

Waterford Institute of Technology

Consolidated financial statements

for the 20 month period from 01 September 2020 to 30 April 2022

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Waterford Institute of Technology

Corporate Governance Statement

On 1 May 2022, Waterford Institute of Technology (the Institute) was dissolved and the South East Technological University (the University) was established under the Technological Universities Act 2018 and Statutory Instrument no. 175 of 2022.

This statement was approved by the South East Technological University based on the work of the Governing Body and Management of the Institute.

Governing Body

The Governing Body of the Institute 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.

Strategic Plan, Annual Programmes and Budget

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

Compliance with Public Spending Code

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

Management of Capital Projects

Waterford Institute of Technology's 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.

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Governing Body Meetings

During the period from 1st September 2020 to 30 April 2022 the Governing Body met on **19** separate occasions on the following dates:

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 period	Meeting Dates
Cllr. Jim Moore	Chairperson	19	19	1st Meeting 1.10.2020
Prof. Willie Donnelly	President (Ex-Officio Member)	19	19	2nd Meeting 27.10.2020
Cllr. Mary Hilda Cavanagh	Vice-Chairperson, Member - ETB Representative (Kilkenny/Carlow)	16	19	3rd Meeting 24.11.2020
Cllr. Kieran Bourke	Member – ETB Representative (Tipperary)	0	19	4th Meeting 16.12.2020
Cllr. Garry Laffan	Member – ETB Representative (Waterford & Wexford)	12	19	5th Meeting 26.1.2021
Cllr. Lola O'Sullivan	Member – ETB Representative (Waterford & Wexford)	15	19	6th Meeting 25.2.2021
Cllr. Barbara-Anne Murphy	Member – ETB Representative (Waterford & Wexford)	17	19	7th Meeting 25.3.2021
Ms. Mary Ryan	Member – ETB Representative (Waterford & Wexford)	19	19	8th Meeting 27.4.2021
Ms. Louise Walsh	Member – Academic Staff Representative	18	19	9th Meeting 27.5.2021
Mr. Ray Ryan	Member – Academic Staff Representative	18	19	10th Meeting 17.6.2021
Mr. David Kane	Member - Professional, Management & Support Staff Representative	19	19	11th Meeting 14.9.2021
Mr. John Fortune (ceased 30.6.2021)	Member – Student Representative	10	10	12th Meeting 30.9.2021
Ms. Rhiannon Kavanagh (ceased 30.6.2021)	Member – Student Representative	10	10	13th Meeting 2.11.2021
Ms. Rachel McCartney (from 1.7.2021)	Member – Student Representative	7	9	14th Meeting 30.11.2021
Mr. Killian Fitzpatrick (from 1.7.2021)	Member – Student Representative	4	9	15th Meeting 21.2.2021
Mr. Michael Fitzpatrick	Member - ICTU Representative	11	19	16th Meeting 27.1.2022
Ms. Anne Marie Caulfield	Member - External Business Representative (Waterford Chamber)	18	19	17th Meeting 24.2.2022
Mr. Michael Quinn	Member - External Business Representative (Waterford Council)	7	19	18th Meeting 31.3.2022
Mr. Andy Crowley	Member - External Business Representative (IBEC)	15	19	19th Meeting 28.4.2022
Ms. Imelda Buckley	Member - External Business Representative (ACCA Ireland)	17	19	
Ms. Nora Widger	Member - External Representative (Culture & Arts)	16	19	

During the period the Governing Body met on 2 occasions (14.9.2021 & 31.3.2022) without executive members or management present.

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The fees and/or expenses paid to members of the Governing Body were in accordance with guidelines from the Department of Public Expenditure and Reform.

Figure 1.2			
Governing Body Expenses 1st September 2020 to 30th April 2022			
GB Members	Expenses	Fees (Interviews etc.)	Total Paid
Jim Moore	2,991.97	11,400.00	14,391.97
Mary Cavanagh	180.06	600.00	780.06
Lola O’Sullivan	977.33	16,950.00	17,927.33
Mary Ryan	373.52	8,400.00	8,773.52
Imelda Buckley	268.62	-	268.62
Teresa Byrne (External ARC member)	-	2,100.00	2,100.00
Martin Costello (External ARC member)	47.48	2,400.00	2,447.48

Risk Management

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

Audit and Risk Committee

The Terms of Reference for the Audit and Risk Committee were set by the Governing Body of the Institute and include provisions 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 Audit and Risk Committee discharged its role effectively and efficiently and met the requirements with regard to frequency of meetings in this period. See figure 1.3 below for details of meetings held during the period.

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Other Committee Meetings

Figure 1.3			
All Governing Body Committee Meetings 1st September 2020 to 30th April 2022			
Committee Members (to include External Members where appropriate)	Committee Name	Number of Committee meetings attended	Number of Committee meetings during the period
Nora Widger, (GB & ARC Chair)	Audit & Risk Committee	11	11
Imelda Buckley (GB)	Audit & Risk Committee	10	11
Martin Costello (External)	Audit & Risk Committee	8	11
Teresa Byrne (External)	Audit & Risk Committee	8	11
Elaine Sheridan (WIT, Secretary)	Audit & Risk Committee	11	11
Jim Moore (GB & Chair)	Strategy/Strategic Capital Subcommittee	3	3
Willie Donnelly (President)	Strategy/Strategic Capital Subcommittee	3	3
Mary Ryan (GB)	Strategy/Strategic Capital Subcommittee	3	3
Nora Widger (GB)	Strategy/Strategic Capital Subcommittee	2	3
Elaine Sheridan (WIT, Secretary)	Strategy/Strategic Capital Subcommittee	3	3
Richard Hayes (WIT, VP Strategy)	Strategy/Strategic Capital Subcommittee	2	3
Paul Quirke (WIT, Capital Manager)	Strategy/Strategic Capital Subcommittee	3	3
Elaine Greenan (WIT, Estates Manager)	Strategy/Strategic Capital Subcommittee	1	3
Barbara-Anne Murphy (GB & Chair)	Gender Review Group	2	2
Elaine Sheridan (WIT, Secretary)	Gender Review Group	2	2
Suzanne Denieffe (WIT, HOS Humanities)	Gender Review Group	1	2
Sue Hurley (WIT, HR Manager)	Gender Review Group	1	2
John Fortune (WITSU representative)	Gender Review Group	1	2
Frank O'Regan (External Chair to Feb '22)	Subsidiary Board – WIT DCS/Novus	8	11
Martin Freyne (External Chair from Feb '22)	Subsidiary Board – WIT DCS/Novus	3	11
Elaine Sheridan (WIT, Secretary)	Subsidiary Board – WIT DCS/Novus	11	11
Tina Darrer (External)	Subsidiary Board – WIT DCS/Novus	9	11
John Windle (External, from Feb '22)	Subsidiary Board – WIT DCS/Novus	3	11
Michael Fitzpatrick (GB rep)	Subsidiary Board – WIT DCS/Novus	0	11
Derek O'Byrne (WIT, Staff from Feb '22)	Subsidiary Board – WIT DCS/Novus	3	11
Ray Cullen (WIT, Staff to Oct 2020)	Subsidiary Board – WIT DCS/Novus	1	11
Helen Murphy (WIT, Staff to Nov 2021)	Subsidiary Board – WIT DCS/Novus	7	11
Pat Lynch (WIT, Staff)	Subsidiary Board – WIT DCS/Novus	7	11
John Fortune (WITSU to June '21)	Subsidiary Board – WIT DCS/Novus	5	11
Ben Nolan (WITSU to June '21)	Subsidiary Board – WIT DCS/Novus	5	11
Rachel McCartney (WITSU from Sept '21)	Subsidiary Board – WIT DCS/Novus	4	11
Lauren English Adams (WITSU from Sept '21)	Subsidiary Board – WIT DCS/Novus	5	11

Performance Evaluation of the Governing Body and its Committees

The Governing Body commenced but did not conclude an internal review of its own performance. This matter was brought to the attention of WIT Governing Body on 25/2/2022 suggesting that it would be beneficial to carry out a self-assessment exercise pre-dissolution of the board. An online tool developed in-house to assist this process was circulated to GB members on 1/3/2022. 5 responses were received and reviewed by the Chair.

The Governing Body in situ during the period did not carry out an external review of its own performance during the period under review. An external review was not deemed appropriate at the time given transition to the Technological University and formation of a new Governing Body.

The Audit & Risk committee completed an internal review of the performance of the committee in the financial period.

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General Governance and Accountability Issues

There are no governance and accountability issues that the Institute wish to bring to the attention of the Minister for Further & Higher Education, Research, Innovation & Science and the Higher Education Authority.

Asset Disposals

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

Commercially Significant Developments affecting the Institute

There were no commercially significant developments that affected the Institute in the period, including the establishment of subsidiaries, joint ventures and acquisitions.

Summary of all Off-Balance Sheet Transactions of the Institute

There are no Off-Balance Sheet transactions to report.

Code of Conduct for Members and Employees

A Code of Conduct for both Members and Employees has been implemented. This included statements regarding conflict of interest and ethics in public office policies. The Institute has in place a comprehensive and appropriate Conflict of Interest Policy.

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

The Institute complied with its obligations under the Government policy on the pay of the President and all other Institute employees. Please also refer to financial statements' disclosure note 9.

Statement of Compliance

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

Confidential Disclosure Reporting - Protected Disclosures Act 2014

Procedures for Confidential Disclosure Reporting were implemented. These procedures allowed employees, in confidence, to raise concerns about possible irregularities in financial reporting or any other matters, and ensured that meaningful follow-up of matters raised this way took place. The Confidential Disclosure Reporting in place at Waterford Institute of Technology was in line with the Protected Disclosures Act 2014.

The annual reports, as required under section 22(1) of the Act has been published. There were no protected disclosures received from employees of Waterford Institute of Technology during the period.

Tax Laws

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

Legal Disputes

A breakdown of the legal costs/settlements is included in the financial statements disclosure note 10. Waterford Institute of Technology has no legal disputes involving other State Bodies.

