

Institute of Technology Carlow
Consolidated Financial Statements
For the 8-month period ended 30 April 2022

Institute of Technology Carlow

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Institute of Technology Carlow

Corporate Governance Statement

On 1 May 2022, Institute of Technology Carlow stood dissolved and the South East Technological University was established under the terms of the Technological Universities Act 2018 and the Technological Universities Act 2018 (section 36) (appointed day) (No. 2) Order 2022 (SI 175 of 2022). The University is required under the Act to prepare the financial accounts of the Institute. As the Governing Body Chair and President of South East Technological University (SETU), we make the following statements based on the work of the Governing Body and the management of Institute of Technology Carlow.

Governing Body

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

Governing Body Membership and Meetings

The Governing Body consisted of a Chairperson, President and 16 ordinary members. During the period from 1st September 2021 to 30th April 2022 the Governing Body met on 8 separate occasions:

Figure 1.1:

Schedule of Governing Body Meetings and Governing Body Member's Attendance			
GB Members	Role	Number of Governing Body meetings attended	Number of Governing Body meetings during the year
Mr. John Moore	Chairperson	6	8
Dr. Patricia Mulcahy	President	7	8
Cllr. Ger Frisby	Member - Appointed under Section 4(1)(a) and (b)	7	8
Cllr. Andrea Dalton	Member - Appointed under Section 4(1)(a) and (b)	6	8
Ms. Evelyn Dunne	Member - Appointed under Section 4(1)(a) and (b)	5	8
Cllr. Angela Feeney	Member - Appointed under Section 4(1)(a) and (b)	8	8
Ms. Catherine O'Donnell	Member - Appointed under Section 4(1)(a) and (b)	3	8
Mr. Joe Kelly	Member - Appointed under Section 4(1)(a) and (b)	7	8
Ms. Caroline Murphy	Member – Appointed under Section 4(1)(c)	6	8
Mr. Claus Derenda	Member – Appointed under Section 4(1)(c)	7	8

Figure 1.1 (continued)			
GB Members	Role	Number of Governing Body meetings attended	Number of Governing Body meetings during the year
Mr. Sam Alcock	Member - Appointed under Section 4(1)(d)	5	8
Mr. Thomas Drury	Member - Appointed under Section 4(1)(e)	7	8
Mr. Ger Mooney	Member – Appointed under Section 4 (1)(f)	3	8
Ms. Kathleen Holohan	Member - Appointed under Section 4(1)(g)	6	8
Ms. Lily Holmes	Member - Appointed under Section 4(1)(g)	4	8
Ms. Valerie Farrell	Member - Appointed under Section 4(1)(g)	7	8
Mr. Michael Carbery	Member - Appointed under Section 4(1)(g)	4	8
Mr. Edel Spillane	Member - Appointed under Section 4(1)(g)	2	8

Institute of Technology Carlow confirmed that during the period the Governing Body met on one occasion without executive members or management present.

Governing Body Expenses

Members of the Governing Body were not eligible for fees in their capacity as Governing Body members. Members were eligible for expenses for travelling to Governing Body meetings and for fees and expenses where they presided on interview boards. Institute of Technology Carlow confirmed that fees and / or expenses paid to members of the Governing Body were in accordance with guidelines from the Department of Finance. In the period 2021-22, the fees and expenses in the table below were paid to members.

Figure 1.2:

Governing Body Expenses 21/22			
Governing Body Members	Expenses	Fees (Interviews etc.)	Total Paid
Ms. Catherine O'Donnell	-	750	750
Cllr. Ger Frisby	1,908	7,350	9,258
Cllr. Angela Feeney	-	4,050	4,050
Cllr. Andrea Dalton	-	300	300
TOTAL	1,908	12,450	14,358

Strategic Plan, Annual Programmes and Budget

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

Performance Evaluation of the Governing Body and its Committees

The Governing Body conducted a self-assessment of its own performance and the performance of its committees during 2021 / 2022 which was concluded in February 2022. The Governing Body utilised the self-assessment evaluation questionnaire contained within the THEA Code of Governance for this purpose.

An external review was carried out on the previous governing body (April 2015 to March 2020) and its committee's performance in 2019.

Annual Report and Financial Statements

As Institute of Technology Carlow has been dissolved and all functions transferred to the South East Technological University, the University Governing Body is approving the Financial Statements.

The Governing Body considers the Financial Statements to be a true and fair view of the Institute's financial performance and its financial position at the end of the year, based on the work of the Governing Body and the management of Institute of Technology Carlow.

Risk Management

The Governing Body approved the Institutes risk management framework and monitored its effectiveness, approval and oversight of Institute of Technology Carlow Risk Management Policy including structured and periodic reviews and updates from the Executive Management Team. This review included an assessment of the principal risks, risk rating and associated mitigations.

Audit and Risk Committee

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

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

The Chairperson of the Institute of Technology Carlow Governing Body was satisfied that the Audit and Risk Committee had discharged its rôle effectively and efficiently and had met the requirements with regard to frequency of meetings over the period to April 2022.

See figure 1.3 below for details of meetings held during the period. The Audit and Risk Committee consists of five non-executive members of the Governing Body.

Figure 1.3:

All Governing Body Committee Meetings			
Committee Members	Committee Name	Number of Committee meetings attended	Number of Committee meetings during the year
Mr. Joe Kelly	Audit and Risk Committee	3	4
Cllr. Andrea Dalton	Audit and Risk Committee	3	4
Ms. Evelyn Dunne	Audit and Risk Committee	4	4
Ms. Lily Holmes	Audit and Risk Committee	4	4
Ms. Kathleen Holohan	Audit and Risk Committee	4	4

Governance Confirmation

In accordance with the THEA Code of Governance, Institute of Technology Carlow confirmed the following for the period 1 September 2021 to 30 April 2022:

- that there were no governance and accountability issues that the Institute wished to bring to the attention of the Minister for Further & Higher Education, Research, Innovation & Science and the Higher Education Authority;
- there were no disposals of assets or grants of access to property or infrastructure for commercial arrangements with third parties above the threshold of €150,000 which had not been subject to auction or competitive tendering process during the financial year;
- that there were no commercially significant developments that affected the Institute during the period including the establishment of subsidiaries, joint ventures and acquisitions;
- all financial transactions are disclosed in the Institute's Financial Statements 21/22;
- that a Code of Conduct for both Members and Employees had been implemented. This included clear conflict of interest and ethics in public office policies;
- that the Institute had complied with its obligations under the Government policy on the pay of the President and all other Institute employees. Please also refer to Financial Statements' disclosure note 9;
- that Government Pay Guidelines were being complied with in respect of such appointees who serve on the Governing Body and any subsidiaries of the Institute;
- that the Institute had to the best of its knowledge complied with its obligations under tax law. Please also refer to Financial Statements' disclosure note 11 for the Institutes taxation status.

Compliance with Public Spending Code

The Governing Body confirmed that Institute of Technology Carlow adhered to the relevant aspects of the Public Spending Code and that the Governing Body had ensured robust and effective systems and procedures were in place to ensure compliance with the relevant principles, requirements and guidelines of the Public Spending Code including guidelines for achieving value for money.

Management of Capital Projects

Institute of Technology Carlow confirmed that its policies and procedures in the management of capital projects were compliant with the relevant principles, requirements and guidelines of the Public Spending Code and the Capital Works Management Framework.

Confidential Disclosure Reporting - Protected Disclosures Act 2014

The Governing Body confirmed that procedures for Confidential Disclosure Reporting had been implemented in Institute of Technology Carlow. These procedures allow employees, in confidence, to raise concerns about possible irregularities in financial reporting or any other matters, as well as ensuring that meaningful follow-up of matters raised this way takes place. The Protected Disclosure Policy in place at Institute of Technology Carlow was in line with the Protected Disclosures Act 2014.

South East Technological University Governing Body also confirms that the annual report, as required under section 22(1) of the Act has been published for the period 1 January to 30 April 2022. There Institute received nil protected disclosures during the period September 2021 to April 2022.

Gender balance, diversity and inclusion

Institute of Technology Carlow recognised the importance of diversity and inclusion for all staff and students of the Institute. To that regard the Institute had implemented a number of initiatives aimed at further promoting an inclusive environment.

The Institute had successfully acquired Athena Swan Bronze accreditation and had developed a gender action plan which is being implemented. In 2021, the Computing, Built Environment, Extended Campus, Aeronautical Mechanical & Electronic Engineering Departments were awarded Athena Swan Bronze Accreditation.

With respect to the membership of the Governing Body, while the Institute can, and had, engaged in the appointments process, the appointment decisions were made by the Minister. As at 30 April 2022, the Governing Body had 10 (55%) female and 8 (45%) male members. The Governing Body therefore met the Government target of a minimum of 40% representation of each gender in the membership of boards of state bodies.

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

Other information

Institute Subsidiaries

Institute of Technology Carlow had two subsidiaries which operate for the following purposes:

Figure 1.4:

Subsidiary name	Year of establishment	Purpose / function
Insurtech Network Centre DAC	2017	Provide business development services to support the creation and commercialisation of technology solutions to the global insurance services sector.
National Design Innovation Hub DAC	2017	Development of a design processing service that enables companies to conceptualise, innovate, build and test new products and services.

