fees	1,035	-	1,198	1,198	581	-	556	556
Student Contributions	-	9,302	5,170	14,472	-	5,266	2,963	8,229
<b>Student Numbers / Net Fee Income</b>	<b>4,294</b>	<b>17,559</b>	<b>8,086</b>	<b>25,645</b>	<b>3,847</b>	<b>8,591</b>	<b>4,968</b>	<b>13,559</b>

The Higher Education Authority paid tuition fees in the period of €4,445,998 (2020: €2,186,875) for full-time Degree courses, and €376,441 (2020: €292,125) for Higher Certificate and Ordinary Degree courses and €3,434,118 (2020: €846,296) for Springboard/ ICT Skills, the total costs of which are part funded by the European Social Fund. Student numbers are stated as whole-time equivalents based on enrolled credits.

**Letterkenny Institute of Technology**
**Notes to the financial statements**
**For the Period ended 31 March 2022**
**5. Research Grants and Contracts**

	<b>19 mths 31/03/2022</b>	<b>12 mths 31/08/2020</b>
	<b>Total</b>	<b>Total</b>
	<b>€000's</b>	<b>€000's</b>
<b>Income</b>		
State & semi state	3,176	1,245
European Union	1,721	1,113
Industry	30	6
Other	235	67
Less: Research Grants and Contract Income allocated to capital	(441)	(223)
<b>Net Income</b>	<b>4,721</b>	<b>2,208</b>
<b>Expenditure</b>		
Pay Costs	2,164	1,127
Non Pay Costs	2,557	1,081
	<b>4,721</b>	<b>2,208</b>
<b>Net Outcome</b>	-	-

**Letterkenny Institute of Technology**
**Notes to the financial statements**
**For the Period ended 31 March 2022**
**6. Analysis of State Derived Income**

Name of Grantor	Opening Debtor 01/09/20 €000's	Grant received €000's	Closing Debtor 31/03/22 €000's	I&E 2022 31/03/22 €000's
<b>Note 3 - State Grant</b>				
HEA	285	26,078	155	26,518
HEA - Nursing	-	1,434	-	1,434
HEA State Grant - Other	-	7,119	-	7,119
Allocated for Capital Expenditure	-	(1,963)	-	(1,963)
State Grant Minor Capital Works Allocated for Recurrent Expenditure	-	1,593	-	1,593
<b>Total State Income</b>	<b>285</b>	<b>34,261</b>	<b>155</b>	<b>34,701</b>
<b>Note 4 - Tuition Fees &amp; Student Contributions</b>				
HEA	-	7,757	500	8,257
Failte Ireland	-	-	-	-
SUSI	-	9,302	-	9,302
<b>Total State Income</b>	<b>-</b>	<b>17,059</b>	<b>500</b>	<b>17,559</b>
<b>Note 5 - Research &amp; Contracts</b>				
Enterprise Ireland	257	1,132	(337)	1,052
HEA	273	2,051	(912)	1,412
HSE	28	18	(33)	13
DFHERIS	26	613	22	661
Bord Iascaigh Mhara	6	(6)	-	-
Department of Agriculture, Food and the Marine	(21)	1	58	38
Other	12	-	(12)	-
<b>Total State Income</b>	<b>581</b>	<b>3,809</b>	<b>(1,214)</b>	<b>3,176</b>

**Letterkenny Institute of Technology**
**Notes to the financial statements**
**For the Period ended 31 March 2022**
**7. Student Support Funding**

	<b>19 mths 31/03/2022</b>	<b>19 mths 31/03/2022 Student</b>	<b>19 mths 31/03/2022</b>	<b>12 mths 31/08/2020</b>
	<b>Disabilities €000's</b>	<b>Assistance €000's</b>	<b>Total €000's</b>	<b>Total €000's</b>
<b>Receipts</b>				
Higher Education Authority	351	824	1,175	526
Other	-	-	-	-
Less: Receipts allocated to capital	(54)	-	(54)	(44)
<b>Net Receipts</b>	<b>297</b>	<b>824</b>	<b>1,121</b>	<b>482</b>
<b>Amounts Applied</b>				
Pay Costs	208	-	208	123
Non Pay Costs	185	824	1,009	326
<b>Total Expenditure</b>	<b>393</b>	<b>824</b>	<b>1,217</b>	<b>449</b>
<b>Net Outcome</b>	<b>(96)</b>	<b>-</b>	<b>(96)</b>	<b>33</b>

