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**Dublin Institute of Technology**

**Consolidated Financial Statements**

**Year Ended 31 August 2015**

**CONTENTS**

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	<b>Page</b>
STATEMENT OF INSTITUTE RESPONSIBILITIES	3
STATEMENT ON INTERNAL CONTROL	4 – 5
REPORT OF THE COMPTROLLER AND AUDITOR GENERAL	6 – 7
STATEMENT OF ACCOUNTING POLICIES	8 – 10
CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT	11
CONSOLIDATED BALANCE SHEET	12
INSTITUTE ONLY BALANCE SHEET	13
CONSOLIDATED CASH FLOW STATEMENT	14
NOTES TO THE FINANCIAL STATEMENTS	15 – 27

**STATEMENT OF INSTITUTE RESPONSIBILITIES**

The Dublin Institute 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 Consolidated Financial Statements, the Institute is required to:

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

The Institute is responsible for adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Institute and which enable it to ensure that the Consolidated Financial Statements comply with the Dublin Institute of Technology Acts 1992 to 2006.

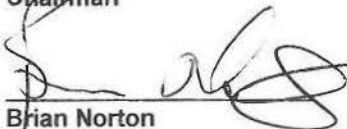
The Institute is also responsible for safeguarding its assets and for taking reasonable steps for the prevention and detection of fraud and other irregularities.



Tom Collins  
Chairman

Date

8/2/17



Brian Norton  
President

Date

8/7/17

## STATEMENT ON INTERNAL CONTROL

### Responsibility for the System of Internal Control

The Governing Body acknowledges its responsibility for ensuring that an effective system of internal control is maintained and operated. The system of internal control consists of those processes used to identify, evaluate and manage the significant risks faced by the Institute in the management of its affairs.

The system is designed to manage rather than eliminate risk, recognising that the system can only provide reasonable and not absolute assurance that assets are safeguarded, transactions are authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected in a timely manner.

### Key Control Procedures

The Governing Body have taken steps to ensure an appropriate control environment, including:

- Clearly defined management responsibilities
- Developing formal procedures for reporting significant control failures and ensuring appropriate corrective action

The system of internal financial control is based on a framework of regular management information, administrative procedures including segregation of duties, and a system of delegation and accountability. In particular, it includes procedures and regulations that are currently documented, implemented and up to date:

- Comprehensive budgeting system with an annual budget which is reviewed and agreed by the Governing Body
- Regular reviews by the Governing Body (and its subcommittees), of periodic and annual financial reports, which include reports of financial performance against budgets
- Development of targets to measure financial and other performance
- Development of clearly defined capital investment control guidelines
- Development of formal project management disciplines

The Institute has an internal audit function, which operates in accordance with the Framework Code of Best Practice set out in the Code of Governance of Irish Institutes of Technology. The work of Internal Audit is informed by analysis of the risk to which the body is exposed, and annual internal audit plans are based on this analysis. The plans are approved by the Governing Body Audit sub-committee. The Internal Audit function reports to this subcommittee at least quarterly.

### Risk Management

DIT has implemented a risk management system across all areas of the Institute. The system is based on the principals of the COSO system whereby risks are assessed on the basis of impact and the likelihood of occurrence. Risk is managed through detailed local risk registers, a corporate risk Register, Risk Appetite Statement and Action Plans generated by college and support service functions. The risk registers are updated not less than twice per year and presented to the Institute Risk & Planning Coordinator for analysis. The Co-ordinator uses the bi-annual returns as the basis for the Institute-wide Corporate Risk Register.

In embedding this system, a number of areas for improvement were identified, including: - the prompt submission of local risk registers; clear linkage of action plans to mitigate the identified risks; and standardisation across the Institute in the rating of risks. The Co-ordinator also chairs the Risk Forum that monitors and recommends updates and enhancements to the risk management system. Training has been delivered to the Risk Forum members and the members of the SLT, and is being rolled out across the Institute.

The Coordinator prepares the required data and management reports that are presented regularly to the Senior Leadership Team and the Governing Body Audit sub-committee. This provides an enhanced assurance to the SLT, Governing Body, and the Governing Body Audit sub-committee that an appropriate and effective risk management system operates in the Institute.

### Annual Review of internal controls

The Governing Body confirm that a formal review of the effectiveness of the system of internal controls for the year ended 31 August 2015 was performed by the Governing Body in December 2015.