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

An appropriate Code of Governance is in place with respect of trading subsidiaries, with annual statements provided to the Governing body and the Governing Body had received a formal report of compliance from the Chairperson of the Board from one subsidiary. Please refer to the Financial Statements' disclosure note 14 for additional detail.

Intellectual Property (IP) and Conflict of Interest

- (i) The Institute confirmed that the Institute has in place a single IP policy, published on its website, which reflected the National IP Management Requirements of the national IP Protocol;
- (ii) The Institute confirmed that the Institute had in place a single Conflict of Interest Policy, and that this was published on its website.

The Institute confirmed that the Governing Body reviewed all IP commercialisation and conflicts of interest on an annual basis.

Additional Financial Disclosures required by the Code of Governance

The THEA Code of Governance for Institutes of Technology, Carlow required additional financial disclosures in relation to a number of matters and these disclosures have been made as follows:

Travel and Subsistence

	2022	2021
	€'000	€'000
Domestic Travel	42	19
International Travel	23	3
Total	65	22

Institute of Technology Carlow confirmed that Government travel policy requirements are being complied with in all respects.

Hospitality Expenditure

	2022 €'000	2021 €'000
Staff Events	-	-
Student Events (excluding costs associated with conferring)	-	-
Other events	-	-
Total	-	-

Consultancy fees

	2022 €'000	2021 €'000
Professional Fees: Legal (breakdown provided below)	48	49
Professional Fees: Tax and financial advisory	-	-
Professional Fees: Public relations/marketing	-	-
Professional Fees: Pensions and human resources	4	1
Professional Fees: Other	203	289
Total	255	339

Legal Costs/Settlements

	2022 €'000	2021 €'000
Professional Fees	48	49
Settlements	-	-
Total (as per Professional Fees: Legal above)	48	49

Legal Disputes

A breakdown of the legal costs/settlements is included above. Institute of Technology Carlow had no legal disputes involving other State Bodies.

Institute of Technology Carlow

Statement on System of Internal Control

Statement of Responsibility of the Institute and University

South East Technological University is required under the Technological Universities Act 2018 to prepare final accounts which give a true and fair view of the state of affairs of the Institute at 30 April 2022 and of its income and expenditure for the period 1 September 2021 to 30 April 2022 in such form as may be approved by the Higher Education Authority and to submit them for audit to the Comptroller and Auditor General.

In preparing these Financial Statements, the Governing Body of 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 do so.
- Disclose and explain any material departures from applicable accounting standards.

The Institute was responsible for keeping adequate accounting records which disclosed with reasonable accuracy at any time the financial position of the Institute and which enabled it to ensure that the Consolidated Financial Statements complied with the Institutes of Technology Acts 1992 to 2006.

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

Chairperson:



Prof. Patrick Prendergast

President:



Prof. Veronica Campbell

Date:

6 Dec 2023

Institute of Technology Carlow

Statement on System of Internal Control

On 1 May 2022, Institute of Technology Carlow stood dissolved and South East Technological University (the University) was established under the terms of the Technological Universities Act 2018 and the Technological Universities Act 2018 (section 36) (appointed day) (No.2) Order 2022 (SI 175 of 2022). As the Governing Body Chair and President of South East Technological University (SETU), we make the following statements based on the work of the Governing Body and the management of Institute of Technology Carlow.

Scope of Responsibility

As the Governing Body and Chair of South East Technological University, we make the following statements based on the work of the Governing Body and the management of Institute of Technology Carlow. The Governing Body of the Institute acknowledged its responsibility for ensuring that an effective system of internal controls was maintained and operated in the Institute and for putting in place processes and procedures for the purpose of ensuring that the system is effective. This responsibility reflects the requirements of the Code of Practice for the Governance of State Bodies (2016) as encapsulated by the THEA Code of Governance for Institutes of Technology.

Purpose of the System of Internal Controls

The system of internal controls is designed to manage risk to an acceptable level rather than to eliminate it.

Effective financial controls, including clear delineation and separation of functions and the maintenance of proper accounting records, are an important element of internal control. They help ensure that the Institute is not unnecessarily exposed to avoidable financial risks and that the financial information used and published is reliable. They also contribute to the safeguarding of assets, including the prevention and detection of fraud.

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, had been in place in Institute of Technology Carlow for the period ended 30 April 2022.

Appropriate Control Environment

The Governing Body had implemented procedures, controls and systems to ensure an appropriate control environment existed. These included:

- Documented financial procedures implemented and up to date;
- Clearly defined management responsibilities;
- Regular reviews by the Governing Body of periodic and annual financial reports which included financial performance against budget;
- Clearly defined capital investment control guidelines together with the capital works management framework;
- An outsourced internal audit function, which operated in accordance with the THEA Code of Governance;
- The operation of an Audit and Risk Committee with a defined audit charter and terms of reference, which dealt with significant control issues;
- An internal audit strategy that had been developed in consultation with the Institute's Executive Board. The Institute's Audit and Risk Committee had approved this audit strategy;
- A risk management system with regular reporting and reviews;

Approval and oversight of ITC's risk management policy including structured and periodic reviews and updates from the executive management team;

- Development of procedures for reporting significant control failures and ensuring corrective action was taken;
- Academic quality procedures in place for all aspects of the academic programmes. These included a range of processes, which included external examiners, external validation panels and both internal and external review panels at the relevant stages of the academic quality cycle;
- Adoption of and adherence to the Code of Practice for the Governance of State Bodies as encapsulated by the THEA Code of Governance for Institutes of Technology;
- Development of a strong culture of accountability across all levels of the organisation.

Business Risks

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

- Strategic planning process, including mid-term review of strategic plan, annual performance compacts with the HEA, periodic Institutional reviews and annual quality reviews with QQI;
- Adoption of a Risk Management Policy;
- Identification of key risks, risk owners and the controls to mitigate these risks;
- Development of 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 was reviewed and agreed by the Governing Body;
- Regular reviews by the Governing Body and its committees of periodic and annual financial reports which indicated financial performance against forecasts;
- Clearly defined capital investment control guidelines.

Information Systems

Institute of Technology Carlow had implemented a number of Management Information Systems to provide a means of comparing actual results to targets and forecasts. These systems included a comprehensive financial management system supported by a payroll and HR system, a student administration system, timetabling and space allocation software.

Financial Implications of Major Business Risks

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

Compliance with Procurement Rules and Guidelines

The Institute confirmed that during the period, a Corporate Procurement Plan was developed, and its Procurement Procedures were implemented in line with Public Procurement Guidelines as set out by the Office of Government Procurement, OGP, relevant EU Directives and the Department of Public Expenditure and Reform. The Institute was using the services and frameworks of the OGP, and of the Education Procurement Service (EPS), whenever appropriate. One instance of non-compliance with procurement rules and guidelines was identified and expenditure totalling €52,201 was incurred where the procedures employed did not comply with the guidelines. The following are the actions and timelines taken by the Institute in order to address the non-compliance with procurement rules and guidelines:

Action: Consideration of the process determined that due to the emergency nature of the expenditure at a time of public health concerns, that the Institute obtained value for money.

Timeline: Resolved.

Review of the Effectiveness of the Internal Control System

The Governing Body confirms that Institute of Technology Carlow had procedures to monitor the effectiveness of its risk management and control procedures. The Governing Body's monitoring and review of the effectiveness of the system of internal control was informed by:

- the work of the Internal Auditors. The Auditors submit reports which include an independent opinion on the adequacy and effectiveness of the Institute's internal controls, with recommendations for improvement. These reports were provided to the Institute's Audit and Risk Committee who reported directly to the Governing Body.
- the Audit and Risk Committee, which oversaw the work of the internal auditors. The Audit and Risk Committee met the internal auditor to review the work of the internal audit.
- the work of the Institute Executive and Management who had responsibility for the development and maintenance of the internal control framework,
- the comments made by the Comptroller and Auditor General in his management letter.

Institute of Technology Carlow had an outsourced internal audit function, which was in accordance with the Internal Audit Terms of Reference approved by the Governing Body and the THEA Code of Governance for Institutes of Technology.

Annual Review of the Effectiveness of Internal Control

The Governing Body confirms that for the period ended 30 April 2022, the Governing Body, through its Audit and Risk Committee did not conduct a review of the effectiveness of the system of Internal Controls as the Institute of Technology Carlow Governing Body ceased to exist from 1st May 2022, however a review will be undertaken in 2023.

Review of Statement on System of Internal Control

We confirm that the Statement on System of 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 reporting period.

Institute of Technology Carlow

Statement on the System of Internal Control

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

No breaches or weaknesses in internal control were identified which required disclosure in the Institute's Statement on System of Internal Controls apart from non-compliance with procurement rules disclosure on page 12.

