



MTU

Ollscoil Teicneolaíochta na Mumhan
Munster Technological University

Annual Financial Statement
Year Ended 31 August 2022

Munster Technological University

Financial Statements Contents

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MUNSTER TECHNOLOGICAL UNIVERSITY

Corporate Governance Statement

On 1 January 2021 Munster Technological University was established under the terms of the Technological University's Act 2018 and the Technological University's Act 2018 (section 36) (appointed day) Order 2020 (SI 568 of 2020) following the dissolution of Institute of Technology Tralee and Cork Institute of Technology. At that date all assets, rights, obligations and staff of the Institutes were transferred to The University in accordance with the Act.

Governing Body

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

- Audit and Risk Committee (ARC)
- Equality, Diversity and Inclusion Committee
- Arts, Sport and Culture Committee
- Finance Committee
- Strategic Development Committee

No sub-committees have been formed since 31 August 2022.

Strategic Plan, Annual Programmes and Budget

The Governing Body has not yet formally undertaken an evaluation of actual performance, by reference to the University's Strategic Plan. The Strategic Plan was approved on 7 July 2022 and an evaluation will be carried out in Q3 2023. The Governing Body approved the Annual Programmes and Budgets for the University at its meeting on 30 March 2023. The Finance Committee reviewed the Operating Budget at its meeting on 21 November 2022.

MUNSTER TECHNOLOGICAL UNIVERSITY

Corporate Governance Statement

Compliance with Public Spending Code

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

Management of Capital Projects

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

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Corporate Governance Statement

Governing Body Meetings

During the period from 1st September 2021 to 31st August 2022 the Governing Body met on 10 separate occasions on the following dates:

16 September 2021	07 October 2021	04 November 2021	02 December 2021	3 February 2022
3 March 2022	7 April 2022	5 May 2022	2 June 2022	7 July 2022

Figure 1.1			
Schedule of Governing Body Meetings and Governing Body Members' Attendance			
GB Member	Role	Number of Governing Body meetings attended	Number of Governing Body meetings eligible to attend
Jimmy Deenihan (Chair – 30 June 2021 to date)	External Member	10	10
Prof. Maggie Cusack	President	10	10
Ursula Barrett	Staff Member	10	10
Dr Joan Cleary	Staff Member	10	10
Chris Clifford	Student Member	9	10
Paula Cogan	External Member	8	10
Mary Cooney	Staff Member	9	10
Martin Dineen	External Member	10	10
Thomas Doyle	Staff Member	10	10
Jim Finucane	External Member	6	10
Mary Hegarty	External Member	8	10
Aoife James (from 1 June 2022)	Student Member	2	2

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Corporate Governance Statement

Figure 1.1 (continued)			
Schedule of Governing Body Meetings and Governing Body Members' Attendance			
<i>GB Member</i>	<i>Role</i>	<i>Number of Governing Body meetings attended</i>	<i>Number of Governing Body meetings eligible to attend</i>
Prof. Sigbritt Karlsson	External Member	7	10
Isobel Kavanagh (from 1 June 2022)	Student Member	2	2
Denis Leamy	External Member	7	10
Christina Mandrusiak	External Member	10	10
Jerry Moloney	External Member	8	10
Alan Murphy (to 31 May 2022)	Student Member	5	8
Aoife O'Brien	External Member	7	10
Colman O'Flynn	External Member	10	10
Aisling O'Mahony (to 31 May 2022)	Student Member	7	8
Ingrid O'Riordan	External Member	9	10
Peter Somers	Staff Member	10	10

The Governing Body met on 7 April 2022 and again on 7 July 2022 without executive members or management present.

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Corporate Governance Statement

The University confirms that fees and expenses paid to members of the governing body are in accordance with guidelines from the Department of Finance and are presented in the University's Annual Report.

Schedule of fees

Interview €300 per day

Expenses per Department of Finance guidelines

In the period 1 September 2021 to 31 August 2022 the following payments were made to external Governing Body members.

Figure 1.2			
Governing Body Expenses Sep 2021 to Aug 2022			
GB Member	Expenses	Fees (Interviews etc.)	Total Paid
Christina Mandrusiak	€556	€0	€556
Ingrid O Riordan	€90	€0	€90
Mary Hegarty	€842	€1,800	€2,642

Risk Management

Governing Body approves the University's Risk Management Framework and monitors its effectiveness through its Audit and Risk Sub-Committee. The University Executive Board prepared a University Risk Register. This involved an assessment of the description of principal risks, risk rating and associated mitigations for each of the risks set out in the University Risk Register. Regular reviews of the Risk Register were carried out during the year.

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Corporate Governance Statement

Audit and Risk Committee

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

- Purpose
- Authority
- Composition
- Meetings – timing, conduct and frequency
- Responsibilities
 - Financial Management
 - Internal Control
 - Internal Audit
 - Risk Management
- Reporting
- Review of its own effectiveness

The Chairperson of the Governing Body is satisfied that the Audit and Risk Committee has discharged its role effectively and efficiently and has met the requirements with regard to the frequency of meetings in the period September 2021 to August 2022. See figure 1.3 below for details of meetings held during the year.

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Corporate Governance Statement

Other Committee Meetings

Figure 1.3			
All Governing Body Committee Meetings			
Committee Members (to include External Members where appropriate)	Committee Name	Number of Committee meetings attended	Number of Committee meetings during the year
Martin Dineen	Audit & Risk	4	4
Prof Sigbritt Karlsson	Audit & Risk	2	4
Jerry Moloney (Chair)	Audit & Risk	4	4
Aoife O'Brien	Audit & Risk	3	4

Figure 1.4			
Committee Members (to include External Members where appropriate)	Committee Name	Number of Committee meetings attended	Number of Committee meetings during the year
Prof. Maggie Cusack	Arts, Sports & Culture	5	5
Thomas Doyle	Arts, Sports & Culture	5	5
Chris Clifford	Arts, Sports & Culture	3	5
Mary Hegarty (Chair)	Arts, Sports & Culture	5	5
Christina Mandrusiak	Arts, Sports & Culture	4	5
Cormac Gebruers	Arts, Sports & Culture	3	3
Dr Ciara Glasheen Artem	Arts, Sports & Culture	3	3
Rose McGrath	Arts, Sports & Culture	3	3
Sarah Morey	Arts, Sports & Culture	3	3
Dr Susan Motherway	Arts, Sports & Culture	3	3
Barry Murray	Arts, Sports & Culture	3	3
Tim Daly	Arts, Sports & Culture	1	1
Susan Brennan	Arts, Sports & Culture	1	1
Geraldine Faherty	Arts, Sports & Culture	5	5
Barry Coughlan (in advisory capacity as Head of Legal and Secretary to Governing Body)	Arts, Sports & Culture	3	5

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Corporate Governance Statement

Figure 1.5			
Committee Members (to include External Members where appropriate)	Committee Name	Number of Committee meetings attended	Number of Committee meetings during the year
Prof. Maggie Cusack	Equality, Diversity & Inclusion	5	5
Denis Leamy (Chair up to 31 December 2022)	Equality, Diversity & Inclusion	5	5
Thomas Doyle	Equality, Diversity & Inclusion	4	5
Alan Murphy (to 31 May 2022)	Equality, Diversity & Inclusion	3	4
Ingrid O’Riordan (Incoming Chair from 1 January 2023)	Equality, Diversity & Inclusion	5	5
Siobhán Kangataran	Equality, Diversity & Inclusion	4	4
Kierstie O’Driscoll	Equality, Diversity & Inclusion	2	3
Deirdre Creedon	Equality, Diversity & Inclusion	1	3
Aoife James	Equality, Diversity & Inclusion	1	1
Caitlin Kelly	Equality, Diversity & Inclusion	3	3
Catherine Carty	Equality, Diversity & Inclusion	1	1
Hugh McCarthy	Equality, Diversity & Inclusion	1	1
Geraldine Faherty	Equality, Diversity & Inclusion	2	2
Ellen O’Shea	Equality, Diversity & Inclusion	3	3
Barry Coughlan (in advisory capacity as Head of Legal and Secretary to Governing Body)	Equality, Diversity & Inclusion	2	2

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Corporate Governance Statement

Figure 1.6			
Committee Members (to include External Members where appropriate)	Committee Name	Number of Committee meetings attended	Number of Committee meetings during the year
Prof. Maggie Cusack	Finance	5	5
Mary Cooney	Finance	5	5
Aisling O'Mahony (to 31 May 2022)	Finance	4	4
Martin Dineen (Chair)	Finance	5	5
Jim Finucane	Finance	1	5
Isobel Kavanagh (from 1 June 2022)	Finance	1	1

Figure 1.7			
Committee Members (to include External Members where appropriate)	Committee Name	Number of Committee meetings attended	Number of Committee meetings during the year
Jimmy Deenihan (Chair)	Strategic Development	5	5
Prof. Maggie Cusack	Strategic Development	5	5
Dr Joan Cleary	Strategic Development	5	5
Ursula Barrett	Strategic Development	5	5
Paula Cogan	Strategic Development	5	5
Prof. Sigbritt Karlsson	Strategic Development	3	5
Colman O'Flynn	Strategic Development	4	5
Aisling O'Mahony (to 31 May 2022)	Strategic Development	3	3
Peter Somers	Strategic Development	5	5
Isobel Kavanagh (from 1 June 2022)	Strategic Development	1	1
Tim Daly	Strategic Development	3	3
Mike Williams	Strategic Development	3	3
Ciara Looney	Strategic Development	2	2
Dr Brendan O'Donnell	Strategic Development	2	2
Paul Gallagher	Strategic Development	2	2
Michael Loftus	Strategic Development	1	1
Prof. Hugh McGlynn	Strategic Development	2	2
Gerard O'Donovan	Strategic Development	2	2
Mary Rose Stafford	Strategic Development	1	1
Barry Coughlan (in advisory capacity as Head of Legal and Secretary to GB)	Strategic Development	5	5
Geraldine Faherty	Strategic Development	2	2
Dr Sharon Lawton	Strategic Development	3	3

MUNSTER TECHNOLOGICAL UNIVERSITY

Corporate Governance Statement

Performance Evaluation of the Governing Body and its Committees

The University confirms that the Governing Body carried out an internal review of its performance during this term. An external review was carried out in Q2 2023, the results of which will be discussed with GB in Q3 2023.