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



**Letterkenny Institute of Technology**
**Notes to the financial statements**
**For the Period ended 31 March 2022**
**8. Other Income**

	<b>19 mths 31/03/22</b>	<b>12 mths 31/08/20</b>
	<b>Total</b>	<b>Total</b>
	<b>€000's</b>	<b>€000's</b>
Superannuation Deductions retained	2,141	1,318
Rental of Facilities	15	54
Central Research Overhead	553	194
Insurance Claim	407	-
Project Income	26	1
Sundry Income	1,039	557
<b>Net Outcome</b>	<b>4,181</b>	<b>2,124</b>

**9. Staff Costs**

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

	<b>31/03/2022 No. of employees</b>	<b>31/08/2020 No. of employees</b>
Teaching and research	238	223
Technical	40	40
Central administration and services	130	115
	<b>408</b>	<b>378</b>
	<b>19 mths 31/03/2022 €'000</b>	<b>12 mths 31/08/2020 €'000</b>
Salaries	42,643	25,012
Employer PRSI	3,995	2,200
Allowances and Overtime	78	60
<b>Salaries and wages</b>	<b>46,716</b>	<b>27,272</b>

**Letterkenny Institute of Technology**
**Notes to the financial statements**
**For the Period ended 31 March 2022**
**Key management compensation**

The total remuneration for key management personnel for the 19 month period to March 2022 totalled €1,509,106 (12 mths to 31/08/2020: €921,936). Key management personnel of the Institute consists of the President, members of the Governing Body and the Executive Board. The remuneration of the President paid in the period was €255,272 (2020: €157,561). The President, Executive Board and relevant members of the Governing Body are members of the Education Sector Superannuation Scheme with pension entitlements that do not extend beyond the terms of the model public service pension scheme.

	Headcount (FTE)		Fees / Salary Payments		Other Benefits	
	2022	2020	2022	2020	2022	2020
			€'000	€'000	€'000	€'000
Governing Body Members	N/A	N/A	14	2	-	-
President	1	1	255	158	-	-
Executive Board	8	7	1,322	763	-	-
	<b>9</b>	<b>8</b>	<b>1,591</b>	<b>923</b>	<b>-</b>	<b>-</b>

Fees paid to Governing Body members were in respect of participation in Interview Board panels.

**Higher paid staff**

The Institute has adopted a starting value of €60,000 to identify higher paid staff. The remuneration levels for the 19 months ended have been annualised to allow a more relevant comparison with the prior year. Staff remuneration, in salary bands of €10,000, using €60,000 as the starting value, is as follows:

Total Remuneration Levels	Period Ended 31 March 2022	Year Ended 31 August 2020
€		
60,000 - 70,000	34	46
70,001 - 80,000	31	22
80,001 - 90,000	69	42
90,001 - 100,000	39	67
100,001 - 110,000	13	20
110,001 - 120,000	8	9
120,001 - 130,000	-	3
130,001 - 140,000	1	-
140,001 - 150,000	1	1
€150,001 +	2	1
<b>Grand Total</b>	<b>198</b>	<b>211</b>

**Letterkenny Institute of Technology**
**Notes to the financial statements**
**For the Period ended 31 March 2022**
**10. Other Income Generating Activities**

	<b>19 mths 31/03/2022 €000's</b>	<b>12 mths 31/08/2020 €000's</b>
<b>Income</b>		
CoLab	508	255
An Danlann Student Centre	29	251
Less allocated to capital	(48)	-
<b>Total Income</b>	<b>489</b>	<b>506</b>
<b>Expenditure</b>		
Pay Costs	514	324
Non-Pay Costs	311	162
Depreciation	8	5
	<b>833</b>	<b>491</b>
<b>Net Outcome</b>	<b>(344)</b>	<b>15</b>