Impact of Covid-19 on control environment

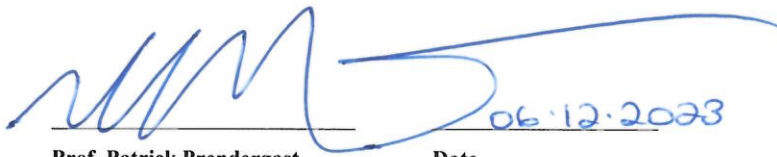
The onset of the Covid-19 pandemic from early 2020 had significantly impacted on the operations of the Institute. Public health advice and safety measures resulted in fundamental and rapid changes to the working and control environment. Management endeavoured to ensure that business and financial risks were assessed and controls were monitored to circumvent any financial errors or fraud. The following key controls were put in place to manage these risks:

- Development of a remote working policy during Covid-19.
- Establishment of Covid Response Teams to monitor the changing environment.
- ICT systems supporting the move to remote working provided staff with access to all necessary applications. This facilitated the continuance of the key controls and segregation of duties.
- Significant investment in IT hardware and software to ensure security was maintained for remote working.
- ICT department continually monitored the cyber-security risk to circumvent a cyber-attack or potential for financial loss.
- All authorisation and approval requirements were adhered to.
- Forecasts, budgets and cashflows were continually monitored to assess the impact of the pandemic on future operations and an assessment of going concern was undertaken.
- There were no changes to roles and responsibilities of staff and segregation controls were maintained during remote working.
- Communication with staff highlighting the requirement for continued compliance with the procurement procedures of the Institute.
- Financial procedures reviewed and updated to ensure business continuity and maintenance of the control environment.
- Departmental meetings with staff to ensure engagement and maintenance of key controls was in place.

Development of Technological University

Institute of Technology Carlow and Waterford Institute of Technology undertook a process to establish a Technological University under the Technological Universities Act 2018. The consortium applied to the Minister of Further and Higher Education, Research, Innovation and Science on 30th April 2021 to establish the Technological University in the South East region of Ireland. On 7th April 2022, the Minister of Further and Higher Education, Research, Innovation and Science signed the Technological Universities Act 2018 (Section 36) (Appointed Day) (No. 2) Order 2022, which cited that on 1st May 2022 Institute of Technology Carlow and Waterford Institute of Technology stood dissolved, and in their place, South East Technological University stood established.

The costs associated with this project included in the accounts for the period to 30 April 2022 amount to €1,366,649 (Year ended 2021: €1,198,500).



Prof. Patrick Prendergast
Chairperson
South East Technological University

Date

06.12.2023



Prof. Veronica Campbell
President
South East Technological University

Date

6 Dec 2023



Ard Reachtaire Cuntas agus Ciste Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Institute of Technology Carlow

Opinion on the financial statements

I have audited the financial statements of the Institute of Technology Carlow (now dissolved) for the period 1 September 2021 to 30 April 2022 as required under the provisions of the Technological Universities Act 2018. The financial statements comprise

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

In my opinion, the financial statements give a true and fair view of the assets, liabilities and financial position of the Group and the Institute at 30 April 2022 and of the income and expenditure of the Group and the Institute for the period 1 September 2021 to 30 April 2022 in accordance with Financial Reporting Standard (FRS) 102 — *The Financial Reporting Standard applicable in the UK and the Republic of Ireland*.

Basis of opinion

I conducted my audit of the financial statements in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the appendix to this report. I am independent of the Institute and 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 Institute has presented certain other information together with the financial statements. This comprises a corporate governance statement and a statement on the system of internal control. My responsibilities to report in relation to such information, and on certain other matters upon which I report by exception, are described in the appendix to this report.

I have nothing to report in that regard.

Seamus McCarthy
Comptroller and Auditor General

18 December 2023

Appendix to the report

Responsibilities of the Institute and the South East Technological University

Institute of Technology Carlow was dissolved on 30 April 2022 and its assets, liabilities and staff transferred to the South East Technological University.

The corporate governance statement sets out the responsibilities of the Institute and of the South East Technological University for

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

Responsibilities of the Comptroller and Auditor General

I am required under section 52 of the Technological Universities Act 2018 to audit the financial statements of the Institute and to report thereon to the Houses of the Oireachtas.

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

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

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

- I evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures.
- I conclude on the appropriateness of the use of the going concern basis of accounting.
- I evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

I report by exception if, in my opinion,

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

Information other than the financial statements

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

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

Reporting on other matters

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

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

Institute of Technology, Carlow

Consolidated and Institute Statement of Comprehensive Income Period ended 30 April 2022

	Note	Current Period		Previous Year	
		Consolidated 30/04/22 €000s	Institute 30/04/22 €000s	Consolidated 31/08/21 €000s	Institute 31/08/21 €000s
Income					
State Grants	3	22,318	22,318	31,301	31,301
Tuition Fees and Student Contribution	4	13,796	13,796	22,978	22,978
Research Grants & Contracts	5	1,773	1,594	2,578	2,312
Student Support Funding	7	822	822	662	662
Other Income	8	1,908	1,907	2,418	2,418
Amortisation of Deferred Capital Grants	19	2,030	2,028	2,843	2,806
Interest Income		8	8	22	22
Deferred Pension Funding	25	8,472	8,472	10,703	10,703
Total Income		51,127	50,945	73,505	73,202
Expenditure					
Staff costs	9	26,420	26,280	36,050	35,805
Retirement Benefit Cost	25	8,472	8,472	10,703	10,703
Other Operating Expenses	10	9,734	9,736	12,807	12,772
Depreciation	13	2,228	2,190	3,086	3,049
Total Expenditure		46,854	46,678	62,646	62,329
Surplus/(Deficit) before other gains and losses		4,273	4,267	10,859	10,873
Experience gains / (losses) on retirement benefit obligations	25	0	0	(5,071)	(5,071)
Reduction in pension liabilities arising from retirements in the year		0	0	10,158	10,158
Changes in assumptions underlying the present value of retirement benefit obligations	25	17,833	17,833	(8,170)	(8,170)
Total actuarial gains/(losses) in the year		17,833	17,833	(3,083)	(3,083)
Adjustment to deferred retirement benefits funding	25	(17,833)	(17,833)	3,083	3,083
Total comprehensive income for the period		4,273	4,267	10,859	10,873

The consolidated statement of comprehensive income includes all gains and losses recognised in the period
Notes 1 - 28 form part of these Financial Statements

Signed on behalf of the Governing Body

Chairperson, Prof. Patrick Prendergast

Date 06.12.2023

President, Prof. Veronica Campbell

Date 6 Dec 2023

Institute of Technology, Carlow

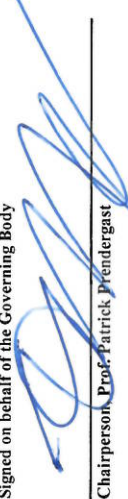
Consolidated and Institute Statement of Changes in Reserves and Capital Account Period ended 30 April 2022

	Note 19 Consolidated Deferred Capital Grants €000s	Note 19 Institute Deferred Capital Grants €000s	Note 20 Consolidated Capital Development Reserve €000s	Note 20 Institute Capital Development Reserve €000s	I&E Consolidated Revenue Reserves €000s	I&E Institute Revenue Reserves €000s	Consolidated Total €000s	Institute Total €000s
Opening Balance at 1 September 2021	54,730	54,537	31,960	31,960	7,650	7,660	94,340	94,157
Surplus for the Year before Appropriations								
Amortisation of Deferred Capital Grants	(2,030)	(2,028)			4,273	4,267	4,273	4,267
Adjustment to Accumulated Depreciation							(2,030)	(2,028)
State Grant Allocated to Capital	1,124	1,314					1,124	1,314
State Capital Grant	112	112					112	112
Other Capital Grants								
Transfer to Capital Development Reserve			4,280	4,280	(4,280)	(4,280)	-	-
Transfer from Capital Development Reserve to Deferred Capital	2,471	2,471	(2,471)	(2,471)			-	-
Movement for the Period	1,677	1,869	1,809	1,809	(7)	(13)	3,479	3,665
Closing Balance at 30 April 2022	56,407	56,406	33,769	33,769	7,643	7,647	97,819	97,822

	Note 19 Consolidated Deferred Capital Grants €000s	Note 19 Institute Deferred Capital Grants €000s	Note 20 Consolidated Capital Development Reserve €000s	Note 20 Institute Capital Development Reserve €000s	I&E Consolidated Revenue Reserves €000s	I&E Institute Revenue Reserves €000s	Consolidated Total €000s	Institute Total €000s
Opening Balance at 1 September 2020	52,789	52,726	20,956	20,956	10,593	10,589	84,338	84,271
Surplus for the year before appropriations								
Amortisation of Deferred Capital Grants	(2,843)	(2,806)			10,859	10,873	10,859	10,873
Adjustment to Accumulated Depreciation							(2,843)	(2,806)
State Grant Allocated to Capital	1,986	1,819					1,986	1,819
State Capital Grant								
Other Capital Grants								
Transfer to Capital Development Reserve			13,802	13,802	(13,802)	(13,802)	-	-
Transfer from Capital Development Reserve to Deferred Capital	2,798	2,798	(2,798)	(2,798)		0	-	-
Movement for the Period	1,941	1,811	11,004	11,004	(2,943)	(2,929)	10,002	9,886
Closing Balance at 31 August 2021	54,730	54,537	31,960	31,960	7,650	7,660	94,340	94,157