General Governance and Accountability Issues

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

Asset Disposals

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

Commercially Significant Developments affecting the University

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

MUNSTER TECHNOLOGICAL UNIVERSITY

Corporate Governance Statement

Summary of all Off-Balance Sheet Transactions of the University

There were no off-balance sheet transactions

Code of Conduct for Members and Employees

Code of Conduct for Members

A revised Code of Business Conduct for Governing Body Members, which incorporates additional requirements as set out in the MTU Code of Governance was adopted by Governing Body members at its meeting of 1 January 2021 (Appendix D1 of the MTU Code of Governance). Codes of Conduct include sections on Ethics in Public Office Act 2005 compliance and conflicts of interest and procedures for reporting suspected breaches of applicable laws, regulations and/or the Code of Conduct.

Code of Conduct for Employees

(Section 6.10 (vi))

A Code of Conduct for Employees was approved by Governing Body at its meeting of 1 January 2021 (Appendix D2 of the MTU Code of Governance). The Code of conducted will be circulated in 2023 to remind staff of their obligations. Codes of Conduct include sections on Ethics in Public Office Act 2005 compliance and conflicts of interest and procedures for reporting suspected breaches of applicable laws, regulations and/or the Code of Conduct.

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

The Government policy on pay in relation to the President and University employees is being complied with by the University. All appointments are approved by the President or if required the Governing Body.

Please also refer to financial statements disclosure note 9.

MUNSTER TECHNOLOGICAL UNIVERSITY

Corporate Governance Statement

Statement of Compliance

The Chairperson confirms that Government Pay Guidelines are being complied with in respect of such appointees who serve on the Governing Body and any subsidiaries of the University.

Confidential Disclosure Reporting - Protected Disclosures Act 2014

The University confirms that it has a Disclosures Policy in place which is in line with the Protected Disclosures Act 2014 and outlines procedures where staff may raise concerns in confidence. This policy was approved by Governing Body on 9 April 2021. The University also has a Fraud Policy in place approved by Governing Body on 9 April 2021.

The University confirms that the annual report for 31 December 2021 required under section 22(1) of the Act will be published.

There was one protected disclosure received from an employee of the University during the year.

Tax Laws

The University can confirm that, to the best of its knowledge, it has complied with its obligations under tax law.

Please also refer to financial statements disclosure note 11.

Legal Disputes

There are no legal disputes involving other State bodies.

MUNSTER TECHNOLOGICAL UNIVERSITY

Corporate Governance Statement

University Subsidiaries

Details of any shareholdings and interests held by the University in external companies:

Figure 1.8a		
Subsidiaries		
Subsidiary name	Year of establishment	Purpose / function
Cosmos Education CLG	2008	Wholly owned subsidiary
CIT Consortium Projects DAC	2017	Wholly owned subsidiary
CIT Foundation CLG	2007	Wholly owned subsidiary
CIT Innovation Centre DAC	2004	Wholly owned subsidiary
CIT Student Services Company CLG	1994	Wholly owned subsidiary
Tralee Institute of Technology Foundation CLG	2014	Wholly owned subsidiary

Figure 1.8b		
Related Companies		
Year of establishment	Purpose / function	Purpose / function
GAC Training and Service Solutions Limited	2010	Joint Venture – MTU owns 50%
Niche Protein Limited	2010	MTU owns less than 10%
Seftec NMCI Offshore Training Limited	2010	Joint Venture – MTU owns 50%
Aventamed DAC	2013	Spinout – MTU owns 5.67%
ShowGuider DAC	2013	Spinout – MTU owns less than 10 %
Predictive Control Systems DAC	2014	Spinout – MTU owns less than 10%
Orthoxel DAC	2014	Spinout – MTU owns 3.73%
Audiosourcere DAC	2018	Spinout- MTU owns 6.24%

University subsidiaries continue to operate solely for the purpose for which they were established and in full compliance with the terms and conditions of the consent under which they were established. (Section 6.10 (xviii))

The Code of Governance for Subsidiaries was developed at a sectoral level. The Governing Body of CIT and IT Tralee approved the Institutes of Technology Subsidiary Governance Code. It is expected that a new code will be agreed in 2023. The Chairperson of each subsidiary provided a statement of internal control and an annual governance statement for the year ended 31 August 2022. (Section 6.10 (xxvii))

Please refer to the financial statements disclosure note 13 for additional detail.

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Corporate Governance Statement

Intellectual Property (IP) and Conflict of Interest (COI)

The University confirms that;

- (i) Both IT Tralee and CIT had an IP Policy published on the relevant websites which:
 - reflects the requirements of the national IP Protocol
 - clearly sets out all IP processes and researcher obligations
 - includes a clear description of IP commercialisation decision-making processes
 - does include a dispute resolution process.
 - describes the revenue share mechanisms
 - describes in detail the potential for conflicts of interest

The IT Tralee and CIT policies carried forward to MTU. An updated IP Policy for the University will be approved in 2023.

- (ii) An updated Policy on Conflicts and External Work was approved by Governing Body on 28 June 2021 and is published on the website.
- (iii) The annual review of all IP Commercialisation for 2022 was carried out by the ARC on 23 Jan 2023 and brought to the Governing Body on 2 February. The Audit and Risk Committee will also review the COI annually. Formal reviews to be completed in 2023/24.

Gender balance, diversity and inclusion (DPER Code Annex, Circular 14/2020)

Munster Technological University recognises the importance of diversity and inclusion for all staff and students of the University. MTU is committed to equality of opportunity for all its staff and students and promotes a culture of inclusivity. A culture of inclusivity and diversity is critical to maintaining excellence in all activities where all staff and students are enabled to achieve their full potential in an environment characterised by equality of respect and opportunity. To that regard the University has implemented a number of initiatives aimed at further promoting an inclusive environment, including:

- Athena Swan Charter
- Active Consent Workshops
- Staff Training

With respect to the membership of the Governing Body, as at 31 August 2022, the Governing Body had 12 (57%) female and 9 (43%) male members. The Governing Body therefore meets 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.

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Corporate Governance Statement

Travel and Subsistence

The Government Policy on Travel is being complied with by the University.

	12 months to 31 August 2022	8 months to 31 August 2021
	€'000	€'000
Domestic Travel	1,419	253
International Travel	239	15
Total	1,658	268

Hospitality Expenditure

	12 months to 31 August 2022	8 months to 31 August 2021
	€'000	€'000
Staff Events	43	2
Student Events (excluding costs associated with conferring)	50	-
Other External	12	4
Total	105	6

Legal Costs/Settlements

	12 months to 31 August 2022	8 months to 31 August 2021
	€'000	€'000
Professional Fees	186	157
Settlements	-	-
Total	186	157

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Corporate Governance Statement

Consultancy Fees

	12 months to 31 August 2022 €'000	8 months to 31 August 2021 €'000
Professional Fees: IT	841	145
Professional Fees: Tax and financial advisory (e.g. due diligence, accounting, corporate finance)	93	101
Professional Fees: Public relations/marketing	92	47
Professional Fees: Pensions and human resources	-	1
Professional Fees – Engineering	1,163	223
Professional Fees – Fire Safety	134	60
Professional Fees – Health & Safety	158	118
Professional Fees: Consultancy	1,954	967
Professional Fees - Other	82	50
Total	4,517	1,711

Annual Report and Financial Statements

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

MUNSTER TECHNOLOGICAL UNIVERSITY

Corporate Governance Statement

Governing Body Responsibilities

Munster Technological University (The University) was established under the terms of the Technological University's Act 2018 (the Act) and the Technology University's Act 2018 (section 36) (Appointed Day) Order 2018 (SI 437 of 2018).

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

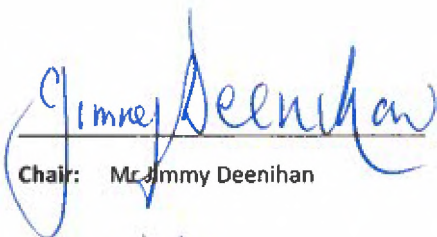
Cork Institute of Technology and Institute of Technology Tralee (The Institutes) were dissolved with effect from 1 January 2021. At that date all assets, rights, obligations and staff of The Institutes were transferred to The University in accordance with the Act.

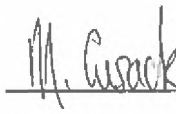
In preparing these Consolidated Financial Statements, The University is required to:

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

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

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


Chair: Mr Jimmy Deenihan
Date: 14/12/23


President: Prof. Maggie Cusack
Date: 14-12-2023

MUNSTER TECHNOLOGICAL UNIVERSITY

Statement of Internal Controls

Scope of Responsibility

Munster University Technological (The University) was established under the terms of the Technological University's Act 2018 (the Act) and the Technology University's Act 2018 (section 36) (appointed day) Order 2018 (SI 437 of 2018). Cork Institute of Technology and Institute of Technology Tralee (The Institutes) were dissolved with effect from 1 January 2021. At that date all assets, rights, obligations and staff of The Institutes were transferred to The University in accordance with the Act.

The Governing Body acknowledges its responsibility for ensuring that an effective system of internal control is maintained and operated in the University and for putting in place processes and procedures for the purpose of ensuring that the system is effective. This responsibility reflects the requirements of the Code of Practice for the Governance of State Bodies (2016) as encapsulated by the MTU Code of Governance.

Purpose of the Internal Controls

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

The system of internal controls, which accords with guidance issued by the Department of Public Expenditure and Reform, has been in place in Munster Technological University for the period September 2021 to August 2022 and up until the date of approval of the financial statements.

MUNSTER TECHNOLOGICAL UNIVERSITY

Statement of Internal Controls

Annual Review of the Effectiveness of Internal Control

An Internal Audit Plan is approved by the Audit and Risk Committee annually. The plan takes account of areas of potential risk identified in a risk assessment exercise carried out with management at the start of the current planning cycle. Reports are provided to the Audit and Risk Committee on assignments carried out. These reports highlight deficiencies or weaknesses, if any, in the system of internal control and the recommended corrective measures to be taken where necessary. The Audit and Risk Committee receives regular reports on the status of issues raised.

We confirm that per Section 5.2.1 of the terms of reference of the Audit and Risk Committee, as approved by Governing Body, the Audit Committee reviewed the reports on Internal Controls and Internal Financial Controls for the year ended 31 August 2022 at their meeting on 23 January 2023 and reported to Governing Body on 2 February 2023.

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

During the year there was a breakdown in controls which resulted in a payment of €18k to a supplier being misdirected. MTU has since implemented mitigating controls to prevent the reoccurrence of such an issue.