### Annual Governance Statement

The Governing Body is working towards the full implementation of the Code of Governance of Irish Institutes of Technology. A full review of compliance with the Code was carried out by the Director of Finance and Resources in 2012. The Office of the Institute Secretary was given responsibility for monitoring compliance with the Code when it was set up in late 2012. The Secretary was requested to provide an update, articulating the ongoing efforts and progress towards full compliance. The report was presented to the Governing Body Audit Committee in January 2014. The Institute completed the Dispute Resolution Policy and the Code of Conduct for staff by that date. The Secretary will conduct further reviews and report findings to the Governing Body Audit Committee regularly. The Whistleblowing Policy in DIT is in place and is compliant with the Confidential Disclosure Act 2014.

An Internal Audit Review of the funding allocated to the Dublin Institute of Technology Students Union (DITSU) was conducted in 2015. DIT management are actively engaging with DITSU to ensure implementation of all recommendations in the review.

The system of allocating funds in arrears, and only on production of vouched expenditure was discontinued by DITSU for the non-pay element of the funding allocation. DITSU have not provided the necessary vouchers for examination since December 2015. There were however non-pay funds allocated to DITSU by DIT in February and May of 2016.

As recommended in the review a new Funding Agreement between the Dublin Institute of Technology and the Dublin Institute of Technology Students Union presented to the Governing Body of DIT was approved on 1st June 2016 subject to amendment of the Audit Clause. The Governing Body of DIT and DITSU approved a new audit clause for insertion into the Funding Agreement on 14 December 2016. The Director of Student Services DIT and the President of DITSU signed the amended Funding Agreement on 10 January 2017.

There is no trading on DIT premises by DITSU or any subsidiary requiring licensing agreements. DIT is aware that DITSU conducts commercial fundraising activities, for sponsorship purposes, on DIT premises. DIT and DITSU have established a Working Group to agree policies and procedures for these activities.

The Institute accepts that it did not fully comply with requirements to publicly procure all goods and services in excess of specified limits. The value of such goods and services was €3.4m. In response to this issue the Institute has adopted the following measures;

- Updated the procurement plan
- recruited additional procurement specialists and enlisted external procurement support
- sought additional support from the Office of Government Procurement

Signed:  Date 8/3/17  
Tom Collins  
Chairman

Signed:  Date 8/7/17  
Brian Norton  
President



## Comptroller and Auditor General

### Report for presentation to the Houses of the Oireachtas

#### Dublin Institute of Technology

I have audited the consolidated financial statements of Dublin Institute of Technology for the year ended 31 August 2015 under the Dublin Institute of Technology Acts 1992 to 2006. The financial statements comprise the statement of accounting policies, the consolidated income and expenditure account, the consolidated and Institute balance sheets, the consolidated cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is the Dublin Institute of Technology Acts 1992 to 2006 and generally accepted accounting practice.

#### Responsibilities of the Institute

The Institute is responsible for the preparation of the financial statements, for ensuring that they give a true and fair view and for ensuring the regularity of transactions.

#### Responsibilities of the Comptroller and Auditor General

My responsibility is to audit the financial statements and report on them in accordance with applicable law.

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.

My audit is carried out in accordance with the International Standards on Auditing (UK and Ireland) and in compliance with the Auditing Practices Board's Ethical Standards for Auditors.

#### Scope of audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements, sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of

- whether the accounting policies are appropriate to the Institute's circumstances, and have been consistently applied and adequately disclosed
- the reasonableness of significant accounting estimates made in the preparation of the financial statements, and
- the overall presentation of the financial statements.

I also seek to obtain evidence about the regularity of financial transactions in the course of audit.

#### Opinion on the financial statements

In my opinion, the financial statements

- give a true and fair view of the assets, liabilities and financial position of the Group and Institute as at 31 August 2015 and of the Group's income and expenditure for the year then ended; and
- have been properly prepared in accordance with generally accepted accounting practice.

In my opinion, the accounting records of the Institute were sufficient to permit the financial statements to be readily and properly audited. The financial statements are in agreement with the accounting records.

#### Matters on which I report by exception

I report by exception if I have not received all the information and explanations I required for my audit, or if I find

- any material instance where money has not been applied for the purposes intended or where the transactions did not conform to the authorities governing them, or
- the statement on internal control does not reflect the Institute's compliance with the Code of Governance of Irish Institutes of Technology, or
- there are other material matters relating to the manner in which public business has been conducted.