Notes 1 - 28 form part of these Financial Statements

Signed on behalf of the Governing Body


Chairperson, Prof. Patrick Prendergast


President, Prof. Veronica Campbell

Date 06.12.2022

Date 6 Dec 2023

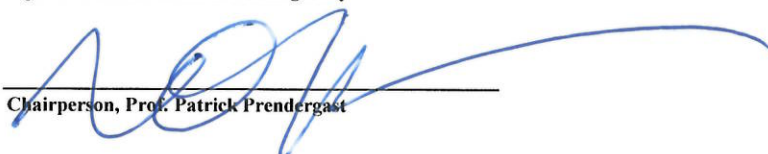
Institute of Technology, Carlow

Consolidated and Institute Statement of Financial Position As at 30 April 2022

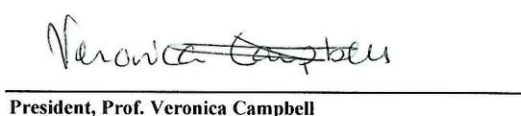
	Note	Current Period		Previous Year	
		Consolidated 30/04/22 €000s	Institute 30/04/22 €000s	Consolidated 31/08/21 €000s	Institute 31/08/21 €000s
Fixed Assets					
Property, plant and equipment	13	61,210	61,209	59,695	59,502
		<u>61,210</u>	<u>61,209</u>	<u>59,695</u>	<u>59,502</u>
Current Assets					
Receivables	15	3,380	3,343	2,486	2,510
Cash and Cash Equivalents	16	55,917	55,827	47,710	47,631
		<u>59,297</u>	<u>59,170</u>	<u>50,196</u>	<u>50,141</u>
Less Payables: Amounts due within one year	17	(22,688)	(22,557)	(15,551)	(15,486)
Net Current Assets		<u>36,609</u>	<u>36,613</u>	<u>34,645</u>	<u>34,655</u>
Provision for Amounts & Charges					
Retirement Benefits					
Retirement Benefits Obligations	25	(184,414)	(184,414)	(192,540)	(192,540)
Deferred Retirement Benefit Funding Asset	25	184,414	184,414	192,540	192,540
Total Net Assets		<u>97,819</u>	<u>97,822</u>	<u>94,340</u>	<u>94,157</u>
Deferred State Capital Grants	19	56,407	56,406	54,730	54,537
Unrestricted Reserves					
Income & Expenditure Reserve		7,643	7,647	7,650	7,660
Capital Development Reserve	20	33,769	33,769	31,960	31,960
Total		<u>97,819</u>	<u>97,822</u>	<u>94,340</u>	<u>94,157</u>

Notes 1 - 28 form part of these Financial Statements

Signed on behalf of the Governing Body


Chairperson, Prof. Patrick Prendergast

Date 06.12.2023


President, Prof. Veronica Campbell

Date 6 Dec 2023

Institute of Technology, Carlow

Consolidated Statement of Cash Flows Period ended 30 April 2022

	Current Period Period Ended 30/04/22 €000s	Previous Year Year Ended 31/08/21 €000s
Cash Flows from Operating Activities		
Excess of expenditure over income	4,273	10,859
Depreciation of fixed assets	2,228	3,086
Amortisation of deferred capital grants	(2,030)	(2,843)
(Increase) in Receivables	(894)	(614)
Increase in Payables	7,231	3,812
Interest Income	(8)	(22)
Net Cash Inflow from Operating Activities	10,800	14,278
Cash Flows from Investing Activities		
Payments to acquire property, plant & equipment	(3,799)	(4,865)
Net Cash Outflow from Investing Activities	(3,799)	(4,865)
Cash Flows from Financing activities		
Interest Received	8	22
State Recurrent Grants spent on Fixed Assets	246	364
Other funds spent on Fixed Assets	952	1,622
Net Cash Inflow from Financing Activities	1,206	2,008
Net (Decrease)/Increase in Cash Equivalents in the Year	8,207	11,421
Cash and Cash Equivalents at 1 September	47,710	36,289
Cash and Cash Equivalents at 31 August	55,917	47,710

Notes 1 - 28 form part of these Financial Statements

Signed on behalf of the Governing Body


Chairperson, Prof. Patrick Prendergast

Date 06.12.2023


President, Prof. Veronica Campbell

Date 6 Dec 2023

Institute of Technology Carlow

Notes to the Financial Statements Period ended 30 April 2022

INTRODUCTION

Carlow Regional Technical College was established in 1971 and until 31 December 1992 operated under the control of Carlow Vocational Educational Committee (VEC) in accordance with the provisions of the Vocational Education Acts. Following the enactment of the Regional Technical Colleges Act, 1992, the College was made a statutory body with effect from 1 January 1993. The Act provides for the transfer from the VEC to the College of all assets and liabilities associated with the College.

The name Carlow Regional Technical College was changed to Institute of Technology Carlow by order of the Minister for Education and Skills on 28 January 1998.

On 7th April 2022, the Minister of Further and Higher Education, Research, Innovation and Science signed the Technological Universities Act 2018 (Section 36) (Appointed Day) (No. 2) Order 2022, which cited that on 1st May 2022 Institute of Technology Carlow and Waterford Institute of Technology stood dissolved, and in their place, South East Technological University stood established.

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 year and to the preceding year.

a. General information and statement of compliance

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

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

The functional currency under FRS102 for Institute of Technology Carlow is considered to be Euro because that is the currency of the primary economic environment in which the Institute operates. The Financial Statements are also presented in Euro. Foreign operations are included in accordance with the policies set out below.

b. Basis of consolidation

The Group Financial Statements consolidate the Financial Statements of the Institute and its subsidiary undertakings made up to 30 April 2022.

The results of the 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.

c. Basis of accounting

(i) Dissolution of Institute of Technology Carlow

The Technological Universities Act 2018 provided for the dissolution of Institute of Technology Carlow.

On the 1 May 2022, Institute of Technology Carlow (the Institute) was dissolved and the South East Technological University (the University) was established under the terms of the Technological Universities Act 2018 and the Technological Universities Act 2018 (section 36) (appointed day) (No. 2) Order 2022 (SI 175 of 2022). As all the functions, operations, assets and liabilities of the Institute were transferred to South East Technological University on a going concern basis, it is therefore appropriate to continue to prepare the financial statements on a going concern basis.

Institute of Technology Carlow

Notes to the Financial Statements – (continued) Period ended 30 April 2022

1. Significant accounting policies (continued)

(ii) 8-Month Period of Account and Transfer of Balances

These financial statements have been prepared for the 8-month period from 1 September 2021 to the 30 April 2022, the date of dissolution. The financial statements recognise:

- All income and expenditure up to the date of dissolution
- All assets and liabilities at the date of dissolution which are set out in the Statement of Financial Position and which transferred to South East Technological University upon dissolution.

The following is a summary of the assets and liabilities that transferred to South East Technological University
€'000

Fixed Assets	61,210
Debtors	3,380
Banks and Cash	55,917
Creditors and Accruals	(22,688)
Pension Liabilities	(184,414)
Deferred Pension Funding	184,414
Value of Net Assets Transferred to South East Technological University	97,819

d. Going concern

The COVID-19 crisis created major business challenges for all third level institutions. The Institute in conjunction with the Higher Education Authority continues to assess the financial and operational impacts. On this basis the Institute considers it appropriate to prepare Financial Statements on a going concern basis.

On the 1 May 2022, Institute of Technology Carlow (the Institute) was dissolved and the South East Technological University (the University) was established under the terms of the Technological Universities Act 2018 and the Technological Universities Act 2018 (section 36) (appointed day) (No. 2) Order 2022 (SI 175 of 2022). As all of the Institute's functions, operations, assets and liabilities transferred to the University, these financial statements have been prepared on a going concern basis.

e. Property, plant & equipment

(i) Land and buildings

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

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

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

Buildings under construction are accounted for at cost based on the value of the architect's certificates and other direct costs incurred to the financial year end. They are not depreciated until they are brought into use.

Institute of Technology Carlow

Notes to the Financial Statements – (continued) Period ended 30 April 2022

1. Significant accounting policies (continued)

(ii) Equipment

From 1 September 2008, equipment costing less than €3,000 per individual item is written off to the income and expenditure account in the year of acquisition. Where individual items of equipment purchased are below the capitalisation limit (€3,000) and the total purchase invoice is in excess of the limit, these items are individually capitalised in the normal way. All other equipment is capitalised at cost. Capitalised equipment is depreciated over its useful economic life as follows:

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

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.

f. Financial instruments

Financial assets and financial liabilities are recognised when the Institute becomes a party to the contractual provisions of the instrument.

(i) Financial assets

Trade Receivables

Receivables with no stated interest rate and receivable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other operating expenses.

Cash and Cash Equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and in hand and short-term deposits with an original maturity date up to twelve months or less.

(ii) Financial liabilities

Trade Payables

Payables, including trade and other payables and deferred income are initially recognised at transaction price.

g. Inventory

Expenditure on books and consumable stocks is charged to the Income and Expenditure Account as incurred.

h. Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss.