Other than the above, no breaches or weaknesses in internal control were identified which required disclosure in the University's Statement of System of Internal Controls.

Review of Statement of Internal Control

We confirm that the Statement on Internal Control is reviewed by the Audit and Risk Committee and the Governing Body to ensure it accurately reflects the control system in operation during the period.

MUNSTER TECHNOLOGICAL UNIVERSITY

Statement of Internal Controls

Appropriate Control Environment

The Governing Body has taken steps to ensure an appropriate control environment is 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 MTU Code of Governance
- Ensuring the control environment includes an active Audit and Risk Committee, internal audit function and regular reporting to the Governing Body on financial results.

Business Risks

Munster Technological University has developed processes to identify and evaluate business risks. This is achieved in a number of ways including:

- Developing an Essential Activities & Process Model to facilitate management and the 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 Governing Body.
- Regular reviews by the 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.

MUNSTER TECHNOLOGICAL UNIVERSITY

Statement of Internal Controls

Information Systems

Munster Technological University has 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
- Resource Allocation – Akari
- Timetabling – Syllabus

Cyber Attack

Following a cyber-attack in February 2023 a large body of work is underway across the MTU IT environment to best align IT systems with leading practices in relation to both IT security, environment recovery, and data integrity/monitoring.

A series of systems and enhanced controls have been put in place. The university engaged the services of KPMG to review and implement many of these measures to-date. The below provides an outline of actions completed or underway:

- Security Operations Centre as a Service (SOCaaS): The SOC team monitor the IT landscape and support the ISS team in responding to threats identified in the security information and event management (SIEM) database. The SIEM processes logs from devices and systems across the MTU Environment.
- As part of this SOCaaS the SOAR enhanced features will be utilised – enabling Security Orchestration, Automation and Response which provides streamlined threat response workflows.
- Implementation of an Endpoint Detection and Response (EDR) solution to over 4,500 endpoints across our estate enabling an integrated, layered approach to endpoint protection that provides real-time monitoring and endpoint analytics.
- Network segmentation has been implemented to mitigate lateral movement if a threat actor gained access to the MTU network and to separate various critical systems, restrict network zones and provide a more robust secure network.
- As the environment expands and new technologies are onboarded MTU will continue to maintain and evolve the network design in a manner which maximise security, while also allowing effective operation between various MTU functions, staff, students and cloud-based platforms.
- Enhanced perimeter defence systems, Web Application Firewall and Web Application Proxy, are deployed to protect against external threats to MTU systems.
- Multi-factor Authentication (MFA) is in place for all staff and students providing an additional layer of security.

MUNSTER TECHNOLOGICAL UNIVERSITY

Statement of Internal Controls

- An Architecture & Governance board has been established to ensure a risk-based approach is adhered to and any recovery of services or newly proposed services are risk assessed against the MTU standards.
- A review and update to ICT policies has been completed and signed off by the University Management Team.
- Security awareness training is provided on a continuous basis and simulated phishing exercises undertaken.
- The post of Chief Information Security Officer is in place and managing risk assessment across the IT estate.

The direct costs associated with the Breach currently stand at €3.5m.

Financial Implications of Major Business Risks

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

Compliance with Procurement Rules and Guidelines

The University's procurement procedures are in line with the national guidelines for public procurement and the requirements of the Office of Government Procurement (OGP), Education Procurement Service ("EPS") and Guidelines on Achieving Value for Money in Public Expenditure, as set out in the Public Spending Code. The Procedures are published on the finance website.

The University confirms that a Corporate Procurement Plan is being developed and will be approved by Governing Body. All purchasing staff within the University are fully conversant with the public procurement guidelines. The Governing Body is satisfied that the University is compliant with all relevant guidelines regarding procurement. (Section 8.17)

Weaknesses in relation to compliance with procurement rules and guidelines were identified and €2.718m expenditure was incurred where the procedures employed did not comply with the guidelines. The following are the actions and timelines taken by the University in order to address the non-compliance with procurement rules and guidelines:

The main reasons for non-compliance were international student recruitment, outsourced course delivery and delays in capital projects due to Covid-19

Action: Putting in place a Tendering Team that will be totally dedicated to tendering and compliance.

Timeline: September 2023

MUNSTER TECHNOLOGICAL UNIVERSITY

Statement of Internal Controls

Review of the Effectiveness of the Internal Control System

We confirm that Munster Technological University has 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 is informed by the work of the University Executive and Management who have responsibility for the development and maintenance of the internal control framework, the Audit and Risk Committee, the Internal Auditors and comments made by the Comptroller and Auditor General in his management letter.

The University has an outsourced internal audit function, which is in accordance with the Internal Audit Terms of Reference approved by the Governing Body and the MTU Code of Governance.

Covid 19

During the year, while the impact of the Covid-19 pandemic was still with us, the challenges it presented for the University reduced as activity returned to campus. Management sought to ensure that a strong control environment was maintained despite some staff continuing to work remotely.

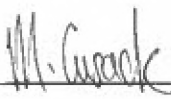
The University acknowledges the continued State support towards Covid-19 related costs. This enabled MTU to continue to prioritise measures to protect the safety, health and well-being of our students and staff, and make further investment in the delivery of high-quality online education and remote working.

These impacts and associated mitigations have been considered by the Governing Body.

Signed on behalf of the Governing Body of Munster Technological University


Chair: Mr Jimmy Deenihan

Date: 14/12/23


President: Prof. Maggie Cusack

Date: 14-12-2023



Ard Reachtaire Cuntas agus Ciste Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Munster Technological University

Opinion on the financial statements

I have audited the financial statements of Munster Technological University for the year ended 31 August 2022 as required under the provisions of the Technological Universities Act 2018. The financial statements comprise

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

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

Basis of opinion

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

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

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

The University has presented certain other information together with the financial statements. This comprises a corporate governance statements and a statement on internal control. My responsibilities to report in relation to such information, and on certain other matters upon which I report by exception, are described in the appendix to this report.

Non-compliance with procurement rules

The statement on internal control discloses that the University incurred significant expenditure on goods and services the procurement for which did not comply with procurement guidelines. The statement also sets out the steps taken to improve procurement compliance.

Seamus McCarthy
Comptroller and Auditor General

19 December 2023

Responsibilities of Governing Body members

The members are responsible for

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

Responsibilities of the Comptroller and Auditor General

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

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

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

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

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

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

I report by exception if, in my opinion,

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

Information other than the financial statements

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

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

Reporting on other matters

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

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

MUNSTER TECHNOLOGICAL UNIVERSITY

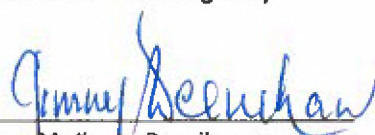
Consolidated Statement of Comprehensive Income

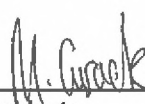
Year Ended 31 August 2022

		Consolidated 31/08/2022	University 31/08/2022	Consolidated 31/08/2021 8 months	University 31/08/2021 8 months
	Note	€000's	€000's	€000's	€000's
Income					
State Grants	3	90,650	90,650	53,212	53,212
Tuition Fees & Student Contribution	4	54,493	54,493	36,549	36,549
Research Grants & Contracts	5	23,973	23,008	15,572	15,113
Student Support Funding	7	1,493	1,493	789	789
Other Income	8	7,889	5,653	3,938	3,860
Amortisation of Deferred Capital Grants	18	8,530	8,519	6,014	6,007
Deferred Pension Funding	24	41,431	41,431	25,358	25,358
Total Income		228,459	225,247	141,432	140,888
Expenditure					
Staff costs	9	128,156	126,783	78,350	77,879
Retirement Benefit Costs	24	41,431	41,431	25,358	25,358
Other Operating Expenses	10	44,686	43,275	25,916	25,760
Depreciation	12	8,911	8,800	6,238	6,197
Total Expenditure		223,184	220,289	135,862	135,194
		5,275	4,958	5,570	5,694
Surplus before Tax					
Taxation		(5)	-	(6)	-
Surplus before other gains and losses		5,270	4,958	5,564	5,694
Experience gains on retirement benefit obligations		-	-	1,458	1,458
Reduction in pension liabilities arising from retirements in the period		(20,700)	(20,700)	(18,599)	(18,599)
Changes in assumptions underlying the present value of retirement benefit obligations		(205,037)	(205,037)	191	191
Total actuarial gain the year		(225,737)	(225,737)	(16,950)	(16,950)
Adjustment to deferred retirement benefits funding		225,737	225,737	16,950	16,950
Total comprehensive (deficit) / surplus for the year	11	5,270	4,958	5,564	5,694

All items of income and expenditure relate to continuing activities. Notes 1 – 27 form part of these Primary Statements.

Signed on behalf of the Governing Body


 Chair: Mr Jimmy Deenihan
 Date: 14/12/23


 President: Prof. Maggie Cusack
 Date: 14-12-2023

Dr Alan Wall
Chief Executive Officer
Higher Education Authority
3 Shelbourne Buildings
Crampton Avenue
Shelbourne Road
Dublin 4

20 December 2023

Re: MTU Financial Statements

Dear Alan,

An extension for submitting the Financial Statement's to the C&AG was requested by MTU for both the 2021 and 2022, 1 month and 2 months respectfully. These extensions were sought because of the complexity of combining the two entities, aligning financial reporting and the crossover of accounting periods.

The scale of the 2021 audit was underestimated and the audit went on way beyond the time allotted by the C&AG.

The 2022 audit was due to start on 1 February 2023, but the IT breach resulted in it being delayed for several months.

Our Senior Financial Accountant is in discussions with the C&AG to put a plan in place regarding the 2023 audit. Both parties will endeavor to have the accounts certified within 12 months of the year end. I have been assured that this will be high on the agenda at the joint meeting of the Format of Accounts Group, the C&AG and the HEA, to be held early in the new year.