Institute Subsidiaries

Waterford Institute of Technology had 4 subsidiaries which operated for the following purposes:

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Figure 1.4		
Subsidiary name	Year of establishment	Purpose / function
WIT Diverse Campus Services Limited	2001	The company is principally engaged in the operation of college campus facilities and student services. The company has 3 trading operating units which are structured to provide campus services to WIT including student catering and student accommodation and sports.
WIT Social & Sports Club Limited	2000	The company was principally engaged in the provision of college bar and restaurant services, until 1 September 2018 when restaurant services ceased. The company has not traded since the commencement of the Covid 19 pandemic and is currently being dissolved.
ThreeD DAC	2017	Set up in response to a call for funding from the Regional Development fund as a designated design, development and dissemination facility for 3D Additive manufacturing (AM) set up to impart knowledge and provide training, develop standards and certification as well as product/prototype development for the manufacturing sector.
LI4 DAC	2020	Institute set up LI4 DAC in relation to a call for funding from the Regional Development fund. The company objects include imparting knowledge and the provision of training in relation to Lean Industry 4.0 techniques, tools and practices related consultancy and research.

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

The subsidiaries apply the THEA Code of Governance where appropriate, and annual statements or equivalent were provided to the Governing Body and the Governing Body received a formal report of compliance or equivalent from each subsidiary. Please refer to the financial statements disclosure note 15 for additional detail.

Intellectual Property (IP) and Conflict of Interest

- (i) The Institute had in place a single IP policy, published on its website, which reflected the National IP Management Requirements of the national IP Protocol.
 - (ii) The Institute had in place a single Conflict of Interest Policy, and this was published on its website.
- The Governing Body reviewed all IP commercialisation and conflicts of interest on an annual basis.

Gender balance, diversity and inclusion

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

- The creation of a dedicated Office for Equality Diversity & Inclusion, led by a Vice President for Equality Diversity & Inclusion.
- The introduction of an EDI Policy and a Gender Equality Action Plan.
- The launch of an Equality, Diversity & Inclusion Fund which provided financial support for EDI themed projects, events and initiatives.
- A LGBTQIA+ Network has been established along with further training in this area.
- Publication and ongoing implementation of an Action Plan to Tackle Sexual Harassment & Violence including the establishment of a cross institutional working group to support work in this area.
- Active Consent Training rolled out to all incoming 1st year students and existing 3rd and 4th year students.
- Launch of EDI Webpage, including information on EDI structures and supports, data, training and events, and reporting and supports for sexual violence & harassment.
- Launch of the SpeakOut tool (online and anonymous reporting platform for incidents of bullying, cyberbullying,

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harassment, discrimination, hate crime, coercive behaviour/control, stalking, assault, sexual harassment, sexual assault, and rape). It will provide users with support services relevant to their experience. The data collected through this tool will be used to inform policy and targeted educational initiatives, both at WIT and nationally.

With respect to the membership of the Governing Body, while the Institute engaged in the appointments process, the appointment decisions were made by the Minister. As at 30 April 2022, the Governing Body had 9 (47%) female and 10 (53%) 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.

Travel and Subsistence

Government travel policy requirements were complied with in all respects.

	2022	2020
	€	€
Domestic Travel	165,990	373,433
International Travel	83,492	225,962
Total	249,482	599,395

Hospitality Expenditure

	2022	2020
	€	€
Staff Events	14,792	6,104
Student Events (excluding costs associated with conferring)	20,282	8,476
Other External	13,102	62,931
Total	48,176	77,511

Legal Costs/Settlements

	2022	2020
	€	€
Professional Fees	258,865	122,723
Settlements		10,000
Total	258,865	132,723

Consultancy Fees

	2022	2020
	€	€
Professional Fees: Legal (all legal fees)	258,865	132,723
Professional Fees: Tax and financial advisory (e.g. due diligence, accounting, corporate finance)	52,644	
Professional Fees: Public relations/marketing	210,269	31,761
Professional Fees: Pensions and human resources	59,143	20,662
Professional Fees: Other	1,207,239	279,090
Total	1,788,160	464,236

Annual Report and Financial Statements

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

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Governing Body Responsibilities

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

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

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

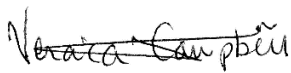
The Institute was also responsible for safeguarding its assets and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

As Waterford Institute of Technology was dissolved on 30 April 2022 and as functions and operations of the Institute were transferred to the South East Technological University, these financial statements have been approved by the University.

Chairperson:



President:



Date:

5 December 2023

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Statement on System of Internal Controls

Scope of Responsibility

On 1 May 2022, Waterford Institute of Technology (the Institute) was dissolved and the South East Technological University (the University) was established under the Technological Universities Act 2018 and Statutory Instrument no. 175 of 2022.

This statement was approved by the Technological University based on the work of the Governing Body and Management of the Institute.

The Governing Body of Waterford Institute of Technology was responsible for ensuring that an effective system of internal controls was maintained and operated in the Institute and for putting in place processes and procedures for the purpose of ensuring that the system is effective. This responsibility reflected the requirements of the Code of Practice for the Governance of State Bodies (2016) as encapsulated by the THEA Code of Governance for Institutes of Technology.

Purpose of the System of Internal Controls

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

The system of internal controls, which accorded with guidance issued by the Department of Public Expenditure and Reform was in place in Waterford Institute of Technology for the year ended 30 April 2022 and up until the dissolution of the Institute.

Annual Review of the Effectiveness of Internal Control

The Governing Body conducted an annual review of the effectiveness of the system of internal control for the year ended 31 August 2021 in Quarter 4 2021. Furthermore, a review of the effectiveness of the system of internal control was undertaken in respect of the period September 2021 to April 2022.

The following weaknesses in internal control occurred during the reporting period which required disclosure in the Institute's Statement of System of Internal Controls:

Duplicate payment to students

On Friday 20th November 2020, an error occurred on processing a payment file which resulted in a duplicate payment - total value of the payment file amounted to €250,387 and related to 203 individual student payments.

Once the error was discovered, all affected students were contacted via e-mail on Monday 23rd November 2020 in order to inform them a processing error had occurred and by Thursday 3rd December 2020, €221,363 had been recouped. As at 30th April 2022, €5,780 remained outstanding and this balance was provided for in full in the financial statements. No costs were incurred by the Institute in recouping these funds.

In order to protect the Institute and prevent a reoccurrence in the future, the following remedies have been implemented by the Institute since the original incident in order to ensure that a similar event does not take place again:

Action no.1: Timeline	Reduction in file size and complexity Implemented immediately
Action no.2: Timeline	Training, restructuring and reallocation of duties Implemented immediately
Action no.3: Timeline	Process review and introduction of new control checks Implemented immediately

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Review of Statement of Internal Control

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

Appropriate Control Environment

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

- Clearly defining management responsibilities.
- Developing procedures and regulations which are reviewed regularly and are documented, implemented and up to date.
- Establishing formal procedures through various committee functions to monitor the activities and safeguard the assets of the organisation.
- Developing a strong culture of accountability across all levels of the organisation.
- Establishing procedures for reporting significant control failures and ensuring corrective action is taken.
- Adopting and adhering to the Code of Practice for the Governance of State Bodies as encapsulated by the THEA Code of Governance for Institutes of Technology.
- Ensuring the control environment includes an active Audit and Risk Committee, internal audit function and regular reporting to the Governing Body on financial results.
- The Institute Risk Register, as reviewed and approved by the Audit & Risk Committee provided the control environment measures for recording, managing, reviewing and taking any necessary mitigating actions associated with COVID-19 in relation to the work environment and remote working. The Institute is satisfied that controls operated effectively during the period.

Business Risks

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

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

Information Systems

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

- Financial Management – M7.
- Human Resources and Payroll Management – CoreHR with payments made by Higher Education Shared Services.
- Travel and Expenses – CoreHR with payments made by Higher Education Shared Services.
- Student Administration – Banner.
- Timetabling – Syllabus.

Financial Implications of Major Business Risks

Waterford Institute of Technology employed a range of actions to reduce the potential for fraudulent

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activity. Waterford Institute of Technology 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 had a Corporate Procurement Plan and procedures in place that were implemented to ensure compliance with Public Procurement Guidelines and relevant guidance that may be issued by the Office of Government Procurement (OGP), the Education Procurement Service (EPS) and the Department of Public Expenditure and Reform.

During the 20 month period from 1st September 2020 to 30th April 2022, the total value of non-compliant procurement totalled €583k. The procurement deemed as non-compliant related to the following:

- As a result of the establishment of SETU on 1st May 2022, there was a change in the financial statements period from 12 months to 20 months. Expenditure totalling €141k was incurred in relation to five suppliers where spend per annum would normally be deemed to be compliant if a 12 month period was reported upon
- €123k was associated with the implementation of the TU and the procurement of services from relevant consultants
- €69k related to fees paid to an international agent involved in the recruitment of international students to the Institute
- €49k related to the sourcing of compatible ICT consumables which were not obtainable under national frameworks
- Expenditure on international accommodation and subsistence costs relating to the Executive MBA programme amounted to €28k; €49k was incurred regarding cross-Institute cumulative expenditure on a supplier providing a broad portfolio of products relating to estates, capital projects and class consumables
- Expenditure amounting to €32k relating to one supplier but associated with separate procurement processes. €33k was incurred with regards to signage costs driven, in the main, by COVID compliance requirements
- €59k related to the sourcing of ergonomic office chairs and office furniture which were not obtainable under national frameworks and was above threshold due to additional requirements to facilitate remote working to meet COVID Compliance requirements

Review of the Effectiveness of the Internal Control System

Waterford Institute of Technology had procedures to monitor the effectiveness of its risk management and control procedures. The Governing Body's monitoring and review of the effectiveness of the system of internal control was informed by the work of the Institute Executive and Management who had responsibility for the development and maintenance of the internal control framework, the Audit and Risk Committee, the Internal Auditors and comments made by the Comptroller and Auditor General in his management letter.

Waterford Institute of Technology 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.