**11. Other Operating Expenses**

	<b>19 mths 31/03/22</b>	<b>19 mths 31/03/22</b>	<b>19 mths 31/03/22 Other</b>	<b>19 mths 31/03/22</b>	<b>12 mths 31/08/20</b>
	<b>Pay Costs €000's</b>	<b>Depreciation €000's</b>	<b>Operating Exps €000's</b>	<b>Total €000's</b>	<b>Total €000's</b>
Research Grants & Contracts	2,163	309	2,558	5,030	2,301
Academic Departments	33,477	889	2,984	37,350	21,857
Academic Services	879	69	284	1,232	766
Facilities	930	2,698	2,517	6,145	3,185
Central Admin	7,364	181	2,352	9,897	5,380
General Education	752	31	1,621	2,404	1,235
Other Income Generating Activities	514	16	311	841	492
Student Support Funding	213	14	1,000	1,227	448
Student Services	424	13	511	948	899
<b>Total Expenditure</b>	<b>46,716</b>	<b>4,220</b>	<b>14,138</b>	<b>65,074</b>	<b>36,563</b>
<b>Total 2020</b>	<b>27,272</b>	<b>2,351</b>	<b>6,940</b>		<b>36,563</b>

**Letterkenny Institute of Technology**

**Notes to the financial statements**

**For the Period ended 31 March 2022**

**11 Operating Expenses (continued)**

	<b>19 mths 31/03/22 €000's</b>	<b>12 mths 31/08/20 €000's</b>
Materials and Other Consumables	1,668	920
Light, Heat and Power	571	332
Repairs and Maintenance Costs	1,887	586
Printed material, books and periodicals	319	188
Travel and Subsistence	141	273
Hospitality	46	60
Printing, Stationery, Postage and other Office Expenses	214	160
Rent, Rates and Insurance costs	446	241
Recruitment, training etc.	916	330
Auditors Remuneration in respect of Audit Services	148	33
Consultancy costs	360	183
Equipment (non capitalised) purchases	290	171
Computer Maintenance, Software and Licenses	840	444
Security and Grounds Maintenance	174	134
Medical service	138	70
Communications	84	59
Advertising and Marketing	607	271
Institute Management Service	96	71
Waste Disposal	30	15
Health and safety	101	29
Student Support Funding	1,000	321
Student Registration Charges	528	630
Course development and validation	111	24
Bad Debts	312	82
Transfers to Project Partners	1,348	578
Contractor Payments	152	-
Other Expenses	1,611	735
<b>Total Other Operating Expenses</b>	<b><u>14,138</u></b>	<b><u>6,940</u></b>

Hospitality expenditure includes costs of hosting external visitors, refreshments at meetings etc.

Letterkenny Institute of Technology

Notes to the financial statements

For the Period ended 31 March 2022

**(b) Other Operating Expenses include**

	<b>19 mths 31/03/22 €000's</b>	<b>12 mths 31/08/20 €000's</b>
<u>Auditors Remuneration:</u>		
External Audit of Institute	68	29
Internal Audit Services provided by a 3rd Party	68	-
Other Audit Services	12	4
	<b>148</b>	<b>33</b>
<u>Consultancy Costs:</u>		
Legal	22	10
Tax and financial advisory	-	6
Public relations / marketing	22	8
Pensions and human resources	10	3
Other	306	156
	<b>360</b>	<b>183</b>
<u>Travel:</u>		
Domestic:	117	178
International:	24	95
	<b>141</b>	<b>273</b>
<u>Hospitality</u>		
Staff events	-	-
Student events	-	-
Other External	46	60
	<b>46</b>	<b>60</b>

**12. Taxation**

Letterkenny Institute of Technology is exempt from Corporation Tax under a charitable status order.