Yours sincerely

Professor Maggie Cusack
President

MUNSTER TECHNOLOGICAL UNIVERSITY

Consolidated Statement of Changes in Reserves and Capital Account

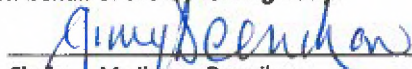
Year Ended 31 August 2022


Consolidated	Note 18	Note 19	Capital Reserve Student Services Co Ltd				Total €000's
	Deferred Capital Grants €000's	Capital Development Reserve €000's	Restricted Reserve €000's	Revenue Reserves €000's	Revenue Reserves €000's	Revenue Reserves €000's	
Opening Balance at 1 January 2021	141,152	20,025	23	321	13,568	175,089	
Surplus for the year before appropriations	-	-	-	-	5,564	5,564	
Amortisation of Deferred Capital Grants	(6,014)	-	-	-	-	(6,014)	
Amount released on Disposal of Fixed Assets	-	-	-	-	-	-	
Research Grants & Contract allocated to Capital	1,184	-	-	-	-	1,184	
State Grant allocated to Capital	2,539	-	-	-	-	2,539	
Student Support allocated to Capital	12	-	-	-	-	12	
Tuition Fees and Student Contribution allocated to Capital	(4)	-	-	-	-	(4)	
Transfer to CDR	-	3,083	-	-	(3,083)	-	
Transfer from CDR to Expenditure	-	(17)	-	-	17	-	
Transfer from CDR to DCG	1,444	(1,444)	-	-	-	-	
Transfer to Restricted Reserve	-	-	50	-	(50)	-	
Movement for the year	(839)	1,622	50	-	2,448	3,281	
Balance at 31 August 2021	140,313	21,647	73	321	16,016	178,370	
Surplus for the year before appropriations	-	-	-	-	5,270	5,270	
Amortisation of Deferred Capital Grants	(8,530)	-	-	-	-	(8,530)	
Amount released on Disposal of Fixed Assets	-	-	-	-	-	-	
Research Grants & Contract allocated to Capital	808	-	-	-	-	808	
State Grant Allocated to Capital	4,430	-	-	-	-	4,430	
Tuition Fees and student contribution allocated to Capital	24	-	-	-	-	24	
Transfer to CDR	-	11,017	-	-	(11,017)	-	
Transfer from CDR to Expenditure	-	(193)	-	-	193	-	
Transfer from CDR to DCG	6,211	(6,211)	-	-	-	-	
Movement for the year	2,943	4,613	-	-	(5,554)	2,002	
Balance at 31 August 2022 - MTU	143,256	26,260	73	321	10,462	180,372	

Notes 1 – 27 form part of these Primary Statements.

Included in the total for Revenue Reserves is an amount of €8.502m, which represents the undepreciated value of Non-State funded Capital Assets. This balance will offset the depreciation charge over the remaining life of the corresponding assets.

Signed on behalf of the Governing Body


 Chair: Mr Jimmy Deenihan
 Date: 14/12/23


 President: Prof. Maggie Cusack
 Date: 14-12-2023

MUNSTER TECHNOLOGICAL UNIVERSITY

University Only Statement of Changes in Reserves and Capital Account

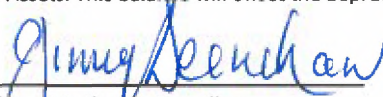
Year Ended 31 August 2022

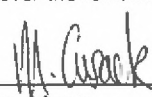
University Only	Note 18 Deferred Capital Grants €000's	Note 19 Development Reserve €000's	Restricted Reserve €000's	Revenue Reserves €000's	Total €000's
Opening Balance at 1 January 2021	141,133	20,025	3	12,072	173,233
Surplus for the year before appropriations	-	-	-	5,694	5,694
Amortisation of Deferred Capital Grants	(6,007)	-	-	-	(6,007)
Research Grants & Contract allocated to Capital	1,157	-	-	-	1,157
State Grant Allocated to Capital	2,539	-	-	-	2,539
Student Support allocated to Capital	12	-	-	-	12
Tuition Fees and student contribution allocated to Capital	(4)	-	-	-	(4)
Transfer to CDR	-	3,083	-	(3,083)	-
Transfer from CDR to Expenditure	-	(17)	-	17	-
Transfer from CDR to DCG	1,444	(1,444)	-	-	-
Movement for the year	(859)	1,622	-	2,628	3,391
Balance at 31 August 2021	140,274	21,647	3	14,700	176,624
Surplus for the year before appropriations	-	-	-	4,958	4,958
Amortisation of Deferred Capital Grants	(8,519)	-	-	-	(8,519)
Research Grants & Contract allocated to Capital	808	-	-	-	808
State Grant Allocated to Capital	4,430	-	-	-	4,430
Tuition Fees and student contribution allocated to Capital	24	-	-	-	24
Transfer to CDR	-	11,017	-	(11,017)	-
Transfer from CDR to Expenditure	-	(193)	-	193	-
Transfer from CDR to DCG	6,211	(6,211)	-	-	-
Movement for the year	2,954	4,613	-	(5,866)	1,701
Balance at 31 August 2022	143,228	26,260	3	8,834	178,325

Notes 1 – 27 form part of these Primary Statements.

Signed on behalf of the Governing Body

Included in the total for Revenue Reserves is an amount of €8.502m, which represents the undepreciated value of Non-State funded Capital Assets. This balance will offset the depreciation charge over the remaining life of the corresponding assets.


 Chair: Mr Jimmy Deenihan
 Date: 14/12/23


 President: Prof. Maggie Cusack
 Date: 14-12-2023


MUNSTER TECHNOLOGICAL UNIVERSITY

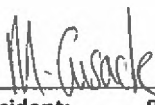
Consolidated and University Statement of Financial Position

Year Ended 31 August 2022

	Note	Current Period		Previous Period	
		Consolidated 31/08/2022 €000's	University 31/08/2022 €000's	Consolidated 31/08/2021 €000's	University 31/08/2021 €000's
Fixed Assets					
Property, plant & equipment	12	152,083	151,724	149,400	149,028
Investments	13	543	52	543	52
		152,626	151,776	149,943	149,080
Current Assets					
Inventory		62	-	34	-
Receivables	14	15,549	15,277	11,152	11,118
Cash and Cash Equivalents	15	73,046	71,709	60,424	59,291
		88,657	86,986	71,610	70,409
Less Payables; Amounts due within 1 year	16	(60,911)	(60,437)	(43,183)	(42,865)
Net Current Liabilities		27,746	26,549	28,427	27,544
Total Assets less Current Liabilities		180,372	178,325	178,370	176,624
Retirement Benefits					
Retirement benefits obligations	24	500,147	500,147	677,872	677,872
Deferred retirement benefit funding asset	24	(500,147)	(500,147)	(677,872)	(677,872)
Total Net Assets		180,372	178,325	178,370	176,624
Deferred State Capital Grants	18	143,256	143,228	140,313	140,274
Capital Development Reserve	19	26,260	26,260	21,647	21,647
Capital Reserve - Student Services Co Ltd		321	-	321	-
Restricted Reserve		73	3	73	3
		26,654	26,263	22,041	21,650
Unrestricted Reserves					
Income & Expenditure Reserve		10,462	8,834	16,016	14,700
		10,462	8,834	16,016	14,700
Total		180,372	178,325	178,370	176,624

Notes 1 – 27 form part of these Primary Statements.
Signed on behalf of the Governing Body


Chair: Mr Jimmy Deenihan
Date: 14/12/22


President: Prof. Maggie Cusack
Date: 14-12-2022

MUNSTER TECHNOLOGICAL UNIVERSITY

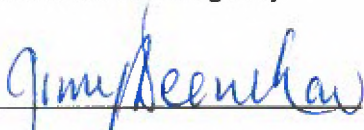
Consolidated Statement of Cash Flows

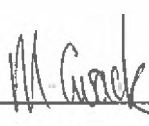
Year Ended 31 August 2022

	Year Ended 31/08/2022 €000's	Period Ended 8 Months 31/08/2021 €000's
Net Cash flow from Operating Activities		
(Deficit) Surplus for year	5,270	5,564
Depreciation of fixed assets	8,911	6,238
Amortisation of deferred capital grants	(8,530)	(6,014)
(Increase) / Decrease in Stock	(28)	13
(Increase) / Decrease in Receivables	(4,397)	3,504
Increase / (Decrease) in Payables	17,728	(24,350)
Decrease / (Increase) in Investments	-	(1)
State funds allocated to capital	5,262	3,731
Net Cash Flows from Operating Activities	24,216	(11,315)
Cash Flows from Investing Activities		
Payments to acquire property, plant & equipment	(11,594)	(5,238)
Proceeds on disposal of property, plant & equipment	-	-
Net Cash Flows from Investing Activities	(11,594)	(5,238)
Cash Flows from Financing activities		
Investment Income	-	-
Interest Received	-	-
Net Cash Flows from Financing activities	-	-
Net Increase / (Decrease) in cash equivalents	12,622	(16,553)
Cash & Cash Equivalents at 1 September/January	60,424	76,977
Cash & Cash Equivalents at 31 August	73,046	60,424

Notes 1 – 27 form part of these Primary Statements.

Signed on behalf of the Governing Body


 Chair: Mr Jimmy Deenihan
 Date: 14/12/23


 President: Prof. Maggie Cusack
 Date: 14-12-2023

MUNSTER TECHNOLOGICAL UNIVERSITY

Notes to the Financial Statements

Year Ended 31 August 2022

1. Significant Accounting Policies

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

a) General Information

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

b) Basis for Accounting

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

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

c) Basis of Consolidation

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

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

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

d) Going Concern

The Governing Authority is satisfied that the University has adequate resources to meet its obligations as they fall due for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

MUNSTER TECHNOLOGICAL UNIVERSITY

Notes to the Financial Statements (continued)

Year Ended 31 August 2022

1. Significant Accounting Policies (continued)

e) Property, Plant and Equipment

(i) Land and Buildings

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

Freehold buildings	30 - 50 years
--------------------	---------------

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

(ii) Equipment

Equipment costing less than €10,000 per individual item is written off to the income and expenditure account in the year of acquisition. Capitalised equipment is depreciated on a straight-line basis over its useful economic life as follows:

Fixtures & Fittings including Prefabs	5 - 10 years
Car Parks	20 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.

Assets in the Student Services Company Limited are depreciated over 2-5 years - straight line.

MUNSTER TECHNOLOGICAL UNIVERSITY

Notes to the Financial Statements (continued)

Year Ended 31 August 2022

1. Significant Accounting Policies (continued)

f) Joint Venture Undertakings

In the University's financial statements, investments in associates are accounted for using the equity method. Investments in joint venture undertakings are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the Institute's share of the profit or loss and other comprehensive income of the associate. Goodwill arising on the acquisition of associates is accounted for in accordance with the policy set out above. Any unamortised balance of goodwill is included in the carrying value of the investment in joint venture undertakings.