Covid 19

The international pandemic, Covid 19, had a significant impact on the Institute including:

- Re-orientation of the teaching and associated activities to remote teaching during lockdown periods.
- Reduction in international students.
- Reduction in commercial income particularly associated with subsidiary companies that offer student accommodation, student catering, events and training.
- Delay in policy implementation and recruitment processes in particular.
- Increased construction and materials costs and an increase in infection mitigation and control costs.

These impacts and associated mitigations were considered by the Governing Body.

WIT Sports and Social CLG Loan provision

During the financial year ended 30 June 2003, SETU Campus Services CLG (formally WIT Diverse Campus Services Limited) provided a loan of €1.9 million to WIT Sports and Social CLG to undertake alterations and the fit out of the Dome Bar on the Cork Road Campus. The common directors of both companies actively monitored and implemented measures to increase the financial efficiency and capacity of the companies in the delivery of services to students over the intervening years.

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Repayments of the loan were made up to 2020, at which stage the value of the loan due to SETU Campus Services CLG had reduced to €800k. In 2020 the status of the loan underwent a review in light of changing student trends and changing attitudes to the on-campus sales of alcohol, both of which had contributed to a reduction in footfall and income attributable to the bar.

The onset of Covid-19 in March 2020 further impacted the commercial operations of the bar for a sustained period during consecutive lockdowns and periods of curtailed activity.

Management and the Board of Directors of WIT Sports and Social CLG examined the viability of reopening the bar once normal activity was allowed resume. Given the changing consumer patterns, it was considered necessary that a significant investment in the facility would be required. Management and the Board determined that given the financial performance in recent years and the commercial challenges of operating a bar on campus, a return on such investment was not certain and did not fall within their risk appetite. After careful deliberation, the Board made the informed decision to permanently cease the activity.

In view of the decision by WIT Sports and Social CLG, the Board of SETU Campus Services CLG considered the prospect of recovering its loan to WIT Sports and Social CLG and determined it prudent to provide for the loan in full; noted as an exceptional item in the August 2021 SETU Campus Services CLG financial statements. Subsequently, the Board considered legal advice received regarding the loan and decided that to meet one of its main objectives, as set out in the company's constitution, being '...promoting services and facilities on and off the campus of Waterford Institute of Technology...', the loan should be written off. This enabled WIT Sports and Social CLG to be dissolved and the loan write-off was recorded as an exceptional item in the August 2022 WIT Sports and Social CLG financial statements. The total impact of the loan write-off was nil within the consolidated 20 month period. The impairment loss of the fixed assets of WIT Sports and Social CLG when dissolved totalled €623k.

The premises formally used by WIT Sports and Social CLG was returned for use to the university and has undergone a deep retrofit at the cost of €2m. The premises will be used to support student and administrative services including admissions and counselling along with an additional allocation of space for use by Clubs & Societies and the Students Union. The premises will become fully operational in Quarter 1 2024.

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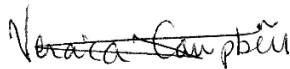
During the period the Governing Body and the management team were engaged in the significant planning that was required to enable both the dissolution of the Institute in an orderly manner and to ensure compliance with the requirements for the establishment of the University.

Signed on behalf of the Governing Body of South East Technological University

Chairperson:



President:



Date:

5 December 2023



Ard Reachtaire Cuntas agus Ciste **Comptroller and Auditor General**

Report for presentation to the Houses of the Oireachtas

Waterford Institute of Technology

Opinion on the financial statements

I have audited the financial statements of the Waterford Institute of Technology (now dissolved) for the period 1 September 2020 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 of the Institute at 30 April 2022, and of the income and expenditure of the Group and of the Institute for the period 1 September 2020 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.

Impairment loss on student campus recreational facilities

Notes 13 and 15 to the financial statements disclose that a subsidiary company WIT Sports and Social Club CLG has ceased the operation of campus bar and restaurant facilities. The financial statements recognise an impairment loss of €823,000 in respect of the closed facilities. An outstanding loan balance of €800,000 between two of the Group subsidiaries in respect of the former facilities has been written off. The premises is being refurbished for use in providing student support and administration services.

Seamus McCarthy
Comptroller and Auditor General

8 December 2023

Appendix to the report

Responsibilities of the Institute and the South East Technological University

Waterford Institute of Technology 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.

Waterford Institute of Technology

Consolidated and Institute Statement of Comprehensive Income For the 20 Month Period ended 30 April 2022

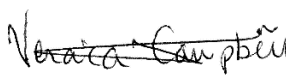
	Note	2022		2020 Reclassified	
		Consolidated 30/04/2022 €000s	Institute 30/04/2022 €000s	Consolidated 31/08/2020 €000s	Institute 31/08/2020 €000s
Income					
State Grants	3	73,739	73,739	37,146	37,146
Tuition Fees and Student Contribution	4	53,319	53,319	30,275	30,275
Research Grants & Contracts	5	30,875	30,875	24,970	24,970
Student Support Funding	7	2,771	2,771	601	601
Other Income	8	18,427	8,882	10,518	4,987
Amortisation of Deferred Capital Grants	21	10,146	8,841	4,962	4,147
Interest Income		-	-	1	1
Deferred Pension Funding	26	42,774	42,774	23,989	23,989
Total Income		232,051	221,201	132,462	126,116
Expenditure					
Staff Costs	9	127,696	123,367	71,274	68,544
Retirement Benefit Cost	26	42,774	42,774	23,989	23,989
Other Operating Expenses	10	44,096	40,118	28,858	26,587
Depreciation	13, 14	11,119	9,119	5,524	4,273
Total Expenditure		225,685	215,378	129,645	123,393
Surplus/(Deficit) before transfer to Subsidiary Undertaking		6,366	5,823	2,817	2,723
Transfer to Subsidiary undertaking		-	(1,505)	-	(602)
Surplus before appropriations		6,366	4,318	2,817	2,121
Transfer from Capital Development Reserve	22	149	149	32	32
Transfer to Capital Development Reserve	22	-	-	(370)	(370)
Surplus after appropriations		6,515	4,467	2,479	1,783
Experience gains/(losses) on retirement benefit obligations	26	(11,983)	(11,983)	2,203	2,203
Reduction in pension liabilities arising from retirements in the period	26	14,530	14,530	13,365	13,365
Changes in assumptions underlying the present value of retirement benefit obligations	26	36,754	36,754	16,985	16,985
Total actuarial gains in the period	26	39,301	39,301	32,553	32,553
Adjustment to deferred retirement benefits funding	26	(39,301)	(39,301)	(32,553)	(32,553)
Total comprehensive income for the period		6,515	4,467	2,479	1,783

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

Notes 1-30 form part of these financial statements.

Signed on behalf of the Governing Body

Chairperson, 

President, 

Date 5 December 2023

Date 5 December 2023

Waterford Institute of Technology

Consolidated and Institute Statement of Changes in Reserves and Capital Account

Period Ended 30 April 2022

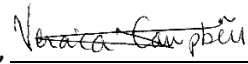
	Note 21 Consolidated Deferred Capital Grants €000s	Note 21 Institute Deferred Capital Grants €000s	Note 22 Consolidated Capital Development Reserve €000s	Note 22 Institute Capital Development Reserve €000s	I & E Consolidated Revenue Reserves €000s	I & E Institute Revenue Reserves €000s	Consolidated Total €000s	Institute Total €000s
Opening Balance at 1 September 2019	124,556	105,683	1,043	1,043	(5,974)	(9,820)	119,625	96,906
Surplus for the year before appropriations	-	-	-	-	2,817	2,121	2,817	2,121
Amortisation of deferred capital grants	(4,962)	(4,147)	-	-	-	-	(4,962)	(4,147)
Profit/Loss on Disposal	54	-	-	-	-	-	54	-
State grant allocated to Capital	298	298	-	-	-	-	298	298
State Capital Grants - Higher Education Authority	1,418	1,418	-	-	-	-	1,418	1,418
Other Capital Grants/Funding	1,052	1,090	-	-	-	-	1,052	1,090
Transfer to capital development reserve from revenue reserves	-	-	370	370	(370)	(370)	-	-
Transfer from capital development reserve to deferred state capital grants	66	66	(66)	(66)	-	-	-	-
Transfer from capital development reserve to revenue reserves	-	-	(32)	(32)	32	32	-	-
Movement for the Period	(2,074)	(1,275)	272	272	2,479	1,783	677	780
Balance at 31 August 2020	122,482	104,408	1,315	1,315	(3,495)	(8,037)	120,302	97,686
	Note 21 Consolidated Deferred Capital Grants €000s	Note 21 Institute Deferred Capital Grants €000s	Note 22 Consolidated Capital Development Reserve €000s	Note 22 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	122,482	104,408	1,315	1,315	(3,495)	(8,037)	120,302	97,686
Surplus for the period before appropriations	-	-	-	-	6,366	4,318	6,366	4,318
Amortisation of deferred capital grants	(10,146)	(8,841)	-	-	-	-	(10,146)	(8,841)
State grant allocated to Capital	1,933	1,933	-	-	-	-	1,933	1,933
State Capital Grants - Higher Education Authority	4,019	4,019	-	-	-	-	4,019	4,019
Other Capital Grants/Funding	2,632	2,632	-	-	-	-	2,632	2,632
Transfer to capital development reserve from revenue reserves	-	-	-	-	-	-	-	-
Transfer from capital development reserve to deferred state capital grants	122	122	(122)	(122)	-	-	-	-
Transfer from capital development reserve to revenue reserves	-	-	(149)	(149)	149	149	-	-
Movement for the Period	(1,440)	(135)	(271)	(271)	6,515	4,467	4,804	4,061
Balance at 30 April 2022	121,042	104,273	1,044	1,044	3,020	(3,570)	125,106	101,747