**Letterkenny Institute of Technology**
**Notes to the financial statements**
**For the Period ended 31 March 2022**
**13. Tangible Fixed Assets**

	Land & Buildings	Assets under construction	Fixtures & fittings	Computer Equipment	Plant & Machinery	Equipment	Motor Vehicles	Total
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
<b>Cost</b>								
At 1 September 2020	95,944	40	629	13,058	111	10,353	40	120,175
Reclass	-	-	106	-	2	(93)	(15)	-
Additions in period	1,565	17	209	1,492	17	899	-	4,199
Disposals in period	-	-	-	(102)	-	(10)	-	(112)
<b>At 31 March 2022</b>	<b>97,509</b>	<b>57</b>	<b>944</b>	<b>14,448</b>	<b>130</b>	<b>11,149</b>	<b>25</b>	<b>124,262</b>
<b>Depreciation</b>								
At 1 September 2020	29,157	-	336	12,510	48	9,889	40	51,980
Reclass	-	-	1	-	-	10	(15)	(4)
Charge for period	2,706	-	110	984	21	399	-	4,220
Elimin. on disposal	-	-	-	(92)	-	(10)	-	(102)
<b>At 31 March 2022</b>	<b>31,863</b>	<b>-</b>	<b>447</b>	<b>13,402</b>	<b>69</b>	<b>10,288</b>	<b>25</b>	<b>56,094</b>
<b>Net book value</b>								
<b>At 31 March 2022</b>	<b>65,646</b>	<b>57</b>	<b>497</b>	<b>1,046</b>	<b>61</b>	<b>861</b>	<b>-</b>	<b>68,168</b>
<b>At 1 September 2020</b>	<b>66,787</b>	<b>40</b>	<b>293</b>	<b>548</b>	<b>63</b>	<b>464</b>	<b>-</b>	<b>68,195</b>
	Land & Buildings	Assets under construction	Fixtures & fittings	Computer Equipment	Plant & Machinery	Equipment	Motor Vehicles	Total
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
<b>Cost</b>								
At 1 September 2019	94,696	40	549	12,430	111	10,069	40	117,935
Additions in year	1,248	-	113	675	-	358	-	2,394
Disposals in year	-	-	(33)	(47)	-	(74)	-	(154)
<b>At 31 August 2020</b>	<b>95,944</b>	<b>40</b>	<b>629</b>	<b>13,058</b>	<b>111</b>	<b>10,353</b>	<b>40</b>	<b>120,175</b>
<b>Depreciation</b>								
At 1 September 2019	27,464	-	304	12,127	37	9,801	40	49,773
Charge for year	1,693	-	61	428	11	158	-	2,351
Eliminated on disposals	-	-	(29)	(45)	-	(70)	-	(144)
<b>At 31 August 2020</b>	<b>29,157</b>	<b>-</b>	<b>336</b>	<b>12,510</b>	<b>48</b>	<b>9,889</b>	<b>40</b>	<b>51,980</b>
<b>Net book value</b>								
<b>At 31 August 2020</b>	<b>66,787</b>	<b>40</b>	<b>293</b>	<b>548</b>	<b>63</b>	<b>464</b>	<b>-</b>	<b>68,195</b>
<b>At 1 September 2019</b>	<b>67,232</b>	<b>40</b>	<b>245</b>	<b>303</b>	<b>74</b>	<b>268</b>	<b>-</b>	<b>68,162</b>

**Letterkenny Institute of Technology**
**Notes to the financial statements**
**For the Period ended 31 March 2022**
**14. Receivables**

	31/03/22 €'000	31/03/22 €'000	31/08/20 €'000	31/08/20 €'000
State Recurrent Grant receivable		155		-
State Capital Grant receivable		88		122
Tuition and Other Fees receivable	1,802		364	
<i>Less Provision for Bad debts</i>	<u>(362)</u>	1,440	<u>(266)</u>	98
Research grants and contracts receivable		1,015		668
Self Funded Activities		180		152
Prepayments & Accrued Income		664		303
Other receivables	165		204	
<i>Less Provision for Bad debts</i>	<u>(20)</u>	145	<u>(20)</u>	184
		<u><u>3,687</u></u>		<u><u>1,527</u></u>

**15. Cash and Cash Equivalents**

	31/03/22 €'000	31/08/20 €'000
Cash at bank including balances held on short term deposit	32,848	15,270
	<u><u>32,848</u></u>	<u><u>15,270</u></u>

**16. Payables amounts falling due within one year**

	31/03/22 €000's	31/08/20 €000's
Trade payables	41	47
State Recurrent Grant-Higher Education Authority	-	285
Research grants and contracts received in advance	1,061	685
Self Funded Activities	1,188	327
Deferred Student Support Funding	-	156
Tuition fees received in advance	3,876	868
Accruals and Deferred Income	9,589	3,537
Other tax and social security	861	748
Other payables	178	132
<b>Total Creditors</b>	<u><u>16,794</u></u>	<u><u>6,785</u></u>