In the University's financial statements investments in joint venture undertakings are accounted for at cost less impairment.

g) Inventory

Inventory is stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to the net realisable value. Cost is calculated using the FIFO (first-in, first-out) method. Provision is made for obsolete, slow-moving or defective items where appropriate. Inventory shown in the Statement of Financial Position relates to merchandise in Cosmos Education Limited and consumable stock in the Student Services Company Limited.

h) Impairment of Assets

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

Financial Assets

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

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

MUNSTER TECHNOLOGICAL UNIVERSITY

Notes to the Financial Statements (continued)

Year Ended 31 August 2022

1. Significant Accounting Policies (continued)

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.

i) Taxation

a. *Corporation Tax*

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

b. *Deferred Taxation*

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

MUNSTER TECHNOLOGICAL UNIVERSITY

Notes to the Financial Statements (continued)

Year Ended 31 August 2022

1. Significant Accounting Policies (continued)

j) Recognition of Income

State Grants

Recurrent state grants from the Higher Education Authority and other bodies are recognised in the period in which they are receivable. Non-Recurrent Grants from the Higher Education Authority or other state bodies received in respect of the acquisition or construction of Fixed Assets are treated as deferred 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 included in the period the expenditure is incurred unless the grant has performance related conditions or restrictions associated with it. The most common classes of such transactions are set out below:

a. *Donations with No Restrictions*

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

b. *Donations with Restrictions*

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

MUNSTER TECHNOLOGICAL UNIVERSITY

Notes to the Financial Statements (continued)

Year Ended 31 August 2022

1. Significant Accounting Policies (continued)

c. *Research Grants with Performance-related Conditions*

Income from grants with performance-related conditions is recognised in the Statement of Comprehensive Income when the performance-related conditions are met. 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.

d. *Other*

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

Minor Capital Works

The Minister for Further and Higher Education, Research, Innovation and Science introduced a scheme to devolve responsibility to the University for summer and other Capital Works.

In all cases Minor Capital Works funding is matched to expenditure and included in the period the expenditure is incurred.

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.

MUNSTER TECHNOLOGICAL UNIVERSITY

Notes to the Financial Statements (continued)

Year Ended 31 August 2022

1. Significant Accounting Policies (continued)

k) Employee Benefits

a. Retirement Benefits

Pension entitlements of staff recruited prior to 1 January 2013 are conferred under a defined benefit pension scheme established under the Education Sector Superannuation Scheme 2015. The scheme is operated on a Pay-as-You-Go basis, with superannuation deductions made from employees being retained by the University's 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 University's 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 Education Sector Superannuation Scheme 2015, are retained by the University's 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 Department of Further and Higher Education, Research, Innovation and Science (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 University's pension obligations in respect of its current staff only and any related funding. The costs of providing pension benefits are recognised in the accounting periods in which they are earned by employees. Pension liabilities in respect of former employees who are in receipt of pensions are excluded because pension payments are charged to the appropriation account of 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.

MUNSTER TECHNOLOGICAL UNIVERSITY

Notes to the Financial Statements (continued)

Year Ended 31 August 2022

1. Significant Accounting Policies (continued)

a. Retirement Benefits (continued)

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

b. 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.

l) 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.

m) Leases

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

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

MUNSTER TECHNOLOGICAL UNIVERSITY

Notes to the Financial Statements (continued)

Year Ended 31 August 2022

1. Significant Accounting Policies (continued)

n) Deferred Capital Grants

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

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

o) Reserves

Capital Development Reserve

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

MUNSTER TECHNOLOGICAL UNIVERSITY

Notes to the Financial Statements (continued)

Year Ended 31 August 2022

2. Critical Accounting Judgements and Key Sources of Estimation

In the application of the University's accounting policies, which are described in note 1, the Governing Authority 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 University's Accounting Policies

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

a) Going Concern

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

MUNSTER TECHNOLOGICAL UNIVERSITY

Notes to the Financial Statements (continued)

Year Ended 31 August 2022

2. Critical Accounting Judgements and Key Sources of Estimation (continued)

b) Operational and Financial Impact of COVID-19

The COVID-19 crisis created major business and educational challenges for all third level institutions. The Governing Body will continue to monitor the evolving financial and operational impacts of COVID-19. The University has developed an operational plan for the 2022/23 academic year.

c) Provision for Doubtful Debts

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

d) 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

MUNSTER TECHNOLOGICAL UNIVERSITY

Notes to the Financial Statements (continued)

Year Ended 31 August 2022

e) Holiday Pay

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

f) Establishing Lives for Property, Plant and Equipment Depreciation Purposes

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

MUNSTER TECHNOLOGICAL UNIVERSITY**Notes to the Financial Statements (continued)**

Year Ended 31 August 2022

3. State Grants

	Allocated for Recurrent Expenditure €000's	Allocated for Capital Expenditure €000's	2022 Total €000's	2021 Total €000's <i>Restated</i>
Recurrent Expenditure - HEA	63,644	1,526	65,170	41,983
State Grant - Nursing	916	-	916	628
State Grant - Covid Support	2,612	161	2,773	1,319
State Grant - Technological University Transformation Fund	5,030	-	5,030	2,808
State Grant - Apprenticeship Equipment and Programmes	11,977	1,331	13,308	6,462
State Grant - Research	1,727	-	1,727	741
State Grant - Capital Expenditure	419	1,412	1,831	1,601
State Grant - Other	4,325	-	4,325	209
Total 2022	90,650	4,430	95,080	55,751
Total 2021	53,212	2,539	55,751	

The restatement in 2021 relates to the analysis of the Grant income by funding area.

MUNSTER TECHNOLOGICAL UNIVERSITY

Notes to the Financial Statements (continued)

Year Ended 31 August 2022

4. Tuition Fees and Student Contribution

	2022			2021			Total
	Students WTE €000's	State Funded €000's	Non-State Funded €000's	Students WTE €000's	State Funded €000's	Non-State Funded €000's	
Fees paid by State -HEA	8,881	9,102	-	9,482	7,081	-	7,081
Fees paid by State -SUSI	95	245	-	88	183	-	183
Non-EU Fees	613	49	4,197	515	1	2,623	2,624
Fees paid by students or on behalf of Students	1,261	581	1,764	1,103	632	1,506	2,138
Lifelong Learning and other fees -HEA	682	1,843	-	26	84	3,912	3,996
Lifelong Learning and other fees	1,939	1,202	5,007	2,126	581	-	581
Student Contribution incl. repeat exams -HEA	-	117	-	-	23	-	23
Student Contribution incl. repeat exams -SUSI	-	11,588	-	-	8,188	-	8,188
Student Contribution incl. repeat exams -Other	-	477	18,345	-	360	11,371	11,731
	13,471	25,204	29,313	13,340	17,133	19,412	36,545
Allocated to Capital	-	-	(24)	-	-	-	4
		25,204	29,313		17,133	19,412	36,549
Transfer to Capital Development Reserve	-	-	(950)	-	-	-	(2,950)
Student Numbers / Net Fee Income	13,471	25,204	29,313	13,340	17,133	19,412	33,599

The Higher Education Authority paid fees in the period of €11.045m (€11.062 recognised in the year), the total costs of which are part funded by the European Social Fund. SUSI paid student contribution fees in the year of €11.830m (€11.833m recognised in the year). Other State receipts amounted to €2.309m. Student numbers are stated as whole-time equivalents based on enrolled credits. Capital items of €24k ((€4k) in 2021) have been charged against Student Capitation and €0k (€8k in 2021) against Lifelong Learning.

MUNSTER TECHNOLOGICAL UNIVERSITY**Notes to the Financial Statements (continued)**

Year Ended 31 August 2022

5. Research Grants and Contracts

	2022	2021
	Total	8 months
	€000's	Total
		€000's
Income		
State HEA	4,616	2,855
State Other	11,755	6,576
Other	8,410	7,325
Allocated to Capital	(808)	(1,184)
	<u>23,973</u>	<u>15,572</u>
Expenditure		
Pay Costs	12,747	7,078
Non-Pay Costs	10,338	8,218
Depreciation Non-State	55	61
	<u>23,140</u>	<u>15,357</u>
Net Outcome	<u>833</u>	<u>215</u>
Transfer to Reserve	-	(50)
Transfer from CDR to Expenditure	193	17
Surplus for the period	<u>1,026</u>	<u>182</u>

Included in the Research Grant and Contract Income is an amount of €2.005m (2021 - €844k) in respect of overhead recovery. The balance represents direct costs recovered for research work undertaken. The HEA paid grants towards Research & Development of €12.664m in 2022 (2021 - €3.881m) of which €4.616m (2021 - €2.855m) is recognised in the year.

MUNSTER TECHNOLOGICAL UNIVERSITY

Notes to the Financial Statements (continued)

Year Ended 31 August 2022

6. Analysis of State Derived Income

Name of Grantor	Op Deferral 01/09/21 €000's	Grant received 2022 €000's	CL Deferral 31/08/22 €000's	I&E 2022 €000's
Note 3 - State Grant				
HEA - Recurrent Expenditure	925	65,330	165	66,420
HEA – Nursing	-	916	-	916
HEA - Covid Support	45	3,228	(1,132)	2,141
HEA - Covid – Access	39	176	-	215
HEA - Covid - Wellbeing & Mental Health	191	169	(115)	245
HEA - Covid - Antigen Testing	-	337	-	337
HEA - Covid - Return to Education	(1,539)	1,213	-	(326)
HEA - Technological University Transformation Fund	3,490	4,550	(3,010)	5,030
HEA - Apprenticeship Equipment and Programmes	95	12,123	-	12,218
HEA – Research	790	937	-	1,727
HEA - Capital Expenditure	-	419	-	419
HEA - Additional Places	-	234	-	234
HEA – Pillar	-	85	-	85
HEA - Pay awards	-	132	2,383	2,515
HEA - Accumulated Deficit - ITT	-	-	1,491	1,491
Allocated for Capital Expenditure	-	(3,017)	-	(3,017)
State Income	4,036	86,832	(218)	90,650

	<i>Restated</i>			
Note 4 - Tuition Fees and Student Contribution				
HEA	(38)	11,045	55	11,062
Naval Services	-	160	-	160
University College Cork	-	822	-	822
Galway / Mayo Institute of Technology	-	255	-	255
Cork Chamber	-	159	-	159
Aviation Skillnet Executive	-	122	-	122
State – Other	-	791	-	791
SUSI	-	11,830	3	11,833
Tuition fees and student contribution	(38)	25,184	58	25,204

The Opening balance is restated to include a debtor of €50k that was presented incorrectly in 2021.