Institute of Technology Carlow

Notes to the Financial Statements – (continued) Period ended 30 April 2022

1. Significant accounting policies (continued)

i. Taxation

Corporation tax

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

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. 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.

Fee Income

Fee income is accounted for on an accruals basis.

Research grants and contracts

Income from research grants and contracts is matched to expenditure and is included in the income of the year in which the related expenditure has been incurred. Full provision is made for foreseeable losses.

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

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

Minor Capital Works

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

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

Institute of Technology Carlow

Notes to the Financial Statements – (continued) Period ended 30 April 2022

1. Significant accounting policies (continued)

k. Employee benefits

(i) Retirement Benefits

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

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

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

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

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

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

Subsidiary staff are not part of the Public Sector Scheme.

(ii) Short-Term Benefits

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

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.

Institute of Technology Carlow

Notes to the Financial Statements – (continued) Period ended 30 April 2022

1. Significant accounting policies (continued)

m. Deferred State Capital Grants

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.

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

n. Capital Development Reserve

The capital development reserve represents funds set aside by the Institute 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 Institute's Capital Development plan, have been approved by the Governing Body, time phased and with estimates of costs.

2. Critical accounting judgements and key sources of estimation

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

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

Critical judgements in applying the Institute's Accounting Policies

The following are the critical judgements, apart from those involving estimations that the Governing Body has made in the process of applying the Institute's accounting policies and that have the most significant effect on the amounts recognised in the Financial Statements.

The principal estimates, judgements and assumptions used in the Financial Statements for the period ended 30 April 2022 are as follows:

1. *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 Institute. The annual depreciation charge depends on the estimated expected useful life of each type of asset and estimates of residual values. The Institute reviews the expected useful lives and changes them as appropriate 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.

Institute of Technology Carlow

Notes to the Financial Statements – (continued)

Period ended 30 April 2022

2. *Provision for doubtful debts*

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

3. *Going concern*

On the 1 May 2022, Institute of Technology Carlow (the Institute) was dissolved and the South East Technological University (the University) was established under the terms of the Technological Universities Act 2018 and the Technological Universities Act 2018 (section 36) (appointed day) (No. 2) Order 2022 (SI 175 of 2022). As all of the Institute's functions, operations, assets and liabilities transferred to the University, these financial statements have been prepared on a going concern basis.

4. *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

5. *Basis of Preparation*

Due to the revised period for Financial Statements, Student fee income is presented on a time apportion basis.

Institute of Technology, Carlow

Notes to the Financial Statements - (Continued)
Period ended 30 April 2022

3. State Grants

	Current Period			Previous Year
	Allocated for Recurrent Expenditure €000s	Allocated for Capital Expenditure €000s	2022 Total €000s	2021 Total €000s
Recurrent Expenditure - HEA	19,833	176	20,009	26,649
State Grant - HEA Covid Support	412	70	482	1,306
State Grant - HEA Performance Fund	33	0	33	0
State Grant - HEA Student Supports	102	0	102	0
State Grant - Apprenticeship Equipment and Programmes	30	18	48	183
State Grant - Capital Expenditure - HEA	2	112	114	43
State Grant - Landscape Reform	0	-	0	41
State Grant - Technological University Transformation Fund	1,367	-	1,367	1,196
State Grant - HEA Human Capital Initiative	517	26	543	2,297
Minor Capital Works - HEA	22	982	1,004	1,339
Total 2022	22,318	1,384	23,702	33,054
Total 2021	31,301	1,753	33,054	

4. Tuition Fees and Student Contribution

	2022				2021			
	Students WTE	State Funded €000s	Non State Funded €000s	Total €000s	Students WTE	State Funded €000s	Non State Funded €000s	Total €000s
Fees paid by State	2,962	1,554	-	1,554	3,287	2,613	-	2,613
Fees paid by other State agencies	10	6	-	6	17	36	-	36
Non EU Fees	555	-	1,856	1,856	448	-	2,835	2,835
Fees paid by students or on behalf of Students	674	-	1,098	1,098	849	-	1,735	1,735
Life Long Learning and other fees	1,820	1,088	1,462	2,550	2,482	2,457	2,523	4,980
Student Contribution inc. repeat exam fees	-	5,231	1,501	6,732	-	5,868	4,911	10,779
	6,021	7,879	5,917	13,796	7,083	10,974	12,004	22,978
Student Numbers / Net Fee Income	6,021	7,879	5,917	13,796	7,083	10,974	12,004	22,978

The Higher Education Authority paid tuition fees for the 8 month period 2021/2022: €1,418,159 (2020/2021 Full Year: €2,211,762) for full-time Degree courses, and €111,333 (2020/2021 Full Year: €197,750) for Higher Certificate and Ordinary Degree courses, and €889,498 (2020/2021: €2,520,008) for Springboard / July Stimulus / ICT Skills / HCI Pillar 1. SUSI paid student contribution fees in the year of €5,236,980 (2020/2021: €5,887,993).

For the 2020/2021 year, the Higher Education Authority provided Covid Student Support Scheme funding to the Institute totalling €374,000 (2021/2022: Nil). Of this €256,417 was applied to student fee balances and is reflected in the student contribution figures above and a further €117,583 was distributed directly to students.

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

5. Research Grants & Contracts

	Consolidated 2022 Total €000s	Consolidated 2021 Total €000s
Income		
State and Semi State	1,446	2,134
European Union	138	173
Less State capital grants received included above	(18)	(200)
Total State derived income	1,566	2,107
Industry	179	248
Other	28	223
Total Income	1,773	2,578
Expenditure		
Pay Costs	1,941	2,851
Non Pay Costs	1,337	1,655
Total Expenditure	3,278	4,506
Net Outcome	(1,505)	(1,928)

Included in the Research Grant and Contract Income is an amount of €147,210 (2021/2020: €201,652) in respect of overhead recovery. The balance represents direct costs recovered for research work undertaken as outlined under Expenditure headings above.

Included in the Research Grant and Contract Income is an amount of €95,357 (2021/2020: €380,851) in respect of the Higher Education Authority's funded Cost Extensions for Research Disrupted by Covid-19 support scheme.

Institute of Technology, Carlow

Notes to the Financial Statements - (Continued)
Period ended 30 April 2022

6. Analysis of State Derived Grant Income

Name of Grantor	Name / Type of Grant	Opening	Current Period		I & E 2022
		Deferral	Grant	Closing	
		01/09/21	received	30/04/22	
		€000s	€000s	€000s	€000s
Note 3 - State Grant					
Higher Education Authority / DFHERIS	Recurring Expenditure	448	18,436	1,125	20,009
Higher Education Authority / DFHERIS	Programmes	238	22	(212)	48
Higher Education Authority / DFHERIS	Landscape Reform	699	0	(623)	76
Higher Education Authority / DFHERIS	Technological University Transformation Fund	1,434	2,765	(2,908)	1,291
Higher Education Authority / DFHERIS	Capital Expenditure	(6)	22	21	37
Higher Education Authority / DFHERIS	Minor Capital Works	1,731	452	(1,179)	1,004
Higher Education Authority / DFHERIS	EEDPP Retrofit HEA Pathfinder	0	0	77	77
Higher Education Authority / DFHERIS	Performance Funding	0	1,000	(967)	33
Higher Education Authority / DFHERIS	Covid19 ICT Grant	26	0	(26)	0
Higher Education Authority / DFHERIS	Covid19 Contingency for Access	66	100	(119)	47
Higher Education Authority / DFHERIS	Covid19 National Student Mental Health Supports	189	160	(294)	55
Higher Education Authority / DFHERIS	Covid19 Support Package	(175)	1,440	(783)	482
Higher Education Authority / DFHERIS	Human Capital Initiative	761	1,679	(1,897)	543
Higher Education Authority / DFHERIS	Allocated for Capital Expenditure	0	(1,384)	0	(1,384)
Total State Grant Income		5,411	24,692	(7,785)	22,318
Note 4 - Tuition Fees & Student Contribution					
Higher Education Authority / DFHERIS	Fee Income	(41)	1,470	125	1,554
Higher Education Authority / DFHERIS	Springboard	80	708	133	921
Higher Education Authority / DFHERIS	July Stimulus	120	47	0	167
Student Universal Support Ireland / DFHERIS	Fee Income	(6)	5,243	0	5,237
Total State Grant Income		153	7,468	258	7,879
Note 5 - Research Grants & Contracts					
Teagasc / DAFM	Research Funding	57	69	(46)	80
Enterprise Ireland / DETE	Capital Funding Programmes & Initiatives	(29)	29	(0)	0
	R&D Solutions	67	536	(136)	467
	Enterprise Development	308	0	(53)	255
	Knowledge Transfer and Commercialisation	(2)	4	3	5
	Regional Enterprise Development Fund	(205)	146	172	113
Higher Education Authority / DFHERIS	Research Funding	5	21	(12)	14
Higher Education Authority / DFHERIS	Funded Cost Extensions for Research Disrupted by Covid-19 support scheme	264	(82)	(87)	95
Health Service Executive / DH	Research Funding	115	49	(97)	67
Irish Research Council / DFHERIS	Research Funding	54	348	(172)	230
Dublin City University / DFHERIS	Research Funding	(12)	13	0	1
Department of Agriculture, Food and the Marine	Food Institutional Research Measure (FIRM)	74	0	(27)	47
Geological Survey Ireland / DECC	Research Funding	(4)	50	1	47
Sustainable Energy Authority of Ireland / DECC	Research Funding	(26)	21	22	17
Science Foundation Ireland	Research Funding	8	543	(547)	4
Kilkenny Carlow Educational Training Board	Research Funding	0	11	(7)	4
Total State Grant Income		674	1,758	(985)	1,446
Note 7 - Student Support Funding					
Higher Education Authority / DFHERIS	Student Support Funding	188	969	(335)	822
Total State Grant Income		188	969	(335)	822
Note 8 - Other Income					
Higher Education Authority / DFHERIS	IT Investment Fund	0	36	0	36
Higher Education Authority / DFHERIS	EU Office	0	23	0	23
Higher Education Authority / DFHERIS	1916 Bursary Funding	137	221	(128)	230
Higher Education Authority / DFHERIS	Innovation & Transformation Fund	134	0	(134)	0
Higher Education Authority / DFHERIS	Erasmus	131	5	(109)	27
Higher Education Authority / DFHERIS	Summer Camps & Miscellaneous Other	10	17	(15)	12
Higher Education Authority / DFHERIS	EDI Healthy Campus	0	13	(13)	0
Higher Education Authority / DFHERIS	TLA Traveller and Roma Student Payments	9	19	(26)	3
Higher Education Authority / DFHERIS	National Forum Projects	179	(64)	(39)	76
Higher Education Authority / DFHERIS	South East Regional Skills Forum	(30)	127	16	113
Higher Education Authority / DFHERIS	Equality Diversity Inclusion	28	32	(42)	18
Higher Education Authority / DFHERIS	Engineering South East	51	53	(31)	73
Total State Grant Income		649	482	(521)	611