Notes 1-30 form part of these financial statements

Signed on behalf of the Governing Body

Chairperson, 

Date: 5 December 2023

President, 

Date: 5 December 2023

Waterford Institute of Technology

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

	Note	2022		2020	
		Consolidated 30/04/2022 €000s	Institute 30/04/2022 €000s	Consolidated 31/08/2020 €000s	Institute 31/08/2020 €000s
Fixed Assets					
Property, Plant & Equipment	13	132,075	101,190	134,235	100,995
Heritage Assets	14	4,398	4,398	4,653	4,653
		136,473	105,588	138,888	105,648
Current Assets					
Inventory		43	-	35	-
Receivables	16	14,495	21,992	6,888	16,157
Cash and Cash Equivalents	17	24,195	22,274	8,553	7,900
		38,733	44,266	15,476	24,057
Less Payables: amounts falling due within one year	18	(43,771)	(42,388)	(25,935)	(24,795)
Net Current Assets		(5,038)	1,878	(10,459)	(738)
Total Assets less Current Liabilities		131,435	107,466	128,429	104,910
Less Payables: amounts falling due after more than one year	19	(6,329)	(5,719)	(8,127)	(7,224)
Provision for Amounts & Charges:					
Retirement Benefits					
Retirement Benefits Obligations	26	(430,546)	(430,546)	(421,665)	(421,665)
Deferred Retirement Benefit Funding Asset	26	430,546	430,546	421,665	421,665
Total Net Assets		125,106	101,747	120,302	97,686
Deferred State Capital Grants	21	121,042	104,273	122,482	104,408
Unrestricted Reserves					
Income & Expenditure Reserve		3,020	(3,570)	(3,495)	(8,037)
Capital Development Reserve	22	1,044	1,044	1,315	1,315
Total		125,106	101,747	120,302	97,686

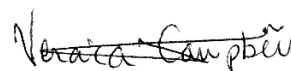
Notes 1-30 form part of these financial statements.

Signed on behalf of the Governing Body

Chairperson, _____



President, _____



Date 5 December 2023

Date 5 December 2023

Waterford Institute of Technology

Consolidated Statement of Cash Flows For the 20 Month Period ended 30 April 2022

	2022 Period Ended 30/04/2022 €000s	2020 Year Ended 31/08/2020 €000s
Cash Flows from Operating Activities		
Excess of income over expenditure	6,515	2,479
Depreciation of fixed assets	11,119	5,524
Amortisation of deferred capital grants	(10,146)	(4,962)
(Increase) in receivables	(7,607)	(51)
Increase/(decrease) in payables	16,038	(7,789)
Interest income	-	(1)
Capital grants received	4,019	1,418
Impairment of long leasehold property	623	-
Transfer to capital reserve account	-	370
Transfer from capital reserve account	(149)	(32)
Net Cash Inflow/(Outflow) from Operating Activities	20,412	(3,044)
Cash Flows from Investing Activities		
Payments to acquire property, plant & equipment	(9,335)	(3,597)
Proceeds from sale of property, plant & equipment	-	54
Net Cash Flows from Investing Activities	(9,335)	(3,543)
Cash Flows from Financing Activities		
Interest received	-	1
Other funds spent on Fixed Assets	2,632	1,052
State Recurrent Grants Spent on Fixed Assets	1,933	298
Net Cash Flows from Financing Activities	4,565	1,351
Net (Decrease)/Increase in Cash Equivalents in the Year	15,642	(5,236)
Cash and Cash Equivalents at 1 September	8,553	13,789
Cash and Cash Equivalents at 30 April/31 August	24,195	8,553

Notes 1-30 form part of these financial statements.

Signed on behalf of the Governing Body

Chairperson, 

President, 

Date 5 December 2023

Date 5 December 2023

Waterford Institute of Technology

Notes to the financial statements - continued

For the 20 Month period ended 30 April 2022

Notes to the financial statements

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 University stood established. The following Significant Accounting Policies and Critical Accounting Judgements and Key Sources of Estimation were in place for the period from 1st September 2020 to 30th April 2022.

1. Significant Accounting Policies

The accounting policies which are considered material in relation to the financial statements are summarised below. They have been applied consistently throughout the 20 month period to the preceding year.

a. General Information

The primary objectives of the Institute are outlined in the Regional Technical Colleges and Institute of Technology Acts – WIT's primary function is to provide vocational and technical education and training for the economic, technological, scientific, commercial, industrial, social and cultural development of the State with particular reference to the region served by the college.

b. Basis for Accounting

(i) Dissolution of Waterford Institute of Technology

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

On the 1 May 2022, Waterford Institute of Technology (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.

(ii) 20-Month Period of Account and Transfer of Balances

These financial statements have been prepared for the 20-month period from 1 September 2020 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

	€000s
Fixed Assets	136,473
Debtors	14,495
Banks and Cash	24,195
Inventory	43
Creditors and Accruals	(50,100)
Pension Liabilities	(430,546)
Deferred Pension Funding	430,546
Value of Net Assets Transferred to South East Technological University	125,106

Waterford Institute of Technology

Notes to the financial statements - continued

For the 20 Month period ended 30 April 2022

c. Basis of Consolidation

The Group financial statements consolidate the financial statements of the Institute and management accounts where appropriate made up to 30 April 2022.

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

d. Going Concern

The financial statements are prepared on a Going Concern basis; additional information outlined in section 2 (a).

e. Property, Plant and Equipment

(i) Land and Buildings

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment.

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

Freehold buildings	50 years
Leased Land & Buildings	Over the term of the lease

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

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 on a straight-line basis over its useful economic life as follows:

Fixtures & Fittings including Prefabs	10 years
Computer equipment	3 years
Plant & Machinery	10 years
Equipment	5 years
Motor Vehicles	5 years
Subsidiary Gym 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. Investment Properties

Investment properties (if any) for which fair value can be measured reliably, without undue cost or effort on an ongoing basis, are measured at fair value annually with any change recognised in the profit and loss account.

g. Heritage Assets

The Institute holds and maintains certain heritage assets, such as the College Street Campus and associated buildings, paintings and other artefacts of historical importance.

Heritage assets which are not held for the core purpose of teaching and research are capitalised at cost – these include the period house located on the Carriganore campus as it is part of the working infrastructure of the Institute and as such is capitalised in the Statement of Financial Position in line with FRS 102. Artwork purchased from 1st September 2016 onwards

Waterford Institute of Technology

Notes to the financial statements - continued

For the 20 Month period ended 30 April 2022

is capitalised in the Statement of Financial Position at original cost - prior to this date, the cost was either expensed in the year incurred or if part of a building project capitalised and depreciated in line with the particular building.

h. Joint Venture Undertakings

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

In the Institute financial statements investments in joint venture undertakings (if any) are accounted for at cost less impairment.

i. Inventory

Inventory is stated at lower of cost and net realisable value.

j. Impairment of assets

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

Financial Assets

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

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

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

k. Taxation

a. 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. Where 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.

b. Deferred Taxation

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

Notes to the financial statements - continued

For the 20 Month period ended 30 April 2022

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

I. 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 included in the year the expenditure is incurred unless the grant has performance related conditions or restrictions associated with it. The most common classes of such transactions are set out below:

a. Donations with No Restrictions

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

b. Donations with Restrictions

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

c. Research grants from non-government sources

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

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

Grants with restrictions are recorded within the Statement of Comprehensive Income on entitlement to the income and subsequently retained within a restricted reserve until such time that the expenditure is incurred in line with the restriction.

Minor Capital Works

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

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

Waterford Institute of Technology

Notes to the financial statements - continued

For the 20 Month period ended 30 April 2022

Income from Short-Term Deposits

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

m. Employee Benefits

a. Retirement Benefits

Pension entitlements of staff recruited prior to 1 January 2013 are conferred under a defined benefit pension scheme established under the Education Sector Superannuation Scheme 2015. The scheme is operated on a Pay-as-You-Go basis, with superannuation deductions made from employees being retained by the 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, NDP Delivery and Reform (DPENDR).

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 DPENDR. 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 and each company operates its own private scheme.

b. Short-Term Benefits

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

c. Subsidiary Benefits Package

The company operates a defined contribution pension scheme for certain employees. The remuneration of a number of employees in particular positions within the subsidiary companies is based on a basic package plus performance bonus.

Notes to the financial statements - continued

For the 20 Month period ended 30 April 2022

n. 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.

o. Leases

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

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

p. Deferred State Capital Grants

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

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

q. Reserves

Capital Development Reserve

The capital development reserve represents funds set aside by the Institute for specified capital development purposes. Such funds shall be retained in the Capital Development Reserve Account provided the defined projects to which they are committed are in line with the Institute's Capital Development plan, have been approved by the Governing Body and are time phased and with estimates of costs.

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 (which are dealt with separately below), that the Governing Body has made in the process of applying the Institute's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Waterford Institute of Technology

Notes to the financial statements - continued

For the 20 Month period ended 30 April 2022

a. Going Concern

On 1 May 2022, Waterford Institute of Technology (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) Order 2022 (Statutory Instrument no. 175 of 2022). The Act sets out a range of transfer provisions which include the transfer to the University of all property, rights liabilities and staff of the Institute. Other provisions included in the Act relate to the continuation after dissolution of anything commenced and not completed in so far as it relates to a transferred function and provisions with regard to liability for losses (including claims for loss or injury) occurring before the date of dissolution. As all functions, operations, assets and liabilities were transferred to the University, these financial statements have been prepared on a going concern basis.

Operational and Financial Impact of COVID-19

The COVID-19 crisis has created major business challenges for all third level institutions. The Institute continued to assess the ongoing and projected financial and operational impacts during the period. The Governing Body conducted a review of the expected financial impact of COVID-19 and was satisfied that there was sufficient funding for the Institute to meet its liabilities as they fell due and to continue as a going concern. Accordingly, these financial statements do not include any adjustments to the carrying amounts and classification of assets and liabilities that may arise if the Institute was unable to continue as a going concern.

b. Provision for Doubtful Debts

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

c. Retirement Benefit Obligation

The assumptions underlying the actuarial valuations for which the amounts recognised in the financial statements are determined (including discount rates, rates of increase in future compensation levels and mortality rates) are updated annually based on current economic conditions, and for any relevant changes to the terms and conditions of the pension and post-retirement plans.