MUNSTER TECHNOLOGICAL UNIVERSITY

Notes to the Financial Statements (continued)

Year Ended 31 August 2022

6. Analysis of State Derived Income (continued)

Name of Grantor	Op Deferral 01/09/21 €000's	Grant received 2022 €000's	CL Deferral 31/08/22 €000's	I&E 2022 €000's
Note 5 - Research Grants & Contracts				
Athletics Ireland	3	15	(5)	13
Bord Iascaigh Mhara	(127)	193	92	158
Cork County Council	-	56	-	56
Cork City Council	2	30	(2)	30
Department of Agriculture & Food	(12)	454	202	644
Department of Culture, Heritage & Gaeltacht	9	13	(9)	13
Department of Defence	48	-	(58)	(10)
Department of Education & Skills	(14)	153	23	162
Department of Foreign Affairs	(16)	62	-	46
Department of Rural & Community Dev	19	111	(97)	33
Enterprise Ireland	1,172	3,572	135	4,879
Environmental Protection Agency	120	603	(141)	582
Faite Ireland	7	17	28	52
Food Safety Board	4	55	(36)	23
Higher Education Authority	4,336	12,664	(12,384)	4,616
Higher Education Institutions	374	826	(157)	1,043
Health Research Board	-	74	(61)	13
Health Services Executive	9	195	(129)	75
iDA Ireland	(53)	5	52	4
Irish Research Council	77	126	(56)	147
Leargas	21	154	(33)	142
Local Authority – Council	31	445	(117)	359
Marine Institute	(19)	80	20	81
National Forum for Teaching & Learning	26	27	(14)	39
Sustainable Energy Ireland	(16)	149	70	203
Science Foundation Ireland	(822)	2,629	600	2,407
SOLAS	-	65	-	65
Teagasc	4	545	(63)	486
Technological Higher Education Association	9	-	-	9
Údarás na Gaeltachta	(4)	5	-	1
Research Grants & Contracts Total	5,188	23,323	(12,140)	16,371

MUNSTER TECHNOLOGICAL UNIVERSITY

Notes to the Financial Statements (continued)

Year Ended 31 August 2022

6. Analysis of State Derived Income (continued)

Name of Grantor	Op Deferral 01/09/21 €000's	Grant received 2022 €000's	CL Deferral 31/08/22 €000's	I&E 2022 €000's
Note 7 - Student Support Funding				
HEA	487	1,135	(129)	1,493
Allocated for Capital Expenditure	-	-	-	-
Student Support Funding	487	1,135	(129)	1,493
Note 8 – Other Income				
HEA	-	10	-	10
Enterprise Ireland	-	1	-	1
University of Limerick	-	2	-	2
Kerry County Council	-	2	-	2
Údarás Na Gaeltachta	-	2	-	2
Other Income	-	17	-	17

7. Student Support Funding

	Disabilities €000's	2022 Student Assistance €000's	Total €000's	2021 Total €000's <i>Restated</i>
Balance at 1 September	80	407	487	574
Receipts				
Higher Education Authority	492	643	1,135	714
Amounts Applied				
Pay Costs	102	-	102	63
Non-Pay Costs	446	945	1,391	726
Total Expenditure	548	945	1,493	789
Equipment	-	-	-	(12)
Balance at 31 August	24	105	129	487

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

MUNSTER TECHNOLOGICAL UNIVERSITY

Notes to the Financial Statements (continued)

Year Ended 31 August 2022

8. Other Income

	2022 Total	2021 Total
	€000's	8 months €000's
Superannuation deductions retained	5,183	3,320
State Income	17	13
Rental of Facilities	120	143
Sundry Income	428	447
Subsidiary – Kerry	-	-
Student Services Company Limited	2,141	15
	<u>7,889</u>	<u>3,938</u>
Transfer to CDR	(67)	(133)
Net Outcome	<u>7,822</u>	<u>3,805</u>

The income from the CIT Student Services Company Limited is generated from the provision of a mini market, bistro, shop and canteen services to the students of MTU.

9. Staff Costs

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

	2022 No. of employees	2021 No. of employees
Teaching and research	1,126	1,098
Technical	179	185
Central administration and services	413	382
	<u>1,718</u>	<u>1,665</u>

	€000's	8 months €000's
Salaries and wages	114,767	70,813
Overtime	1,095	373
Allowances	48	15
Employer Welfare Costs	10,873	6,678
Subsidiaries	1,373	471
	<u>128,156</u>	<u>78,350</u>

MUNSTER TECHNOLOGICAL UNIVERSITY

Notes to the Financial Statements (continued)

Year Ended 31 August 2022

9. Staff Costs (continued)

Key Management Compensation

For the purposes of this note, key management personnel in the University includes the Governing Body, President, Registrar, Secretary/Financial Controller, Heads of School any other person on these salary grades.

WTE	2022					2021	
	Salary €000's	Fees €000's	Employee Benefits €000's	Post- Employment Benefits €000's	Termination Benefits €000's	Total Compensation €000's	Total Compensation 8 months €000's
Governing Body Members	7	-	2	-	-	2	13
President	1	186	-	-	-	186	118
Executive Management	29	3,081	-	-	-	3,081	1,878
Seconded Executive Management	-	-	-	-	-	-	-
	3,267	2	-	-	-	3,269	2,009

MUNSTER TECHNOLOGICAL UNIVERSITY

Notes to the Financial Statements (continued)

Year Ended 31 August 2022

9. Staff Costs (continued)

Post-employment benefits of key management staff

All members of the executive management team are members of the University scheme. The pension scheme is a defined benefit final salary pension arrangement with benefits and contributions defined by reference to current "model" public sector scheme regulations only.

Termination Payments	2022	2021
	€000's	8 months €000's
Termination benefits charged in the year / period	<u>27</u>	<u>9</u>
	<u>27</u>	<u>9</u>

Two termination payments were paid to staff of the University in the year (one in 2021).

Higher Paid Staff

The University has adopted a starting value of €60,000 to identify higher paid staff. Staff remuneration, in salary bands of €10,000, using €60,000 as the starting value, is as follows:

Salary Bands	Consolidated Year Ended 31 Aug 2022	University Only Year Ended 31 Aug 2022	Consolidated Period Ended 31 Aug 2021 8 months	University Only Period Ended 31 Aug 2021 8 months
60,000 - 70,000	172	168	120	117
70,001 - 80,000	115	114	123	122
80,001 - 90,000	148	148	247	247
90,001 - 100,000	337	337	81	81
100,001 - 110,000	40	40	29	29
110,001 - 120,000	21	21	13	13
120,001 - 130,000	3	3	1	1
130,001 - 140,000	-	-	-	-
140,001 - 150,000	-	-	-	-
150,001 - 160,000	-	-	-	-
> 160,001	1	1	-	-
Grand Total	<u>837</u>	<u>832</u>	<u>614</u>	<u>610</u>

The overall figure for employer pension contribution in the period was €7k (€60k in 2021).

MUNSTER TECHNOLOGICAL UNIVERSITY

Notes to the Financial Statements (continued)

Year Ended 31 August 2022

10. Operating Expenses

Analysis of Other Operating Expenditure

	Consolidated 2022	Consolidated 2021
	€000's	8 months €000's
Materials & other Consumables	5,642	2,005
Library Materials	741	424
Computer Costs	2,536	1,917
General Education	5,848	3,591
Services to Students	1,326	1,243
Research Costs	2,125	4,119
Equipment	4,463	849
Premises Costs	10,100	6,739
Travel & Subsistence	1,658	268
Hospitality	105	6
Personnel Costs	1,207	822
Professional Fees	4,517	1,711
Auditors Remuneration	94	94
Legal Costs	186	157
Communications	283	155
Stationery & Office Materials	789	292
General Advertising & Publicity	1,572	829
Insurance	722	654
Movement in Bad Debt Provision	271	(145)
Finance Costs	468	175
Other	33	11
	44,686	25,916

MUNSTER TECHNOLOGICAL UNIVERSITY

Notes to the Financial Statements (continued)

Year Ended 31 August 2022

11. Financial Result for the Year / Period

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

	2022	2021
	€000's	8 months €000's
University (deficit) / surplus for the period	4,991	5,737
Surplus / (deficit) generated by subsidiaries and other undertakings	279	(173)
	<u>5,270</u>	<u>5,564</u>

MUNSTER TECHNOLOGICAL UNIVERSITY

Notes to the Financial Statements (continued)

Year Ended 31 August 2022

12. Property, Plant and Equipment

Consolidated	Land & buildings €000's	Assets Under Construction €000's	Fixtures & fittings €000's	Computer equipment €000's	Plant & machinery €000's	Furniture & equipment €000's	Motor Vehicles €000's	Total €000's
Cost								
At 1 September 2021	231,393	4,296	14,698	21,790	11,323	25,665	338	309,503
Additions in year	2,108	6,209	594	277	411	1,949	46	11,594
Disposals in year	-	-	-	(239)	(1,244)	(250)	(13)	(1,746)
At 31 August 2022	233,501	10,505	15,292	21,828	10,490	27,364	371	319,351
Depreciation								
At 1 September 2021	98,048	-	13,378	18,480	7,720	22,155	322	160,103
Charge for year	4,590	-	304	1,684	562	1,758	13	8,911
Eliminated on disposals	-	-	-	(239)	(1,244)	(250)	(13)	(1,746)
At 31 August 2022	102,638	-	13,682	19,925	7,038	23,663	322	167,268
Net book value								
At 31 August 2022	130,863	10,505	1,610	1,903	3,452	3,701	49	152,083
At 31 August 2021	133,345	4,296	1,320	3,310	3,603	3,510	16	149,400

Lease commitments at 31 August 2022 amounted to €2.642m (2021 - €2.911m).

The University holds and maintains a historical building that houses the Crawford College of Art and Design. As this is used for operational purposes, it is accounted for as a fixed asset, rather than a heritage asset.

The University maintains a Visual Art Collection to enhance the teaching environment but this is not considered a heritage asset.