**Letterkenny Institute of Technology****Notes to the financial statements****For the Period ended 31 March 2022****17. Commitments under Property Leases**

At the year end the Institute had commitments under property leases expiring as follows:

	<b>31/03/22</b> <b>€000's</b>	<b>31/08/20</b> <b>€000's</b>
Within 1 Year	-	15
Between 2 & 5 Years	-	3
Greater than 5 years	-	-
<b>Total Commitments</b>	<b>-</b>	<b>18</b>

**18. Deferred State Capital Grants**

	<b>31/03/22</b> <b>€000's</b>	<b>31/08/20</b> <b>€000's</b>
<b>At 1 September</b>		
<b>Opening Balance</b>	<b>68,150</b>	<b>68,148</b>
<b>Capital Grants Receivable</b>		
Allocated from State Recurrent Grant – HEA	1,963	1,466
State Capital Grant - HEA	1,422	593
Allocated from Research Grants & Contracts	441	223
Allocated from Student Support Funding	54	44
Other Capital Grants/Funding	48	-
Allocated from Capital Development Reserve	439	28
<b>Total</b>	<b>4,367</b>	<b>2,354</b>
Disposals	(112)	(154)
<b>Amortised to Income and expenditure in year</b>		
Amortised in line with depreciation	(4,194)	(2,345)
Disposals	102	147
<b>At 31 March / August</b>		
<b>Closing Balance</b>	<b>68,313</b>	<b>68,150</b>



**Letterkenny Institute of Technology****Notes to the financial statements****For the Period ended 31 March 2022****19. Capital Development Reserve**

	<b>31/03/22</b>	<b>31/08/20</b>
	<b>€000's</b>	<b>€000's</b>
Opening Balance	7,765	4,949
Allocated to capital projects	(439)	(28)
Transfer to Capital Development Reserve	12,270	2,844
Closing Balance	<u><u>19,596</u></u>	<u><u>7,765</u></u>

Amounts included in the Capital Development Reserve have been earmarked for specific capital projects, including the Regional Sports Hub, Library, Staff Offices and improved facilities at the School of Tourism. These have all been approved by the Governing Body.

**20. Capital Commitments**

	<b>31/03/22</b>	<b>31/08/20</b>
	<b>€000's</b>	<b>€000's</b>
Contracted for but not provided	103	643
	<u><u>103</u></u>	<u><u>643</u></u>

**21. Related Parties**

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

During the 19 month period, a payment of €100,000 (2020: € Nil) was made to Donegal Education and Training Board as part of the Cross Border Cluster project. LYIT is the lead partner of this fund and is responsible for the distribution of funds to other project partners.

**22. Contingent Liabilities**

There were no contingent liabilities existing at 31 March 2022 and 31 August 2020.

**23. Post Statement of Financial Position Events**

The Covid-19 crisis has created major business challenges for all third level institutions. The Institute in conjunction with the Department of Further & Higher Education, Research, Innovation and Science, the Higher Education Authority and all third level entities is currently assessing the ongoing and projected impacts of this and these are being reported on regularly to the Governing Body. There were no other significant events since the Statement of Financial Position date which could have implications for these financial statements.

**Letterkenny Institute of Technology****Notes to the financial statements****For the Period ended 31 March 2022****24. Technological University: Connacht-Ulster Alliance**

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) for the West and North-West. The new TU will be called Atlantic TU and was designated on 1 April 2022. Atlantic TU 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 project specific objectives were as follows:

- I. Meet the TU criteria as detailed in the TU Act 2018;
- II. Complete negotiations on an agreed MOU with the TUI;
- III. Preparation and submission of an application documentation to be designated as a TU;
- IV. Preparing for and engagement with the International Panel.