The assumptions can be affected by:

- (i) The discount rate, changes in the rate of return on high-quality corporate bonds
- (ii) Future compensation levels, future labour market conditions

d. Holiday Pay

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

e. 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 regularly reviews these expected useful lives and changes them as necessary to reflect generally accepted norms for the relevant category. Changes in expected useful lives can have a significant impact on depreciation charges for the period. Details of expected useful lives for all asset categories are included in Note 1.

Waterford Institute of Technology

Notes to the financial statements - continued

For the 20 Month period ended 30 April 2022

3. State Grants

	2022			
	Allocated for Recurrent Expenditure €000s	Allocated for Capital Expenditure €000s	2022 Total €000s	Reclassified 2020 Total €000s
Recurrent Grant - HEA	64,834	1,933	66,767	36,325
State Grant - HEA Covid Support	1,853	2,397	4,250	167
State Grant - TU support	2,950	-	2,950	398
State Grant - Apprentice Syllabus & Equipment	149	-	149	50
State Grant - Apprentice Equipment Programme	237	414	651	803
State Grant - HCI Pillar 2 Funding	44	-	44	-
State Grant - HCI Pillar 3 Funding	1,271	-	1,271	-
State Grant - ITIF and Summer Camp	97	-	97	59
State Grant - Payroll Funding	533	-	533	-
State Grant - Additional Places CAO	436	-	436	-
State Grant - ICT additional places	223	-	223	188
State Grant - Antigen testing	61	-	61	-
State Grant - Additional Pay Award	70	-	70	-
State Grant - ICT Skills Advisor	212	-	212	122
State Grant - PPP Survey	5	-	5	-
Minor Capital Works - EPA	-	32	32	-
Minor Capital Works - HEA	764	1,176	1,940	750
Total 2022	73,739	5,952	79,691	38,862
Total 2020	37,146	1,716	38,862	

Included in the recurrent grant allocation from the HEA in the 2022 period is an amount for €1,853k which relates to funding specifically associated with meeting the extra costs incurred as a response to COVID-19, €2,950k relates to specific funding for the TU process; the relevant TU comparator in the prior year is €398k

Waterford Institute of Technology

Notes to the financial statements - continued

For the 20 Month period ended 30 April 2022

4. Tuition Fees and Student Contribution

	2022				2020			
	Students WTE	State Funded €000s	Non State Funded €000s	Total €000s	Students WTE	Reclassified State Funded €000s	Reclassified Non State Funded €000s	Reclassified Total €000s
Fees paid by State	6,724	13,998	-	13,998	6,215	7,020	-	7,020
Fees paid by other state agencies	10	225	-	225	11	130	-	130
Non EU Fees	144	-	1,528	1,528	219	-	1,708	1,708
Fees paid by students or on behalf of students	889	-	3,538	3,538	941	-	2,261	2,261
Life Long Learning and other fees	456	79	1,932	2,011	648	-	1,465	1,465
Student Contribution and repeat exam fees		17,408	14,611	32,019		9,673	8,018	17,691
Student Numbers/Net Fee Income	8,223	31,710	21,609	53,319	8,034	16,823	13,452	30,275

The Higher Education Authority paid tuition fees in the period totalling €10,675,601 for fees and €2,307,989 for Springboard/ICT Skills, the total costs of which are part funded by the European Social Fund. SUSI paid student contribution fees in the year of €17,407,951; 2022 also includes €479,750 regarding the COVID-19 payment scheme.

A contract with the Irish Prison Service generated income for the period of €1,014,892; a further €225,000 was generated in relation to Údarás na Gaeltachta.

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

Waterford Institute of Technology

Notes to the financial statements – (continued)

For the 20 Month period ended 30 April 2022

5. Research Grants and Contracts

	2022 Total €000s	2020 Total €000s
Income		
State and Semi State	10,080	5,951
European Union	17,218	16,889
Industry	1,728	1,135
Other	1,849	995
Total Income	30,875	24,970
Expenditure		
Pay costs	15,686	9,090
Non Pay Costs	17,315	16,086
Depreciation (Non State Funded Assets)	153	64
Total Expenditure	33,154	25,240
	(2,279)	(270)

Note – Research expenditure includes expenditure associated with the Research Topslice (received as part of the Institute's recurrent grant income) and the impact of the statutory holiday pay accrual. Research Topslice expenditure included within overall Research expenditure in 2022 amounted to €579k (2020: €202k) and the impact of the Research Holiday pay accrual increase in 2022 was €51k (2020: €129k). HEA Costed Extensions income totalling €910k was also received during the 2022 period (please refer to Note 3 and Note 6).

Waterford Institute of Technology

Notes to the financial statements – (continued)

For the 20 Month period ended 30 April 2022

6. Analysis of State Derived Income

Name of Grantor	Opening Deferral 01/09/2020 €000s	2022 Grant received €000s	Closing Deferral 30/04/2022 €000s	I&E 2022 €000s
Note 3 – State Grant				
State grant received in advance	377	64,609	1,781	66,767
TUTF receipts	930	5,315	(3,295)	2,950
Apprenticeship capital	394	659	(402)	651
Higher Education Authority				
Other:				
- Covid19 ICT	523	-	-	523
- Covid19	(167)	4,220	(1,237)	2,816
- Covid19 Researchers Costed Extensions	-	965	(54)	911
- ITIF and Summer Camp	-	123	(26)	97
- Additional Places Payroll funding	-	800	(267)	533
- Additional Places CAO	-	405	31	436
- ICT Additional Places	-	223	-	223
- Covid19 Antigen Testing	-	182	(121)	61
- Additional Pay Award	-	70	-	70
- Gender	55	(17)	(38)	-
- HCI	44	2,195	(924)	1,315
- ICT Skills Advisor	-	127	85	212
- Healthy Campus	-	14	(14)	-
- PPP Survey	-	5	-	5
Higher Education Authority Total	2,156	79,895	(4,481)	77,570
Environmental Protection Agency	-	32	-	32
TU Dublin - Science Apprenticeships	-	76	73	149
Department of Further and Higher Education, Research, Innovation and Science	1,114	2,628	(1,802)	1,940
Allocated for Capital	-	(5,952)	-	(5,952)
Total State Income	3,270	76,679	(6,210)	73,739
Note 4 – Tuition Fees & Student Contribution				
Higher Education Authority	-	10,079	3,385	13,464
Udaras	-	135	90	225
SUSI	-	20,289	(3,362)	16,927
Irish Prison Service	-	1,037	(22)	1,015
Local Authorities/other State	-	79	-	79
Total State Income	-	31,619	91	31,710

Waterford Institute of Technology

Notes to the financial statements – (continued)

For the 20 Month period ended 30 April 2022

Analysis of State Derived Income (continued)

Name of Grantor	Opening Deferral 01/09/2020 €000s	2022 Grant received €000s	Closing Deferral 30/04/2022 €000s	I&E 2022 €000s
Note 5 –Research Grants & Contracts				
Enterprise Ireland	(1,104)	5,670	365	4,931
Science Foundation Ireland	802	2,503	(1,086)	2,219
Irish Research Council	117	522	(146)	493
Health Service Executive	516	441	(711)	246
Department of Agriculture and Food	(96)	293	311	508
Higher Education Authority	994	1,186	(1,179)	1,001
Dept of the Environment, Heritage & Local Government	3	-	-	3
Teagasc	52	121	(20)	153
Student Support Ireland	11	-	-	11
Irish Sports Council	27	-	(23)	4
Environmental Protection Agency	100	21	(29)	92
FAS	5	-	(5)	-
Council for Forest Research and Development	(29)	7	-	(22)
Failte Ireland	(3)	(1)	4	-
University of Limerick	23	(16)	(2)	5
Bord Iascaigh Mhara	(56)	120	1	65
Department of Further and Higher Education, Research, Innovation and Science	1	-	-	1
SEAI	-	124	(122)	2
Other State	47	682	(361)	368
Total State Income	1,410	11,673	(3,003)	10,080
Note 7 –Student Support Funding				
Higher Education Authority	124	2,942	(124)	2,942
Allocated for Capital	-	(171)	-	(171)
Total State Income	124	2,771	(124)	2,771
Note 8 –Project Activities – NALA and ERASMUS				
NALA income - SOLAS	-	656	221	877
NALA income - ETB's/other State	-	69	-	69
ERASMUS	432	258	(363)	327
Total State Income	432	983	(142)	1,273

Waterford Institute of Technology

Notes to the financial statements – (continued)

For the 20 Month period ended 30 April 2022

7. Student Support Funding

	Disabilities €000s	Student Assistance €000s	2022 Total €000s	2020 Total €000s
Balance at 1 September	(26)	150	124	123
Receipts				
Higher Education Authority	614	2,328	2,942	647
Amounts Applied				
Pay Costs	298	309	607	118
Non Pay Costs	145	2,019	2,164	482
Total Expenditure	443	2,328	2,771	600
Capital	171	-	171	46
Balance at 30 April/31 August	(26)	150	124	124

8. Other Income

	2022 Total €000s	2020 Total €000s
Superannuation deductions retained	5,797	3,292
Rental of facilities	94	67
Examination Income	24	193
Insurance Claims	192	46
Income re Non-State assets	204	112
Project Activities – NALA and ERASMUS	1,464	754
International Student Support & Associated Income	-	(3)
Library Fines	-	3
Fixed Asset sales proceeds	-	54
Sundry income	1,107	523
Subsidiary company income	9,545	5,477
Net Outcome	18,427	10,518

9. Staff Costs

	2022 No. of employees	2020 No. of employees
Teaching and Research	663	618
Technical	85	79
Central Administration and Services	192	190
Ancillary Services	91	99
	1,031	986

	2022 €000s	Reclassified 2020 €000s
Salaries and Wages	109,144	60,577
Overtime	315	138
Allowances	3,255	2,006
Employers Welfare Costs	10,653	5,823
Subsidiary Companies salaries and wages	4,329	2,730
	127,696	71,274

Waterford Institute of Technology

Notes to the financial statements – (continued)

For the 20 Month period ended 30 April 2022

Key management compensation

For the purposes of this note, key management personnel in the Institute includes the Governing Body, President, Registrar, Secretary/Financial Controller and Heads of School.