Note:

DFHERIS - Department of Further and Higher Education, Research, Innovation & Science
DAFM - Department of Agriculture, Food and the Marine
DETE - Department of Enterprise, Trade and Employment
DH - Department of Health
DECC - Department of the Environment, Climate and Communications

Institute of Technology, Carlow

Notes to the Financial Statements - (Continued)

Period ended 30 April 2022

7. Student Support Funding

	Disabilities €000s	2022 Student Assistance €000s	Total €000s	2021 Total €000s
Balance at 1 September 2021	94	94	188	108
Receipts				
Higher Education Authority / DFHERIS	115	854	969	742
Amounts Applied				
Pay Costs				
Non Pay Costs	109	713	822	662
Total Expenditure	<u>109</u>	<u>713</u>	<u>822</u>	<u>662</u>
Capital				
Balance at 30 April 2022	<u><u>100</u></u>	<u><u>235</u></u>	<u><u>335</u></u>	<u><u>188</u></u>

Funding is provided by the Higher Education Authority under the National Development Plan.

8. Other Income

	Consolidated 2022 Total €000s	Consolidated 2021 Total €000s	Institute 2022 Total €000s	Institute 2021 Total €000s
	Note			
State derived income	6	611	634	611
Superannuation deductions retained		904	1,376	904
Rental of Facilities		134	215	134
Sundry Income		259	193	258
Net Outcome		<u><u>1,908</u></u>	<u><u>2,418</u></u>	<u><u>1,907</u></u>
			<u><u>2,418</u></u>	

Institute of Technology, Carlow

Notes to the Financial Statements - (Continued)

Period ended 30 April 2022

9. Staff Costs

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

	2022 No. of employees	2021 No. of employees
Teaching and research	333	329
Technical	42	43
Central Administration and Services	157	138
	<u>532</u>	<u>510</u>
	2022 €000s	2021 €000s
Salaries and wages	23,244	32,769
Allowances & Overtime	13	13
Employers Welfare Costs	3,023	3,023
Subsidiary Companies salaries and wages	140	245
	<u>26,420</u>	<u>36,050</u>

Key management compensation

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

This also includes details of any staff on these grades seconded.

	WTE	Salary 2022 €000s	Fees 2022 €000s	Total Compensation 2022 €000s	Total Compensation 2021 €000s
Governing Body Members	-	-	14	14	31
President	1	108	-	108	161
Executive Management	9	692	-	692	1,034
	<u>10</u>	<u>800</u>	<u>14</u>	<u>814</u>	<u>1,226</u>

Institute of Technology, Carlow

Notes to the Financial Statements - (Continued)

Period ended 30 April 2022

9. Staff Costs - Continued

Post employment benefits of key management staff

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

Termination payments

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

Higher paid staff

The Institute 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 Period Ended 30 April 2022 Number of Employees	Institute Only Period Ended 30 April 2022 Number of Employees	Consolidated Year Ended 31 August 2021 Number of Employees
From	To			
€60,000	€70,000	37	37	45
€70,001	€80,000	49	48	58
€80,001	€90,000	49	49	105
€90,001	€100,000	103	103	32
€100,001	€110,000	14	14	9
€110,001	€120,000	8	8	4
€120,001	€130,000	2	2	3
€130,001	€140,000	0	0	-
€140,001	€150,000	0	0	-
	> €150,001	1	1	1
	Grand Total	263	262	257

The overall figure for employer pension contribution in the 8 month period was €155,814 (2021: €192,401)

Institute of Technology, Carlow

Notes to the Financial Statements - (Continued)
Period ended 30 April 2022

10. Other Operating Expenses - Consolidated

	2022	2022	2022	2022	2021
	Pay Costs	Depreciation	Other Operating	Total	Total
	€000s	€000s	Expenses	€000s	€000s
			€000s		
Research Grants & Contracts	1,941	-	1,337	3,278	4,506
Academic Department	18,943	-	1,557	20,500	30,295
Academic Services	579	-	829	1,408	1,904
Facilities Costs	401	-	2,299	2,700	3,052
Central Administration and Services	3,747	-	1,539	5,286	6,183
General Education Expenses	151	-	412	563	534
Student Services & Amenities	658	-	1,761	2,419	2,383
Depreciation	-	2,228	-	2,228	3,086
Ancillary Activities	-	-	-	-	-
Total Expenditure	26,420	2,228	9,734	38,382	51,943
Total 2021	36,050	3,086	12,807	51,943	

10. Other Operating Expenses - Continued

	Consolidated	Consolidated	Institute	Institute
	2022	2021	2022	2021
	€000s	€000s	€000s	€000s
Materials & other Consumables	362	486	362	485
Light, Heat and Power	739	543	739	543
Repairs and Maintenance Costs	582	732	582	730
Library Subscriptions, Periodicals, Books and Printed material	304	446	304	446
Travel & Subsistence	65	22	65	22
Hospitality	-	-	-	-
Printing, Stationery, Postage and other Office Expenses	250	239	250	237
Rent, Rates and Insurance Costs	391	602	388	587
Recruitment, training etc.	238	350	238	344
Audit Fee	62	79	55	72
Equipment (non capitalised) purchases and maintenance	186	192	186	189
Premises costs	682	956	681	955
Services to Students	1,322	1,174	1,322	1,174
Consultancy & Legal Costs	255	339	232	326
Professional Fees	389	441	389	441
Subscriptions and Management Services	463	657	463	657
General Education	1,495	1,786	1,495	1,786
Computer Costs	518	738	518	737
General Advertising & Publicity	485	598	485	596
Bad debt expense	337	137	337	137
Other Expenses	322	281	308	279
Transfers to Project Partners	287	2,009	287	2,009
Contribution to Subsidiaries	-	-	50	20
Total Other Operating Expenses	9,734	12,807	9,736	12,772

Other Operating Expenses include:	2022	2021	2022	2021
	€000s	€000s	€000s	€000s
Auditors Remuneration:				
Audit of Institute by the C&AG	40	42	40	42
Internal Audit Services provided by a 3rd Party	15	30	15	30
External Audit of Subsidiaries	7	7	-	-
Internal Audit of Subsidiaries provided by a 3rd Party	-	-	-	-
	62	79	55	72

Institute of Technology, Carlow

Notes to the Financial Statements - (Continued) Period ended 30 April 2022

10. Other Operating Expenses - Continued

	2022	2021
	€000s	€000s
10a. Travel and Subsistence		
Travel: Domestic	42	19
Travel International	23	3
	<u>65</u>	<u>22</u>
10b. Hospitality		
Student events	-	-
Staff events	-	-
Other events	-	-
	<u>-</u>	<u>-</u>
10c. External Consultancy Costs		
Consultancy Fees - Legal	48	49
Consultancy Fees - Tax & financial advisory	-	-
Consultancy Fees - Public relations / marketing	-	-
Consultancy Fees - Pensions and human resources	4	1
Consultancy Fees - Other	203	289
	<u>255</u>	<u>339</u>
10d. Legal costs / Settlements - included above		
Legal Costs – Legal Proceedings	48	49
Legal Costs – Settlements	-	-
	<u>48</u>	<u>49</u>

11. Taxation

The Institute of Technology, Carlow is exempt from Corporation Tax under a charitable status order.