During the period in question, the CUA also established a Joint Governing Body and Joint Executive Committee. Following the Ministers announcement confirming TU designation, the key focus of the CUA has now shifted to planning for the transition phase of establishing the new university and functioning as a single entity. This project has been funding directly by TUTF funded mechanism. The estimated total project cost to the end of August 2023 will be €34.95M. Between September 2020 and August 2021 the CUA allocated a total of €11.4M to TU activities, of which €5.7M has been funded directly by the HEA, via TUTF. €8.1M of this funding was spent during the period. All funding was expended in pursuance of the project objectives and been aligned to 8 work packages which support the key pillars.

**25. 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 was estimated by the actuary, based on market conditions at that time.

*(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

**Letterkenny Institute of Technology****Notes to the financial statements****For the Period ended 31 March 2022****Retirement Benefit Costs (continued)**

pensions. Normal Retirement Age is a member's 65th birthday, and pre 2004 members have an entitlement to retire without actuarial reduction from age 60. Pensions in payment (and deferment) normally increase in line with general public sector 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 the Department of Public Expenditure and Reform on a monthly basis in accordance with the act.

The Single Scheme is the occupational pension scheme for new entrant public servants hired since 1 January 2013. It is a defined benefit scheme, with retirement benefits based on career-average pay. The scheme generates pension credits and retirement lump sum credits for each scheme member. These money credits, known as "referable amounts", accrue as percentages of pay on an ongoing basis. The referable amounts accrued each year are revalued annually until retirement in line with inflation increases (Consumer Price Index). The annual pension awarded on retirement is the cumulative total of a scheme member's pension referable amounts, and the retirement lump sum awarded is, similarly, the total of the scheme member's lump sum referable amounts.

*Valuations*

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 Department of Further and Higher Education, Research, Innovation and Sciences 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. The principal actuarial assumptions used to calculate the components of the defined benefit cost for the Period ended 31 March 2022 were as follows:

	31/03/22	31/08/20
Discount rate	1.71%	1.10%
Inflation rate	2.11%	1.40%
Salary increases	3.36%	2.65%
Pension increases	2.86%	2.15%

**Letterkenny Institute of Technology**
**Notes to the financial statements**
**For the Period ended 31 March 2022**
**Retirement Benefit Costs (continued)**

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:

	<b>2022</b>	<b>2020</b>
	<b>Years</b>	<b>Years</b>
Male aged 65	21.8	21.7
Female aged 65	24.1	24.1

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

	<b>31/03/22</b>	<b>31/08/20</b>
	<b>€'000</b>	<b>€'000</b>
Current service cost including employee contributions	14,646	9,039
Interest on retirement benefit scheme liabilities	3,794	1,690
Employee contributions	(2,330)	(1,453)
	<b>16,110</b>	<b>9,276</b>

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

	<b>31/03/22</b>	<b>31/08/20</b>
	<b>€'000</b>	<b>€'000</b>
Net retirement benefit obligation at 1 September	192,055	194,340
Current service costs	12,316	7,586
Employee contributions	2,330	1,453
Interest costs	3,794	1,690
Experience Losses / (Gains)	(2,747)	369
Reduction in pension liabilities arising from retirements in the period	(6,353)	(6,533)
Changes in actuarial assumptions	(1,377)	(6,850)
Net retirement benefit obligations at 31 March / August	<b>200,018</b>	<b>192,055</b>
Split between		
Single Public Sector Pension Scheme	5,076	3,317
Education Sector Superannuation Scheme	194,942	188,738
	<b>200,018</b>	<b>192,055</b>

*(v) Deferred funding assets 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.

**Letterkenny Institute of Technology****Notes to the financial statements****For the Period ended 31 March 2022****Retirement Benefit Costs (continued)**

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 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:

	31/03/22	31/08/20
	€'000	€'000
Funding recoverable in respect of current year Retirement Benefit Costs	16,110	9,276

The deferred funding liabilities for retirement benefit as at 31 March 2022 amounted to €200,018,000 (2020: €192,055,000)

*(vi) History of defined benefits obligations*

	31/03/22	31/08/20
	€'000	€'000
Defined benefit obligations	200,018	192,055

**26. Comparative Amounts**

Certain comparative amounts have been amended to aid comparability. There has been no impact on the surplus or net assets as originally reported.

**27. Approval of the Financial Statements**

The financial statements were approved by the Atlantic Technological University Governing Body on the 24<sup>th</sup> July 2023.