	WTE	Salary €000s	Fees €000s	Employee Benefits €000s	Post- Employment Benefits €000s	Terminatio n Benefits €000s	2022 Total Compensation €000s	2020 Total Compensati on €000s
Governing Body Members	-	-	47	-	-	-	47	44
President	1	277	-	-	-	-	277	163
Executive Management	12	2,021	-	-	-	-	2,021	1,065
	13	2,298	47	-	-	-	2,345	1,272

Post-employment benefits of key management and the President

All 13 members of the executive management team are members of the General Public Service Pension Scheme. The pension scheme is a defined benefit final salary pension arrangement with benefits and contributions defined by reference to current "model" public sector scheme regulations only.

The President is a member of the General Public Service Pension Scheme and his entitlement does not extend beyond the terms of this scheme. The value of his retirement benefit earned in the period is not included in the above.

Termination payments

The Institute did not have any payments and agreements in excess of €10,000 in the financial year (2020: €nil).

Higher Paid Staff

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

Salary Bands		Consolidated Period Ended 30 April 2022	Institute Only Period Ended 30 April 2022	Consolidated Year Ended 31 August 2020	Institute Only Year Ended 31 August 2020
From	To				
€60,000	€70,000	92	89	78	77
€70,001	€80,000	67	67	77	76
€80,001	€90,000	310	309	279	278
€90,001	€100,000	33	33	40	40
€100,001	€110,000	14	14	24	24
€110,001	€120,000	8	7	4	3
€120,001	€130,000	3	3	-	-
€130,001	€140,000	-	-	-	-
€140,001	€150,000	-	-	-	-
€150,001	€160,000	-	-	-	-
€160,001	€170,000	1	1	1	1
Grand Total		528	523	503	499

The salaries in each band reflect annualised salaries earned in the 20 month financial accounting period.

Waterford Institute of Technology

Notes to the financial statements – (continued)

For the 20 Month period ended 30 April 2022

10. Operating Expenses

Analysis of other Operating Expenditure

	Consolidated 2022 €000s	Reclassified Consolidated 2020 €000s
Ancillary Activity Costs	3,978	2,271
Transfers to Other Partners	12,411	14,071
Equipment & Maintenance	4,402	1,759
Cleaning, Energy & Water	3,302	1,667
Travel expenditure	249	599
Student Stipends	2,642	1,152
Student Services	2,598	706
Materials & Consumables	1,553	639
Corp Membership & Subs	1,269	603
Professional - Other	434	131
Staff Development & Training	930	336
Promotion & Publicity	751	440
Computer Consumables & Printing costs	306	252
Student Travel & Subsistence	128	112
Hire of Equipment/Facilities	430	304
Stationery / Office Materials / Books & Periodicals	676	246
Software	1,021	294
Subventions to Students Union and Clubs & Societies	1,053	635
Security & Grounds	591	314
Insurance	638	317
Communication costs	388	106
Subsistence, Hospitality and Conference fees	128	142
Consultancy	1,104	201
Fees to Examining Bodies	107	10
Professional - Legal	255	133
International Students - Commission Expenditure	206	283
Graduation/Awards	185	117
Recruitment	142	72
Bank Charges	150	62
Health & Safety	191	83
Audit Fee - Internal Audit	64	45
Course Co-Delivery Costs	1,112	564
Audit Fee - C&AG	94	44
Governing Body expenses	6	3
Bad Debts write off	(18)	(27)
Other Expenses	620	172
	44,096	28,858

Other Operating Expenses include

Auditors Remuneration

	2022 €000	2020 €000
Audit of Institute by the C&AG	94	44
Internal Audit Services provided by a 3 rd Party	64	45
External Audit of Subsidiaries	35	17
Total	193	106

Waterford Institute of Technology

Notes to the financial statements – (continued)

For the 20 Month period ended 30 April 2022

11. Taxation

The Institute and WIT Diverse Campus Services Limited are exempt from Corporation Tax under a charitable status order.

WIT Sports & Social Limited has a Corporation Tax exemption by virtue of being a members' club and ThreeD (Design Develop Disseminate) DAC is a close company within the meaning of the Taxes Consolidation Act, 1997.

12. Financial Result for the year

	2022	2020
	€000s	€000s
Institute surplus/(deficit) for the period	4,467	1,783
Surplus generated by subsidiaries and other undertakings	2,048	696
Surplus for the period	6,515	2,479

Waterford Institute of Technology

Notes to the financial statements – (continued)

For the 20 month period ended 30 April 2022

13. Property, Plant and Equipment

Consolidated	Land & Buildings €000's	Assets in course of construction €000's	Fixtures & Fittings €000's	Computer Equipment €000's	Plant & Machinery €000's	Furniture & Equipment €000's	Motor Vehicles €000's	Total €000's
Cost								
At 1 September 2020	184,294	239	10,767	16,998	2,598	20,662	417	235,975
Additions in period	40	1,025	1,025	1,963	228	5,037	21	9,339
Transfers from assets in course of construction	756	(1,107)	304	-	-	47	-	-
Disposals/write-off in period	(14)	-	-	(95)	-	(127)	(45)	(281)
At 30 April 2022	185,076	157	12,096	18,866	2,826	25,619	393	245,033
Depreciation								
At 1 September 2020	56,698	0	8,826	16,031	1,893	17,912	380	101,740
Charge for period	6,241	-	576	1,172	219	2,639	17	10,864
Eliminated on disposals/write-off	(4)	-	-	(95)	-	(127)	(43)	(269)
Impairment	623	-	-	-	-	-	-	623
At 30 April 2022	63,558	-	9,402	17,108	2,112	20,424	354	112,958
Net book value								
At 30 April 2022	121,518	157	2,694	1,758	714	5,195	39	132,075
At 1 September 2020	127,596	239	1,941	967	705	2,750	37	134,235

Lease commitments at 30 April 2022 amounted to €2.227m (2020 - €1.857m).

Following the dissolution of WIT Sports & Social CLG, the carrying value of the company's fixed assets were impaired (see also note 15). The impairment loss of €623k is recognised in the financial period ending 30th April 2022 within Consolidated Other Operating Expenses and is also disclosed separately in the consolidated Property, Plant & Equipment note to the accounts.

Waterford Institute of Technology

Notes to the financial statements – (continued)

For the 20 month period ended 30 April 2022

13. Consolidated – in respect of prior year

	Land & Buildings €000's	Assets in course of construction €000's	Fixtures & Fittings €000's	Computer Equipment €000's	Plant & Machinery €000's	Furniture & Equipment €000's	Motor Vehicles €000's	Total €000's
Cost								
At 1 September 2019	183,583	266	10,341	16,532	2,456	18,802	967	232,947
Additions in year	684	-	426	466	142	1,860	20	3,598
Transfers from assets in course of construction	27	(27)	-	-	-	-	-	-
Disposals in year	-	-	-	-	-	-	(570)	(570)
At 31 August 2020	184,294	239	10,767	16,998	2,598	20,662	417	235,975
Depreciation								
At 1 September 2019	52,973	-	8,557	15,735	1,775	16,961	938	96,939
Charge for year	3,725	-	269	296	118	951	12	5,371
Eliminated on disposals	-	-	-	-	-	-	(570)	(570)
Impairment	-	-	-	-	-	-	-	-
At 31 August 2020	56,698	-	8,826	16,031	1,893	17,912	380	101,740
Net book value								
At 31 August 2020	127,596	239	1,941	967	705	2,750	37	134,235
At 1 September 2019	130,610	266	1,784	797	681	1,841	29	136,008

Lease commitments at 31 August 2020 amounted to €1.857m (2019 - €1.138m)

Waterford Institute of Technology

Notes to the financial statements – (continued)

For the 20 month period ended 30 April 2022

13. Property, Plant and Equipment (continued)

Institute Only

	Land & Buildings €000's	Assets in course of construction €000's	Fixtures & Fittings €000's	Computer Equipment €000's	Plant & Machinery €000's	Furniture & Equipment €000's	Motor Vehicles €000's	Total €000's
Cost								
At 1 September 2020	143,230	239	5,140	15,491	816	20,335	201	185,452
Additions in period	106	1,025	847	1,887	146	5,037	21	9,069
Transfers from assets in course of construction	756	(1,107)	304	-	-	47	-	-
Disposals/write-off in period	(14)	-	-	(95)	-	(127)	(31)	(267)
At 30 April 2022	144,078	157	6,291	17,283	962	25,292	191	194,254
Depreciation								
At 1 September 2020	46,757	-	4,761	14,610	816	17,345	168	84,457
Charge for period	4,885	-	208	1,112	6	2,637	16	8,864
Eliminated on disposals/write-off	(4)	-	-	(95)	-	(127)	(31)	(257)
At 30 April 2022	51,638	-	4,969	15,627	822	19,855	153	93,064
Net book value								
At 30 April 2022	92,440	157	1,322	1,656	140	5,437	38	101,190
At 1 September 2020	96,473	239	379	881	-	2,990	33	100,995

Lease commitments at 30 April 2022 amounted to €1.558m (2020 - €1.834m)

Waterford Institute of Technology

Notes to the financial statements – (continued)

For the 20 month period ended 30 April 2022

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

Institute Only – in respect of prior year

	Land & Buildings €000's	Assets in course of construction €000's	Fixtures & Fittings €000's	Computer Equipment €000's	Plant & Machinery €000's	Furniture & Equipment €000's	Motor Vehicles €000's	Total €000's
Cost								
At 1 September 2019	142,635	266	4,984	15,078	816	18,476	181	182,436
Additions in year	568	-	156	413	-	1,859	20	3,016
Transfers from assets in course of construction	27	(27)	-	-	-	-	-	-
Disposals/write-off in year	-	-	-	-	-	-	-	-
At 31 August 2020	143,230	239	5,140	15,491	816	20,335	201	185,452
Depreciation								
At 1 September 2019	43,870	-	4,719	14,378	816	16,395	159	80,337
Charge for year	2,887	-	42	232	-	950	9	4,120
Eliminated on disposals/write-off	-	-	-	-	-	-	-	-
At 31 August 2020	46,757	-	4,761	14,610	816	17,345	168	84,457
Net book value								
At 31 August 2020	96,473	239	379	881	-	2,990	33	100,995
At 1 September 2019	98,765	266	265	700	-	2,081	22	102,099

Lease commitments at 31 August 2020 amounted to €1.834m (2019 - €1.101m)

Waterford Institute of Technology

Notes to the financial statements – (continued)

For the 20 month period ended 30 April 2022

14. Heritage assets

	Consolidated 2022 €000s	Consolidated 2020 €000s	Institute 2022 €000s	Institute 2020 €000s
Heritage assets (NBV)	4,398	4,653	4,398	4,653
At 30 April/31 August	4,398	4,653	4,398	4,653

Heritage assets

Heritage assets

The Institute has a clear duty of care for heritage assets and aims to make them available for the enjoyment and education of the public as far as is possible, commensurate with their long term care and preservation. The highest possible standards of collection management are applied, and the assets are made available as widely as possible to facilitate all enquiries and requests for information, subject to appropriate security and data protection guidelines. For example, appointments can be made to view printed and archival library materials and the chapel on the College Street Campus is open to the public at various times during the academic year.