Insurtech Network Centre DAC has no liability for Corporation Tax for the year.

National Design Innovation Hub DAC has no liability for Corporation Tax for the year.

12. Financial result for the year

The financial result for the year on continuing operations is made up as follows:

	2022	2021
	€000s	€000s
Institute surplus for the year	4,267	10,873
(Deficit) / Surplus generated by subsidiaries and other undertakings	6	(14)
Surplus for the year	<u>4,273</u>	<u>10,859</u>

Institute of Technology, Carlow

Notes to the Financial Statements - (Continued)

Period ended 30 April 2022

13. Property, Plant and Equipment Consolidated

	Land & Buildings €000s	Assets in course of construction €000s	Fixtures & Fittings €000s	Computer Equipment €000s	Plant & Machinery €000s	Furniture & Equipment €000s	Total €000s
Cost							
At 1 September 2021	76,302	4,646	5,283	10,488	551	15,523	112,793
Additions in year	(7)	2,577	258	457	54	558	3,897
Transfers from assets in course of construction	4,519	(4,558)	-	-	-	39	0
Disposals in year	-	-	-	(304)	-	(186)	(490)
At 30 April 2022	80,814	2,665	5,541	10,641	605	15,934	116,200
Depreciation							
At 1 September 2021	26,772	-	3,589	9,121	497	13,119	53,098
Charge for year	935	-	177	503	8	605	2,228
Disposals in year	-	-	-	(280)	-	(56)	(336)
At 30 April 2022	27,707	-	3,766	9,344	505	13,668	54,990
Net book value							
At 30 April 2022	53,107	2,665	1,775	1,297	100	2,266	61,210
At 1 September 2021	49,530	4,646	1,694	1,367	54	2,404	59,695

Lease commitments at 30 April 2022 amounted to €nil.

Institute of Technology, Carlow

Notes to the Financial Statements - (Continued)

Period ended 30 April 2022

13. Property, Plant and Equipment (continued) in respect of prior year Consolidated

	Land & Buildings €000s	Assets in course of construction €000s	Fixtures & Fittings €000s	Computer Equipment €000s	Plant & Machinery €000s	Furniture & Equipment €000s	Total €000s
Cost							
At 1 September 2020	69,446	9,793	4,475	9,246	588	14,510	108,058
Additions in year	82	2,800	12	1,242	4	644	4,784
Transfers from assets in course of construction	6,774	(7,947)	796	-	-	377	-
Disposals in year	-	-	-	-	(41)	(8)	(49)
At 31 August 2021	76,302	4,646	5,283	10,488	551	15,523	112,793
Depreciation							
At 1 September 2020	25,455	-	3,305	8,500	527	12,274	50,061
Charge for year	1,317	-	284	621	11	853	3,086
Disposals in year	-	-	-	-	(41)	(8)	(49)
At 31 August 2021	26,772	-	3,589	9,121	497	13,119	53,098
Net book value							
At 31 August 2021	49,530	4,646	1,694	1,367	54	2,404	59,695
At 1 September 2020	43,991	9,793	1,170	746	61	2,236	57,997

Lease commitments at 31 August 2021 amounted to €nil.

Institute of Technology, Carlow

Notes to the Financial Statements - (Continued)
Period ended 30 April 2022

13. Property, Plant and Equipment (continued) Institute Only

	Land & Buildings €000s	Assets in course of construction €000s	Fixtures & Fittings €000s	Computer Equipment €000s	Plant & Machinery €000s	Furniture & Equipment €000s	Total €000s
Cost							
At 1 September 2021	76,302	4,646	5,283	10,420	551	15,356	112,558
Additions in year	(7)	2,577	258	457	54	558	3,897
Transfers from assets in course of construction	4,519	(4,558)	0	-	-	39	0
Disposals in year	-	-	-	(242)	-	(19)	(261)
At 30 April 2022	80,814	2,665	5,541	10,635	605	15,934	116,194
Depreciation							
At 1 September 2021	26,772	-	3,589	9,093	497	13,105	53,056
Charge for year	934	-	177	488	8	583	2,190
Disposals in year	-	-	-	(242)	-	(19)	(261)
At 30 April 2022	27,706	-	3,766	9,339	505	13,669	54,985
Net book value							
At 30 April 2022	53,108	2,665	1,775	1,296	100	2,265	61,209
At 1 September 2021	49,530	4,646	1,694	1,327	54	2,251	59,502

Lease commitments at 30 April 2022 amounted to €nil.

Institute of Technology, Carlow

Notes to the Financial Statements - (Continued)
Period ended 30 April 2022

**13. Property, Plant and Equipment (continued) in respect of prior year
Institute Only**

	Land & Buildings €000s	Assets in course of construction €000s	Fixtures & Fittings €000s	Computer Equipment €000s	Plant & Machinery €000s	Furniture & Equipment €000s	Total €000s
Cost							
At 1 September 2020	69,446	9,793	4,475	9,178	588	14,510	107,990
Additions in year	82.00	2,800	12	1,242	4	477	4,617
Transfers from assets in course of construction	6,774	(7,947)	796	-	-	377	-
Disposals in year	-	-	-	-	(41)	(8)	(49)
At 31 August 2021	76,302	4,646	5,283	10,420	551	15,356	112,558
Depreciation							
At 1 September 2020	25,455	-	3,305	8,495	527	12,274	50,056
Charge for year	1,317	-	284	598	11	839	3,049
Disposals in year	-	-	-	-	(41)	(8)	(49)
At 31 August 2021	26,772	-	3,589	9,093	497	13,105	53,056
Net book value							
At 31 August 2021	49,530	4,646	1,694	1,327	54	2,251	59,502
At 1 September 2020	43,991	9,793	1,170	683	61	2,236	57,934

Lease commitments at 31 August 2021 amounted to €nil.

Institute of Technology, Carlow

Notes to the Financial Statements - (Continued)

Period ended 30 April 2022

14. Subsidiary Undertakings and Investments

The Institute has the following subsidiary undertakings through which certain ancillary activities are carried out.

a) Name	Insurtech Network Centre DAC
Registered Office	Institute of Technology, Carlow
% owned by Institute of Technology, Carlow	100%
Activities	Provision of business development services
Profit for the year	€0
Net Assets at the statement of financial position date	€5,462

b) Name	National Design Innovation Hub DAC
Registered Office	Institute of Technology, Carlow
% owned by Institute of Technology, Carlow	100%
Activities	Deliver design services with collaborative partners
Profit for the year	€5,766
Net Assets at the statement of financial position date	(€9,501)

The Institute holds an interest in the following company:

c) Name	Microgen Biotech Ltd
Registered Office	Nova UCD, Belfield, Dublin, D04 V2P1
% owned by Institute of Technology, Carlow	2.18%
Activities	Research & experimental development on Sciences and Engineering
Name Change	Talam Biotech Ltd 06/07/2022

15. Receivables

	Consolidated		Institute	
	2022 €000s	2021 €000s	2022 €000s	2021 €000s
Trade Receivables	701	694	648	671
Academic fees receivable	357	265	357	265
Provision for bad debts	(374)	(185)	(354)	(165)
State Grant Receivable	1,379	330	1,379	330
Research grants and contracts receivable	64	108	64	108
Prepayments and accrued income	747	534	747	530
Other receivables	506	740	502	771
	3,380	2,486	3,343	2,510

Institute of Technology, Carlow

Notes to the Financial Statements - (Continued) Period ended 30 April 2022

16. Cash & cash equivalents

	Consolidated		Institute	
	2022 €000s	2021 €000s	2022 €000s	2021 €000s
Cash at bank including balances held on short term deposit	55,917	47,710	55,827	47,631
Long term deposit				
	55,917	47,710	55,827	47,631

17. Payables: Amounts falling due within one year

	Consolidated		Institute	
	2022 €000s	2021 €000s	2022 €000s	2021 €000s
Trade payables	179	71	172	71
Research grants and contracts in advance	1,796	1,014	1,796	1,014
Tuition fees received in advance	5,091	1,801	5,091	1,801
State grants received in advance	3,371	2,292	3,371	2,292
Accruals	2,771	2,217	2,748	2,204
Other tax and social security	1,186	1,024	1,180	1,017
Other payables	1,352	2,108	1,317	2,107
Deferred Income Student Support Funding	335	188	335	188
Other amounts received in advance	6,607	4,836	6,547	4,792
Total Creditors	22,688	15,551	22,557	15,486

Institute of Technology, Carlow

Notes to the Financial Statements - (Continued) Period ended 30 April 2022

18. Lease Commitments

The Institute tenders for the provision of on-site catering services.

The contract is offered on a three year basis with the possibility of two 12 month extensions.

The arrangement was entered into 26th October 2019 and will cease on 31st August 2023 following the granting of one 12-month extension.

The payments are based on a percentage of the annual catering sales received by the caterer.

Covid-19 impacted on the income from the catering concession and this was reflected in the previous year income.