MUNSTER TECHNOLOGICAL UNIVERSITY

Notes to the Financial Statements (continued)

Year Ended 31 August 2022

12. Property, Plant and Equipment (continued) – in respect of prior period

Consolidated (8 months)	Land & buildings €000's	Assets under construction €000's	Fixtures & fittings €000's	Computer equipment €000's	Plant & machinery €000's	Furniture & equipment €000's	Motor Vehicles €000's	Total €000's
Cost								
At 1 January 2021	231,335	2,870	14,317	20,302	11,258	23,970	338	304,390
Additions in period	58	1,426	381	1,609	65	1,699	-	5,238
Disposals in year	-	-	-	(121)	-	(4)	-	(125)
At 31 August 2021	231,393	4,296	14,698	21,790	11,323	25,665	338	309,503
Depreciation								
At 1 January 2021	94,816	-	13,126	17,350	7,321	21,058	319	153,990
Charge for period	3,232	-	252	1,251	399	1,101	3	6,238
Eliminated on disposals	-	-	-	(121)	-	(4)	-	(125)
At 31 August 2021	98,048	-	13,378	18,480	7,720	22,155	322	160,103
Net book value								
At 31 August 2021	133,345	4,296	1,320	3,310	3,603	3,510	16	149,400
At 1 January 2021	136,519	2,870	1,191	2,952	3,937	2,912	19	150,400

Lease commitments at 31 August 2021 amounted to €2.911m (2020 - €3,008m).

The University holds and maintains a historical building that houses the Crawford College of Art and Design. As this is used for operational purposes, it is accounted for as a fixed asset, rather than a heritage asset. The University maintains a Visual Art Collection to enhance the teaching environment but this is not considered a heritage asset.

MUNSTER TECHNOLOGICAL UNIVERSITY

Notes to the Financial Statements (continued)

Year Ended 31 August 2022

12. Property, Plant and Equipment (continued)

University Only	Land & buildings €000's	Assets Under Construction €000's	Fixtures & fittings €000's	Computer equipment €000's	Plant & machinery €000's	Furniture & equipment €000's	Motor Vehicles €000's	Total €000's
Cost								
At 1 September 2021	231,388	4,296	12,897	21,547	10,186	26,491	340	307,145
Additions in year	2,108	6,209	594	277	411	1,851	46	11,496
Disposals in year	-	-	-	(239)	(1,244)	(157)	(13)	(1,653)
At 31 August 2022	233,496	10,505	13,491	21,585	9,353	28,185	373	316,988
Depreciation								
At 1 September 2021	98,047	-	12,101	18,337	7,718	21,591	323	158,117
Charge for year	4,590	-	301	1,681	560	1,655	13	8,800
Eliminated on disposals	-	-	-	(239)	(1,244)	(157)	(13)	(1,653)
At 31 August 2022	102,637	-	12,402	19,779	7,034	23,089	323	165,264
Net book value								
At 31 August 2022	130,859	10,505	1,089	1,806	2,319	5,096	50	151,724
At 31 August 2021	133,341	4,296	796	3,210	2,468	4,900	17	149,028

Lease commitments at 31 August 2022 amounted to €2.642m (2021 - €2.911m).

The University holds and maintains a historical building that houses the Crawford College of Art and Design. As this is used for operational purposes, it is accounted for as a fixed asset, rather than a heritage asset.

The University maintains a Visual Art Collection to enhance the teaching environment but this is not considered a heritage asset.

MUNSTER TECHNOLOGICAL UNIVERSITY

Notes to the Financial Statements (continued)

Year Ended 31 August 2022

12. Property, Plant and Equipment (continued) – in respect of prior period

University Only (8 months)	Land & buildings €000's	Assets under construction €000's	Fixtures & fittings €000's	Computer equipment €000's	Plant & machinery €000's	Furniture & equipment €000's	Motor Vehicles €000's	Total €000's
Cost								
At 1 January 2021	231,330	2,870	12,516	20,059	10,166	24,812	340	302,093
Additions in period	58	1,426	381	1,609	20	1,683	-	5,177
Disposals in period	-	-	-	(121)	-	(4)	-	(125)
At 31 August 2021	231,388	4,296	12,897	21,547	10,186	26,491	340	307,145
Depreciation								
At 1 January 2021	94,815	-	11,850	17,213	7,320	20,527	320	152,045
Charge for period	3,232	-	251	1,245	398	1,068	3	6,197
Eliminated on disposals	-	-	-	(121)	-	(4)	-	(125)
At 31 August 2021	98,047	-	12,101	18,337	7,718	21,591	323	158,117
Net book value								
At 31 August 2021	133,341	4,296	796	3,210	2,468	4,900	17	149,028
At 1 January 2021	136,515	2,870	666	2,846	2,846	4,285	20	150,048

Lease commitments at 31 August 2021 amounted to €2,911m (2020 - €3,008m). The University holds and maintains a historical building that houses the Crawford College of Art and Design. As this is used for operational purposes, it is accounted for as a fixed asset, rather than a heritage asset. The University maintains a Visual Art Collection to enhance the teaching environment but this is not considered a heritage asset.

MUNSTER TECHNOLOGICAL UNIVERSITY

Notes to the Financial Statements (continued)

Year Ended 31 August 2022

13. Subsidiary Undertakings and Investments

The University holds an interest in the following subsidiaries and joint ventures:

Subsidiary Undertakings

CIT Student Services Company Limited was incorporated in 1994 for the purpose of provision of shop and canteen services to students. It is a company limited by guarantee and not having share capital. The company is a wholly owned subsidiary.

	2022	2021
		<i>8 months</i>
	€000's	€000's
Profit / (Loss) for the financial period	159	(149)
Net Assets	1,268	1,109

CIT Innovation Centre DAC, t/a The Rubicon, was established in August 2004 and is the on-campus incubation centre for the University. The company is a wholly owned subsidiary.

	2022	2021
		<i>8 months</i>
	€000's	€000's
Profit for the financial period	54	7
Net Assets	264	210

CIT Foundation Limited was established in July 2007 to raise funds and receive donations. It is a company limited by guarantee and not having share capital. The company is a wholly owned subsidiary.

	2022	2021
		<i>8 months</i>
	€000's	€000's
Profit / (Loss) for the financial period	61	(55)
Net Assets	345	284

MUNSTER TECHNOLOGICAL UNIVERSITY

Notes to the Financial Statements (continued)

Year Ended 31 August 2022

13. Subsidiary Undertakings and Investments (continued)

Tralee Institute of Technology Foundation Company Limited by Guarantee is engaged in generating financial support for the activities of the Munster Technological University, with specific focus on the Kerry Sports Academy. The company is a wholly owned subsidiary. The subsidiary undertaking has their registered office and place of business in the Munster Technological University, Clash, Tralee, Co. Kerry.

	2022	2021
		8 months
	€000's	€000's
Loss for the financial period	(1)	(2)
Net Assets	23	24

Cosmos Education Limited was established in January 2008 for the purpose of delivering educational, research and training services through the operation of a scientific, educational and cultural exhibition in Blackrock Castle Observatory Cork. It is a company limited by guarantee and not having share capital. The company is a wholly owned subsidiary.

	2022	2021
		8 months
	€000's	€000's
Profit for the financial period	6	26
Net Assets	111	105

CIT Consortium Projects DAC was established in August 2017 to allow MTU apply for funding under the Regional Enterprise Development Fund, a fund managed by Enterprise Ireland. The company is a wholly owned subsidiary.

	2022	2021
		8 months
	€000's	€000's
Profit for the financial period	-	-
Net Assets	-	-

Joint Ventures

GAC Training and Service Solutions Limited (GTSS) was established in February 2010 and is in the business of commercial training in the maritime areas of oil, gas, chemicals and traded commodities. MTU's investment comprises 25,000 shares and this represents a 50% shareholding with GAC Shipping UK Limited who hold the other 50% shareholding.

MUNSTER TECHNOLOGICAL UNIVERSITY

Notes to the Financial Statements (continued)

Year Ended 31 August 2022

13. Subsidiary Undertakings and Investments (continued)

Seftec NMCI Offshore Training Limited (SNO) was established in February 2010 and is in the business of providing courses and consultancy to the offshore and maritime industry both in Ireland and abroad. MTU's investment comprises 25,000 shares and this represents a 50% shareholding with SEFTec Global Training Ireland Limited who hold the other 50% shareholding.

Campus Companies

The University holds minority shareholdings in a number of campus companies. The carrying value of such investments in the University financial statements are €1,314.31, made up as follows.

Shareholding %	Company	Nature of Business	Amount €
10	NSilico	Bioinformatics Software	153.84
4.41	Adventamed	Medical Devices	120.00
9.52	AudioSourcRE	Audio Source	1.18
10	Showguider	Event Management Software	833.00
7.44	Predictive Control Systems	Energy Optimisation Software	206.29
3.24	OrthoXel	Medical Device	0.00
9.5	Niche Protein Ltd	Biotechnology	0.00

Investments

	Consolidated		University	
	2022	2021	2022	2021
	<i>8 months</i>		<i>8 months</i>	
	€000's	€000's	€000's	€000's
Investments held are as follows:				
At 1 September 2021/1 January 2021	543	542	52	52
Disposal	-	-	-	-
Movement of investments	-	1	-	-
At 31 August	543	543	52	52

MUNSTER TECHNOLOGICAL UNIVERSITY

Notes to the Financial Statements (continued)

Year Ended 31 August 2022

14. Receivables

	Consolidated		University	
	2022	2021	2022	2021
		8 months		8 months
	€000's	€000's	€000's	€000's
		Restated		Restated
Trade Receivables	1,659	1,411	1,416	1,350
Research grants and contracts receivable - State	5,098	3,668	5,070	3,668
Research grants and contracts receivable State Grant receivable	2,200	1,954	2,208	1,987
Academic fees receivable - State	4,442	2,204	4,442	2,204
Academic fees receivable	349	125	349	125
Prepayments	129	846	129	846
Other receivables	1,215	762	1,208	762
	457	182	455	176
	15,549	11,152	15,277	11,118

The Prior year restatement relates to the breakout of Research receivables between State and Non- State and the extraction of State Academic fees receivable of €125k.