Period houses

It is the policy of the Institute to capitalise those heritage assets which constitute capital assets and are part of the working infrastructure of the Institute campus. As such, the period house located on the West Campus and any subsequent refurbishment expenditure are included in the Statement of Financial Position in line with FRS 102. The Institute's buildings are stated at cost less accumulated depreciation. Freehold buildings are depreciated over their expected useful economic life to the Institute of 50 years.

As at 30 April 2022, NBV associated with heritage buildings captured and capitalised on the statement of financial position since acquisition were €4,398k.

Artworks

Artwork purchased from 1st September 2016 onwards is capitalised in the statement of financial position at original cost - prior to this date, the cost was either expensed in the year incurred or if part of a building project, capitalised and depreciated in line with the particular building. The Institute also displays various artworks on loan and since November 2006 for example, Waterford Institute of Technology has played permanent host to Pauline Bewick's Waterford Collection; these include paintings, sculptures, tapestries, sketches and wall hangings from her renowned Seven Ages Collection. Where artwork has been received on temporary loan, there is no impact on the financial statements.

Other paintings and artefacts

Additional assets and collections belonging to the Institute have not been capitalised as these are, in effect, inalienable, held in perpetuity, and are most irreplaceable; the Institute holds over 3,000 books as part of the Christchurch Cathedral collection for example. They are neither disposed of for financial gain nor encumbered in any manner. There were very few transactions across collections during the periods. In the Institute's view, the value of these transactions is not material and obtaining a current valuation would involve disproportionate cost.

Waterford Institute of Technology

Notes to the financial statements – (continued)

For the 20 month period ended 30 April 2022

	Buildings €000s	Other Paintings €000s	Artworks €000s	Total €000s
Cost				
At 1 September 2020	7,641	-	-	7,641
Additions	-	-	-	-
At 30 April 2022	7,641	-	-	7,641
Depreciation				
At 1 September 2020	2,988	-	-	2,988
Charge for the period	255	-	-	255
At 30 April 2022	3,243	-	-	3,243
Net book value as at 30 April 2022	4,398	-	-	4,398
Net book value as at 31 August 2020	4,653	-	-	4,653

	2017 €000s	2018 €000s	2019 €000s	2020 €000s	2022 €000s
Cost					
At 1 September	7,641	7,641	7,641	7,641	7,641
Additions					
- Purchases	-	-	-	-	-
- Refurbishment	-	-	-	-	-
Cost at 30 April/31 August	7,641	7,641	7,641	7,641	7,641
Valuation of other paintings and artefacts	-	-	-	-	-
Total at 30 April/31 August	7,641	7,641	7,641	7,641	7,641

Waterford Institute of Technology

Notes to the financial statements – (continued)

For the 20 month period ended 30 April 2022

15. Subsidiary Undertakings

Subsidiary Undertakings: The Institute holds an interest in the following subsidiaries (100% wholly owned):

- **WIT Diverse Campus Services**

WIT Diverse Campus Services was incorporated on 21 November 2001 as a company limited by guarantee and not having a share capital. It is principally engaged in the operation of college campus facilities and student services.

	2022	2020
	€'000	€'000
Surplus/(Loss) for the financial year	748	(16)
Net Assets	23,579	22,831

- **WIT Sports & Social Club Limited**

WIT Sports & Social Club Limited was incorporated on 29 March 2000 as a company limited by guarantee and not having a share capital. The company is principally engaged in the provision of college bar and restaurant services, until 1 September 2018 when restaurant services ceased.

During the financial year ended 30 June 2003, SETU Campus Services CLG (formally WIT Diverse Campus Services Limited) provided a loan of €1.9 million to WIT Sports and Social CLG to undertake alterations and the fit out of the Dome Bar on the Cork Road Campus. The common directors of both companies actively monitored and implemented measures to increase the financial efficiency and capacity of the companies in the delivery of services to students over the intervening years.

Repayments of the loan were made up to 2020, at which stage the value of the loan due to SETU Campus Services CLG had reduced to €800k. In 2020 the status of the loan underwent a review in light of changing student trends and changing attitudes to the on-campus sales of alcohol, both of which had contributed to a reduction in footfall and income attributable to the bar.

The onset of Covid-19 in March 2020 further impacted the commercial operations of the bar for a sustained period during consecutive lockdowns and periods of curtailed activity.

Management and the Board of Directors of WIT Sports and Social CLG examined the viability of reopening the bar once normal activity was allowed resume. Given the changing consumer patterns, it was considered necessary that a significant investment in the facility would be required. Management and the Board determined that given the financial performance in recent years and the commercial challenges of operating a bar on campus, a return on such investment was not certain and did not fall within their risk appetite. After careful deliberation, the Board made the informed decision to permanently cease the activity.

In view of the decision by WIT Sports and Social CLG, the Board of SETU Campus Services CLG considered the prospect of recovering its loan to WIT Sports and Social CLG and determined it prudent to provide for the loan in full; noted as an exceptional item in the August 2021 SETU Campus Services CLG financial statements. Subsequently, the Board considered legal advice received regarding the loan and decided that to meet one of its main objectives, as set out in the company's constitution, being '...promoting services and facilities on and off the campus of Waterford Institute of Technology...', the loan should be written off. This enabled WIT Sports and Social CLG to be dissolved and the loan write-off was recorded as an exceptional item in the August 2022 WIT Sports and Social CLG financial statements. The total impact of the loan write-off was nil within the consolidated 20 month period. The impairment loss of the fixed assets of WIT Sports and Social CLG when dissolved totalled €623k and is included in the consolidated accounts. See Note 13.

The premises formally used by WIT Sports and Social CLG was returned for use to the university and has undergone a deep retrofit at the cost of €2m. The premises will be used to support student and administrative services including admissions and counselling along with an additional allocation of space for use by Clubs & Societies and the Students Union. The premises will become fully operational in Quarter 1 2024.

Waterford Institute of Technology

Notes to the financial statements – (continued)

For the 20 month period ended 30 April 2022

- **ThreeD DAC**

ThreeD DAC commenced activities in August 2018. The principal activity of the company is to impart knowledge and provide training on additive manufacturing techniques and design rules, to develop standards for independent testing and validation of additive manufacturing parts, to provide assistance to product and prototype development and to provide metal additive manufacturing exposure to WIT graduate and Springboard students.

	2022	2020
	€'000	€'000
Loss for the financial year	(105)	(84)
Net Liabilities	(243)	(138)

- **Transfer to Subsidiary undertaking**

The Transfer to subsidiary undertaking total in the Consolidated and Institute Statement of Comprehensive Income represents loan repayments.

- **LI4 DAC**

LEAN INDUSTRY 4.0 Designated Activity Company (LI4) was established on 06 August 2020. LI4 is a state of the art Lean Industry 4.0 facility that offers a unique environment for manufacturing and service SMEs to receive training on Lean Industry 4.0 technologies and to apply lean excellence through the use of technology, analytics and simulation across operation and business processes to boost productivity. It is planned that commercial activities will commence from Q2 2023.

Please refer to the Corporate Governance Statement section "Institute subsidiaries" for additional detail.

16. Receivables

	Consolidated	Consolidated	Institute	Institute
	2022	2020	2022	Restated
	€000s	€000s	€000s	2020
	€000s	€000s	€000s	€000s
Research grants and contracts receivable	6,897	4,049	6,897	4,049
State grant receivable	1,993	-	1,993	-
Academic fees receivable	2,787	314	2,787	314
Provision for bad debts	(20)	(38)	(20)	(38)
Loan to Diverse Campus Services	-	-	6,622	8,127
Cash advances to Subsidiary Companies	-	-	1,402	1,402
Prepayments and accrued income	1,902	1,147	1,595	1,119
Other receivables	936	1,416	716	1,184
Total Receivables	14,495	6,888	21,992	16,157

The total regarding cash advances to Subsidiary Companies relates to advances to ThreeD DAC (€552k) and Diverse Campus Service (€850k). Please see Note 18 re details on Loan to Diverse Campus Services.