The following table sets out a maturity analysis of lease income due after 30 April 2022:

	Other 2022 €000s	Other 2021 €000s
Operating Leases		
Total future minimum lease payments under non-cancellable operating leases are as follows:		
Within 1 Year	117	50
Between 2 & 5 Years	12	
Finance Lease		
Greater than 5 Year		
Total Commitments	129	50

Institute of Technology, Carlow

Notes to the Financial Statements - (Continued)

Period ended 30 April 2022

19. Deferred State Capital Grants

	Consolidated		Institute	
	2022 €000s	2021 €000s	2022 €000s	2021 €000s
At 1 September 2021				
Opening Balance	54,730	52,789	54,537	52,726
State Capital Grants received in year				
Allocated from State recurrent grant	176	(124)	176	(124)
State Grant - HEA Covid Support	70	488	70	488
State Grant - Apprentice Syllabus	18	76	18	76
State grant for Minor Capital Works - DFHERIS	982	1,200	982	1,200
State Grant - Capital Expenditure - HEA	112	-	112	-
Funded from capital development reserve	2,471	2,798	2,471	2,798
Other capital grants/funding	(122)	346	68	179
Total	3,707	4,784	3,897	4,617
Amortised to Income and expenditure in year				
Amortised in line with deferred capital grants	(2,030)	(2,843)	(2,028)	(2,806)
Amortisation on Assets Disposed during the year				
Total	(2,030)	(2,843)	(2,028)	(2,806)
At 30 April 2022				
Closing Balance	56,407	54,730	56,406	54,537

As at 30 April 2022, the Institute has not received any state capital grants in advance of the commencement of construction works.
(2021: €nil)

Institute of Technology, Carlow

Notes to the Financial Statements - (Continued) Period ended 30 April 2022

20. Capital Development Reserve

	Consolidated		Institute	
	2022 €000s	2021 €000s	2022 €000s	2021 €000s
Opening Balance	31,960	20,956	31,960	20,956
Donations, Bank Rental Income and Interest	2	11	2	11
Transfer from Student Fees	-	424	-	424
Transfer from Recurrent Grant	2,863	9,400	2,863	9,400
Self financing Activities	1,415	3,967	1,415	3,967
	<u>4,280</u>	<u>13,802</u>	<u>4,280</u>	<u>13,802</u>
Capital Projects - State	(2,471)	(2,798)	(2,471)	(2,798)
Capital Projects - NonState	-	-	-	-
Total Capital Projects	<u>(2,471)</u>	<u>(2,798)</u>	<u>(2,471)</u>	<u>(2,798)</u>
Closing Balance	<u>33,769</u>	<u>31,960</u>	<u>33,769</u>	<u>31,960</u>

21. Capital Commitments

	Consolidated		Institute	
	2022 €000s	2021 €000s	2022 €000s	2021 €000s
Contracted for but not provided	19,607	1,772	19,607	1,772
Authorised but not contracted	-	-	-	-
	<u>19,607</u>	<u>1,772</u>	<u>19,607</u>	<u>1,772</u>

22. Related Parties

In the normal course of business, the Institute may enter into contractual arrangements with undertakings in which the Institute's Governing Body members are employed or otherwise interested. The Institute has adopted procedures in accordance with the Code of Governance of Irish Institutes of Technology 2019 in relation to the disclosure of interests by members of the Board and the Institute has complied with these procedures during the year.

23. Contingent Liabilities

There were no contingent liabilities existing at 30 April 2022

Institute of Technology, Carlow

Notes to the Financial Statements - (Continued)

Period ended 30 April 2022

24. Technological University Project

Institute of Technology Carlow and Waterford Institute of Technology applied to the Minister of Further and Higher Education, Research, Innovation and Science on 30th April 2021 to establish the Technological University in the South East region of Ireland.

On 7th April 2022, the Minister of Further and Higher Education, Research, Innovation and Science signed the Technological Universities Act 2018 (Section 36) (Appointed Day) (No. 2) Order 2022, which cited that on 1st May 2022 Waterford Institute of Technology and Institute of Technology Carlow stood dissolved and, in their place, South East Technological Univeristy stood established.

The costs directly associated with this project and included in the accounts for the year ended 30th April 2022 amount to €1,366,649 (2021: €1,198,500).

Institute of Technology, Carlow

Notes to the Financial Statements - (Continued)

Period ended 30 April 2022

25. Retirement Benefit Costs

(i) Staffing

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

(ii) Description of Scheme

Institute Scheme

The pension scheme is a defined benefit final salary pension arrangement with benefits and contributions defined by reference to current "model" public sector scheme regulations. The scheme provides a pension (one eightieth per year of service), a gratuity or lump sum (three eightieths per year of service) and spouse's and children's pensions. Normal Retirement Age is a member's 65th birthday, and pre 2004 members have an entitlement to retire without actuarial reduction from age 60. Pensions in payment (and deferment) normally increase in line with general public sector salary inflation. Deductions from staff are retained by the Institute.

Single Scheme

New entrant staff, employed by the Institute after 1 January 2013 are members of the Single Public Service Pension Scheme in accordance with Public Sector Pensions (Single Scheme and other Provisions) Acts 2012. Deductions from staff salaries under the Single Scheme are transferred to the Department of Public Expenditure and Reform on a monthly basis in accordance with the act. The Single Scheme is the occupational pension scheme for new entrant public servants hired since 1 January 2013. It is a defined benefit scheme, with retirement benefits based on career-average pay. The scheme generates pension credits and retirement lump sum credits for each scheme member. These money credits, known as "referable amounts", accrue as percentages of pay on an ongoing basis. The referable amounts accrued each year are revalued annually until retirement in line with inflation increases (Consumer Price Index). The annual pension awarded on retirement is the cumulative total of a scheme member's pension referable amounts, and the retirement lump sum awarded is, similarly, the total of the scheme member's lump sum referable amounts.

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 30 April 2022. On retirement, members' pensions are paid by the National Shared Services Office on behalf of the Department of Further and Higher Education, Research, Innovation and Science and those payments are charged to that Departments appropriation account. Therefore, former employees of the Institute who are in receipt of pension have been excluded from the valuation. The reduction in liability arising from members who retire during the year is reflected as an experience gain and is separately identified in the liability reconciliation.

The principal actuarial assumptions used to calculate the components of the defined benefit cost for the year ended 30 April 2022 were as follows:

	30 April 2022	31 August 2021
Discount rate	2.75%	1.40%
Inflation rate	2.80%	1.85%
Salary increases	4.05%	3.10%
Pension increases	3.55%	2.60%

Institute of Technology, Carlow

Notes to the Financial Statements - (Continued)

Period ended 30 April 2022

25. Retirement Benefit Costs - continued

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

	30 April 2022 Years	31 August 2021 Years
Male aged 65	21.8	21.8
Female aged 65	24.1	24.1

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

	30 April 2022 €000s	31 August 2021 €000s
Current service cost	7,910	10,483
Interest on retirement benefit scheme liabilities	1,797	2,004
Employee contributions / (benefits paid)	(1,235)	(1,784)
	<u>8,472</u>	<u>10,703</u>

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

	30 April 2022 €000s	31 August 2021 €000s
Net retirement benefit obligation at 1 September	192,540	176,970
Net Current service costs	7,910	10,483
Employee contributions	-	-
Interest costs	1,797	2,004
Experience loss / (gain) on liabilities	-	5,071
Changes in actuarial assumptions	(17,833)	8,170
Reduction in pension liabilities arising from retirements during the year	-	(10,158)
	<u>(8,126)</u>	<u>15,570</u>
Net retirement benefit obligations at 31 August	<u>184,414</u>	<u>192,540</u>
Split between:		
Single Public Service Pension Scheme	8,702	7,847
Education Sector Superannuation Scheme	175,712	184,693

Institute of Technology, Carlow

Notes to the Financial Statements - (Continued) Period ended 30 April 2022

25. Retirement Benefit Costs - continued

(v) Deferred funding asset for retirement benefits

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

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

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

	30 April 2022 €000s	31 August 2021 €000s
Funding recoverable in respect of current year retirement	8,472	10,703
	<u>8,472</u>	<u>10,703</u>

The deferred funding liabilities for retirement benefit as at 30 April 2022 amounted to €184.4m. (2020/2021: €192.5m)

(vi) History of defined benefits obligations

	30 April 2022 €000s	31 August 2021 €000s
Defined benefit obligations	184,414	192,540
Experience losses / (gains) on deferred benefit scheme liabilities		

26. Post Balance Sheet Events

On 7th April 2022, the Minister of Further and Higher Education, Research, Innovation and Science signed the Technological Universities Act 2018 (Section 36) (Appointed Day) (No. 2) Order 2022, which cited that on 1st May 2022 Institute of Technology Carlow and Waterford Institute of Technology stood dissolved, and in their place, South East Technological University stood established.

Institute of Technology, Carlow

Notes to the Financial Statements - (Continued)
Period ended 30 April 2022

27. Foundations and Trusts

The Institute does not have any foundations or trusts.

28. Approval of Financial Statements

The Financial Statements were approved by the Governing Body on 5th December 2023