15. Cash and Cash Equivalents

	Consolidated		University	
	2022	2021	2022	2021
		8 months		8 months
	€000's	€000's	€000's	€000's
Cash at bank including balances held on short term deposit	73,046	60,424	71,709	59,291
Restricted bank balances	-	-	-	-
	73,046	60,424	71,709	59,291

MUNSTER TECHNOLOGICAL UNIVERSITY

Notes to the Financial Statements (continued)

Year Ended 31 August 2022

16. Payables: amounts falling due within one year

	Consolidated		University	
	2022	2021 <i>8 months Restated</i>	2022	2021 <i>8 months Restated</i>
	€000's	€000's	€000's	€000's
Trade payables	293	2,492	264	2,472
Research grants and contracts in advance - State	17,238	8,860	17,120	8,745
Research grants and contracts in advance - Non-State	10,417	6,598	10,128	6,432
Fees received in advance – State	290	163	290	163
Fees received in advance	1,956	1,841	1,956	1,841
State grants received in advance	11,115	6,293	11,115	6,293
Accruals	10,710	8,084	10,720	8,113
Other tax and social security in advance	3,866	3,709	3,818	3,663
Repayable Advance Funding Loan from HEA	5,000	5,000	5,000	5,000
Other payables in advance	26	143	26	143
Total Creditors	60,911	43,183	60,437	42,865

The Prior year restatement relates to the breakout of Payables between State and Non- State.

17. Lease Commitments

	Land & Buildings	Land & Buildings	Other	Other
	2022	2021 <i>8 months</i>	2022	2021 <i>8 months</i>
	€000's	€000's	€000's	€000's
Operating Leases				
Total future minimum lease payments under non – cancellable operating leases are as follows:				
Within 1 Year	506	439	-	-
Between 2 & 5 Years	1,923	1,648	-	-
Finance Lease				
Greater than 5 years	213	824	-	-
Total Commitments	2,642	2,911	-	-

The University has five properties leased, one which will expire on 29 February 2028 and one on 30 May 2026.

Three lease expired on 28 February 2022, 15 June 2022 and 21 June 2022 but are under negotiation.

MUNSTER TECHNOLOGICAL UNIVERSITY

Notes to the Financial Statements (continued)

Year Ended 31 August 2022

18. Deferred State Capital Grants

	Consolidated		University	
	2022	2021	2022	2021
		8 months		8 months
	€000's	€000's	€000's	€000's
At 1 September 2021/1 January 2021				
Opening Balance	140,313	141,152	140,274	141,133
Cash received in year				
Allocated from State recurrent grant	3,018	1,701	3,018	1,701
State Grant for Minor Capital works - DOES	1,412	838	1,412	838
Research Grants & Contracts	808	1,184	808	1,157
Fees	24	(4)	24	(4)
Student Support	-	12	-	12
Funded from Capital Development Reserve	6,211	1,444	6,211	1,444
Total	11,473	5,175	11,473	5,148
Amortised to Income and expenditure in year				
Amortised in line with depreciation	(8,519)	(6,007)	(8,519)	(6,007)
Subsidiary company fixed assets – depreciation	(11)	(7)	-	-
Total	(8,530)	(6,014)	(8,519)	(6,007)
Closing Balance 31 August	143,256	140,313	143,228	140,274

MUNSTER TECHNOLOGICAL UNIVERSITY

Notes to the Financial Statements (continued)

Year Ended 31 August 2022

19.

(a) Capital Development Reserve

	Consolidated		University	
	2022	2021	2022	2021
		<i>8 months</i>		<i>8 months</i>
	€000's	€000's	€000's	€000's
Opening Balance	21,647	20,025	21,647	20,025
Transfer from Student Development	10,950	2,950	10,950	2,950
Transfer from Other Income	67	133	67	133
Transfer to Expenditure	(193)	(17)	(193)	(17)
Capital Projects – State	(6,211)	(1,444)	(6,211)	(1,444)
Closing Balance	<u>26,260</u>	<u>21,647</u>	<u>26,260</u>	<u>21,647</u>

(b) Capital Reserve - Student Services Co Ltd

These funds were received previously following the closure of Trusts. This reserve is designated for future capital developments to benefit student welfare.

20. Capital Commitments

	Consolidated		University	
	2022	2021	2022	2021
		<i>8 months</i>		<i>8 months</i>
	€000's	€000's	€000's	€000's
Contracted for but not provided	3,100	-	3,100	-
Authorised but not contracted	24,900	11,569	24,900	-
	<u>28,000</u>	<u>11,569</u>	<u>28,000</u>	<u>-</u>

21. Related Parties

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

MUNSTER TECHNOLOGICAL UNIVERSITY

Notes to the Financial Statements (continued)

Year Ended 31 August 2022

Niche Protein Limited

During 2013 the Institute received a 9.5% stake in Niche Protein Limited in exchange for use of a Bio Reactor. Niche Protein is a biotechnology company specialising in the manufacture of proteins with R&D and production facilities in Ireland.

Dromtacker Creche Company Limited by Guarantee

Dromtacker Creche Company Limited by Guarantee has an associated company link with MTU by virtue of the University co-funding the construction of the crèche. The University has a licence agreement with Dromtacker Creche Limited and in the event of the licence being in default or at the end of the licence period, the building and the use of the land on which the crèche is built will revert to the University. If the creche were to close the premises would transfer to MTU ownership. The University has granted a 25-year licence on 1.14 acres of land in the North Campus to Dromtacker Creche Limited for the purposes of the provision of creche facilities to the students of MTU. Dromtacker Creche Limited is a not for profit company. As part of the initial funding package provided to the company the Governing Body approved capital funding of €800,000 and a further €200,000 as working capital. In February 2022 the Finance Committee of Governing Body further approved ongoing funding to Dromtacker Creche Limited of up to €50k per annum. In the year ended 31 August 2022, funding of €50k (31 August 2021: €0k) was provided to Dromtacker Creche Limited.

The financial position of Dromtacker Creche Company Limited by Guarantee at 31 August 2022 was:

	2022	2021
	€000's	€000's
Fees Earned	101	83
Grants Received	471	371
Income generated from fundraisers	1	-
Expenses	(542)	(236)
Net Profit	31	218
Net Assets	371	340

The University has not included its investment in the Statement of Financial Position, as it does not consider the value of its investment material.

MUNSTER TECHNOLOGICAL UNIVERSITY

Notes to the Financial Statements (continued)

Year Ended 31 August 2022

22. Contingent Liabilities

There were no contingent liabilities existing at 31 August 2022.

23. Technological University Establishment

An amount of €8.2m was awarded for period ended 31st August 2022 (2021 - €1.11m). The costs directly associated with this project included in the accounts for the period ended 31st August 2022 amounted to €5.2m (2021 €2.81m).

MTU came into being on 01 January 2021 through the merger of Cork Institute of Technology ('CIT') and Institute of Technology Tralee ('ITT'). This was legally affected by ministerial order (SI 568/2020) under the Technological University's Act 2018 ('the TU Act'). As well as establishing MTU, the ministerial order dissolved CIT and ITT as legal entities.

Under that 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 CIT and IT Tralee transferred automatically to MTU on 01 January 2021, and any reference to CIT and/or IT Tralee in any agreement or other instrument can be read as MTU as of that date.

24. 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.

MUNSTER TECHNOLOGICAL UNIVERSITY

Notes to the Financial Statements (continued)

Year Ended 31 August 2022

(ii) **Description of Scheme**

University Scheme

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

Single Scheme

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

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

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

MUNSTER TECHNOLOGICAL UNIVERSITY

Notes to the Financial Statements (continued)

Year Ended 31 August 2022

24. Retirement Benefit Costs (continued)

Valuation

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

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

	31 August 2022	31 August 2021
Discount rate	3.60%	1.40%
Salary increases	3.70%	3.10%
Pension increases	3.20%	2.60%
Inflation rate	2.45%	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:

	31 August 2022	31 August 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

	31 Aug 2022	31 Aug 2021
	€'000	8 months €'000
Current service cost	38,252	24,938
Interest cost	9,760	4,520
Employee Contributions	(6,581)	(4,100)
Settlements and curtailments	-	-
Past service cost	-	-
	<u>41,431</u>	<u>25,358</u>

MUNSTER TECHNOLOGICAL UNIVERSITY

Notes to the Financial Statements (continued)

Year Ended 31 August 2022

24. Retirement Benefit Costs (continued)

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

	31 Aug 2022	31 Aug 2021
	€'000	8 months €'000
Net retirement benefit obligation at 1 September / 1 January	677,872	665,364
Service cost	31,671	20,838
Employee Contributions paid	6,581	4,100
Interest costs	9,760	4,520
Actuarial (gain)/loss due to change in assumptions	(205,037)	191
Actuarial (gain)/loss due to experience	-	1,458
Reduction in pension liabilities arising from retirements	(20,700)	(18,599)
Transfer value received	-	-
Past service cost	-	-
Settlements and curtailments	-	-
	<hr/>	<hr/>
Net retirement benefit obligations at 31 August	<u>500,147</u>	<u>677,872</u>
Split between:		
SPSPS	18,778	19,566
ESS	481,369	658,306

(v) **Deferred funding asset for retirement benefits**

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

The University recognises amounts owing from the State for the unfunded deferred liability for retirement benefits relating to the Education Sector Superannuation Scheme 2015 on the basis of the set of assumptions described above and a number of past events. These events include the statutory basis for the establishment of the retirement benefit scheme, and the policy and practice currently in place in relation to funding public service pensions including contributions by employees and the annual estimates process. The University has no evidence that this funding policy will not continue to meet such sums in accordance with current practice.

MUNSTER TECHNOLOGICAL UNIVERSITY

Notes to the Financial Statements (continued)

Year Ended 31 August 2022

24. Retirement Benefit Costs (continued)

The net deferred funding for retirement benefits recognised in the Statement of Comprehensive Income was as follows:

	31 Aug 2022	31 Aug 2021
	€'000	8 months €'000
Funding recoverable in respect of current period retirement		
Benefit costs	41,431	25,358
Benefits paid in period	<u>-</u>	<u>-</u>

The deferred funding liabilities for retirement benefit as at 31 August 2022 amounted to €500.147m.

(vi) History of defined benefits obligations

	2022	2021
	€'000	8 months €'000
Defined benefit obligations	500,147	677,872
Experience losses/(gains) on defined benefit scheme liabilities	-	1,458

MUNSTER TECHNOLOGICAL UNIVERSITY

Notes to the Financial Statements (continued)

Year Ended 31 August 2022

25. Post Balance Sheet Events

There were no significant events since the balance sheet date which could have implications for these Financial Statements.

26. Foundation and Trusts

The University does not have any foundations or trusts which could have implications for these financial statements.

27. Approval of Financial Statements

The financial statements were approved by the Governing Authority on the 14 December 2023.