17. Cash and Cash Equivalents

	Consolidated	Consolidated	Institute	Institute
	2022	2020	2022	2020
	€000s	€000s	€000s	€000s
Cash at bank including balances held on Short Term Deposit	24,195	8,553	22,274	7,900
	24,195	8,553	22,274	7,900

Waterford Institute of Technology

Notes to the financial statements – (continued)

For the 20 month period ended 30 April 2022

18. Payables: Amounts falling due within one year

	Consolidated 2022 €000s	Consolidated 2020 €000s	Institute 2022 €000s	Institute 2020 €000s
Research grants and contracts in advance	16,068	13,014	16,068	13,014
Trade creditors	1,197	792	825	315
State grants received in advance	5,299	1,415	5,299	1,415
Other tax and social security	2,238	2,265	2,167	2,262
Other payables	4,716	3,610	4,078	3,415
Accruals	3,018	2,600	2,823	2,248
Fees received in advance	10,225	1,223	10,225	1,223
Loan from Department of Further and Higher Education, Research, Innovation and Science	903	903	903	903
Other Loans	100	100	-	-
Other amounts received in advance	-	-	-	-
Leases (Note 20)	7	13	-	-
	43,771	25,935	42,388	24,795

The loan from the Department of Further and Higher Education, Research, Innovation and Science arose from a recommendation included in the report following a statutory inspection (Mr. Dermot Quigley) on the relationship between the Institute and the companies providing campus services to it; the loan, which totals €12.1m, is repayable over a period of fifteen years and is interest free. The purpose of the loan was to complete the purchase of the Manor Village Student Accommodation and to complete the construction of the WIT Arena (Sports Complex at Carriganore). The loan drawdown commenced in February 2014 and closing balance as at 30 April 2022 was €6.622m (2020: €8.127m) – this included repayments totalling €1.505m (2020: €602k) during the period.

19. Payables: Amounts falling due after more than one year

	Consolidated 2022 €000s	Consolidated 2020 €000s	Institute 2022 €000s	Institute 2020 €000s
Loan from Department of Further and Higher Education, Research, Innovation and Science	5,719	7,224	5,719	7,224
Other Loans	194	345	-	-
Other Payables	416	548	-	-
Other Lease obligations	-	10	-	-
	6,329	8,127	5,719	7,224

The loan from the Department of Further and Higher Education, Research, Innovation and Science arose from a recommendation included in the report following a statutory inspection (Mr. Dermot Quigley) on the relationship between the Institute and the companies providing campus services to it; the loan, which totals €12.1m, is repayable over a period of fifteen years and is interest free. The purpose of the loan was to complete the purchase of the Manor Village Student Accommodation and to complete the construction of the WIT Arena (Sports Complex at Carriganore). The loan drawdown commenced in February 2014 and closing balance as at 30 April 2022 was €6.622m (2020: €8.127m) – this included repayments totalling €1.505m (2020: €602k) during the period.

Waterford Institute of Technology

Notes to the financial statements – (continued)

For the 20 month period ended 30 April 2022

20. Lease Commitments

	Land & Buildings 2022 €000s	Land & Buildings 2020 €000s	Other 2022 €000s	Other 2020 €000s
Operating Leases				
Total future minimum lease payments under non-cancellable operating leases are as follows:				
Repayable within one year	189	120		
Repayable between two to five years	722	507		
Repayable after more than five years	629	123		
Finance Leases				
Repayable within one year			216	-
Repayable between two to five years			471	273
Repayable after more than five years			-	834
Total Commitments	1,540	750	687	1,107

21. Deferred State Capital Grants

	Consolidated 2022 €000s	Consolidated 2020 €000s	Institute 2022 €000s	Institute 2020 €000s
At 1 September				
Opening Balance	122,482	124,556	104,408	105,683
State Capital Grants received in year				
Allocated from State recurrent grant	1,933	298	1,933	298
State Capital Grants	4,019	1,418	4,019	1,418
Other Capital Grants/Funding	2,632	1,052	2,632	1,090
Fixed Asset disposal - Subsidiary	-	-	-	-
Transfer from CDR	122	66	122	66
Profit/Loss on Disposal	-	54	-	-
Total	8,706	2,888	8,706	2,872
Amortised to Income and Expenditure in year				
Amortised in line with Depreciation	(8,843)	(4,147)	(8,841)	(4,147)
Subsidiary company fixed assets - depreciation	(1,303)	(815)	-	-
Total	(10,146)	(4,962)	(8,841)	(4,147)
At 30 April/31 August				
Closing Balance	121,042	122,482	104,273	104,408

Waterford Institute of Technology

Notes to the financial statements – (continued)

For the 20 month period ended 30 April 2022

22. Capital Development Reserve

	Consolidated 2022 €000s	Consolidated 2020 €000s	Institute 2022 €000s	Institute 2020 €000s
Opening Balance	1,315	1,043	1,315	1,043
Transfer from Research Grant & Contracts	-	370	-	370
Capital Projects – State	(122)	(66)	(122)	(66)
Capital Projects – Non State	(149)	(32)	(149)	(32)
Closing Balance	1,044	1,315	1,044	1,315

23. Capital Commitments

	Consolidated 2022 €000s	Consolidated 2020 €000s	Institute 2022 €000s	Institute 2020 €000s
Contracted for but not provided	86	4	86	4
Authorised but not contracted	1,380	70	1,380	70
	1,466	74	1,466	74

24. Related Parties

Disclosure of Interests

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.

Interests in Spinout Companies during period 1st Sept 2020 to 30th April 2022:

Name: Headway Software Technologies Limited
Interest in: 4,500 Ordinary Shares of €0.01 each (4.29% of company's full diluted share capital)
Type of: Headway develops and sells software development tools.
Registered: Coxtown, Dunmore East, Co Waterford

Name: Nutralgae
Interest in: 117 fully paid ordinary shares of €1.00 each (13.13% ordinary shares)
Type of: Nutralgae aims to develop lutein derived from algae production.
Registered: 7 Durands Court, Parnell Street, Waterford
Note: Dissolved on 16th January 2023

Name: Kodacall
Interest in: 12 ordinary shares of €1.00 each (12% of company's fully diluted share capital)
Type of: Web platform for mobiles, laptops and desktops enables voice, video and instantaneous collaboration using your web browser by default to deliver communications in real time.
Registered: 103 Avondale Road, Killiney, Co. Dublin

Waterford Institute of Technology

Notes to the financial statements – (continued)

For the 20 month period ended 30 April 2022

Name: Liquidedge
Interest in: 13,636 ordinary shares of €0.001 each (10.74% of company's fully diluted share capital)
Type of: Wifi venue services.
Registered: 18 Mount Suir, Gracedieu, Waterford

Name: MetriLED Ltd
Interest in: 1,200 Ordinary Shares of €0.01 each (12% of company's full diluted share capital)
Type of: Software related to the development of lighting systems.
Registered: 266 Larchville, Waterford

Name: Ocudel Ltd
Interest in: 12 Ordinary Shares of €1 each (11.1% of company's full diluted share capital)
Type of: Eye Drop formulation for animal health.
Registered: c/o Beechwood Secretarial Services Ltd., 7-8 Wilton Tce, Dublin 2

Name: BioEnz Ltd
Interest in: 12 Ordinary Shares of €1 each (12% of company's full diluted share capital)
Type of: Cell & enzyme discovery and provision.
Registered: 23 Chapelgate, Kilmacow, Co. Kilkenny.

25. Contingent Liabilities

There were no contingent liabilities existing at 30 April 2022.

26. 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.

Waterford Institute of Technology

Notes to the financial statements – (continued)

For the 20 month period ended 30 April 2022

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 the payments are charged to that Department's appropriation account. Therefore, former employees of the Institute who are in receipt of a pension have been excluded from the valuation. The reduction in the liability arising from members who retired during the year is reflected as an experience gain and is separately identified in the liability reconciliation.

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

	30 April 2022	Reclassified 31 August 2020
Discount Rate	2.8%	1.1%
Inflation Rate	2.8%	1.4%
Salary Increases	4.05%	2.65%
Pension Increases	3.55%/2.8%	2.15%/1.4%

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	Restated 31 August 2020
	Years	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

	20 months ending 30 April 2022	12 months ending 31 August 2020
	€000s	€000s
Current service cost	39,107	22,991
Interest on retirement benefit scheme liabilities	9,075	3,949
Employee contributions/(benefits paid)	(5,409)	(2,951)
Past Service Gain / (Cost)	-	-
	42,773	23,989

Waterford Institute of Technology

Notes to the financial statements – (continued)

For the 20 month period ended 30 April 2022

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

	20 months ending 30 April 2022	12 months ending 31 August 2020
	€000s	€000s
Net retirement benefit obligation at beginning of period	(421,665)	(427,278)
Current service costs	(39,107)	(22,991)
Interest costs	(9,075)	(3,949)
Past Service Gain / (Cost)	-	-
Benefit paid in period	-	-
Reduction in pension liabilities arising from retirements in the period	14,530	13,365
Experience (loss)/gain on liabilities	(11,983)	2,203
Change in actuarial assumptions	36,754	16,985
Net retirement benefit obligations at end of period	(430,546)	(421,665)
Split between		
Single Public Service Pension Scheme (SPSPS)	(8,650)	(5,768)
Educational Sector Superannuation Scheme (ESSS)	(421,896)	(415,897)
	(430,546)	(421,665)

(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:

	20 months ending 30 April 2022	12 months ending 31 August 2020
	€000s	€000s
Funding recoverable in respect of current period retirement		
Benefit costs	42,773	23,989
Benefits paid in period	-	-
	42,773	23,989

The deferred funding liabilities for retirement benefit as at 30 April 2022 amounted to €430.546m.

(vi) History of defined benefits obligations

	20 months ending 30 April 2022	12 months ending 31 August 2020
	€000s	€000s
Defined benefit obligations	(430,546)	(421,665)

Waterford Institute of Technology

Notes to the financial statements – (continued)

For the 20 month period ended 30 April 2022

27. Events after the Reporting Period

There were no significant events since the Statement of Financial Position date which could have implications for these financial statements.

28. Technological University Project

On May 1st 2022 the Minister for Further & Higher Education, Research, Innovation and Science established South East Technological University (SETU) and dissolved Waterford Institute of Technology (WIT) in accordance with the Technological Universities Act 2018. On the dissolution of WIT all contracts previously vested in it were transferred to SETU pursuant the TU Act. Likewise, all land and other property along with all contracts and liabilities previously vested in WIT were transferred automatically to SETU. Additionally, in respect of anything commenced and not completed before the appointed day or under the authority of the dissolved body, such activities were also transferred to be carried on or completed by SETU.

Amalgamation activities in relation to systems, policies, processes and procedures continue for the new entity, SETU, with significant progress made at the date of these accounts; in particular the finance system for SETU became operational on establishment date 1st May 2022.

29. Foundations and Trusts

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

30. Approval of Financial Statements

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