#### Procurement non-compliance

The audit noted that the Institute made payments totaling €3.4 million to 36 suppliers in the year under review in respect of goods and services that were not subject to competitive public procurement.

Seamus McCarthy  
Comptroller and Auditor General

14 March 2017

REPORT OF THE COMPTROLLER AND AUDITOR GENERAL

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## STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31 AUGUST 2015

The significant accounting policies adopted by the Dublin Institute of Technology are as follows:

### 1. Basis of Preparation

The Consolidated Financial Statements are prepared in accordance with generally accepted accounting principles in Ireland and the United Kingdom under the historical cost convention (except for certain assets which are included at valuation) and with the requirements of the Higher Education Authority.

Under the Institutes of Technology/DIT Act 2006 which came into operation on 1 February 2007, certain functions and funding which were previously exercised and provided by the Minister for Education and Skills were transferred to the Higher Education Authority.

### 2. Basis of Consolidation

The Consolidated Financial Statements include the financial statements of the Institute, An Chéim Computer Services Limited and Dublin Institute of Technology Intellectual Property Limited. The Institute is in the process of transferring ownership of An Chéim Computer Services Limited to HEA Net. The directors of Dublin Institute of Technology Intellectual Property Limited have taken the decision to wind up the company. The DIT Foundation is a limited company set up with the principal activity to support Dublin Institute of Technology in its advancement of education and research through philanthropy. DIT Foundation has not been consolidated in these financial statements.

### 3. Recognition of Income

#### State Grants

Recurrent Grants from the Higher Education Authority and other bodies are recognised in the period in which they are receivable.

Non Recurrent Grants from the Higher Education Authority or other bodies received in respect of the acquisition or construction of Fixed Assets are treated as deferred Capital Grants and amortised in line with depreciation over the life of the assets.

#### Minor Capital Works

The Minister for Education and Skills introduced a scheme to devolve responsibility to the Institute for Minor Capital Works.

Where Minor Capital Works monies in respect of this scheme, have not been expended they are treated as deferred income, provided the projects to which they are committed have been approved by the Governing Body, are fully defined, time phased and with estimates of costs.

In all other cases Minor Capital Works funding is recognised in the period received.

#### Research Grants and Contracts

Income from Research Grants and contracts is matched to expenditure and is included in the income of the year in which the related expenditure has been incurred.

All research income and expenditure is shown under the headings 'Research Grants and Contracts'.

Full provision is made for foreseeable losses.

#### Fee Income

Fee Income is accounted for on an accruals basis.

#### Interest Income

All income from short term deposits is credited to the income and expenditure account in the period in which it is earned.



**4. ANCILLARY ACTIVITIES**

There were no Ancillary Activities during the current financial year.

**5. STOCKS**

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

**6. FIXED ASSETS AND DEPRECIATION**

Fixed assets, with the exception of land, are stated at historical cost or valuation less accumulated depreciation. Land is stated at historical cost or valuation.

**(a) COST OR VALUATION**

Fixed assets in existence on 1 January 1993 (date of commencement order) are stated at valuation. The basis of valuation of land and buildings is set out at Note 15. Subsequent additions are stated at cost.

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

**(b) 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 of €3,000 and the total purchase invoice is in excess of the limit, these items are individually capitalised in the normal way.

**(c) DEPRECIATION**

All assets purchased before 1 September 2008 and capitalised will continue to be treated as fixed assets and depreciated to the end of their useful life.

Depreciation is provided on fixed assets, excluding land, on a straight line basis so as to write off their historical costs or valuations over their estimated useful lives as follows:

	Years
Land & Buildings	50
Fixtures and Fittings	10
Computer Equipment	3
Motor Vehicles	5
Furniture and Equipment	5

All equipment funded from Research Grants and Contracts is depreciated over the life of the asset in line with the policy for all other Fixed Assets.

Leased Land and Buildings are depreciated over the life of the lease.

**7. FOREIGN CURRENCIES**

Transactions denominated in foreign currencies are translated into Euro and recorded at the rates of exchange ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into Euro at the rates of exchange ruling at the balance sheet date.

**8. PENSIONS**

All employees recruited from 1 January 2013 are members of the single public sector pension scheme and all other pension entitlements to staff are conferred under the Education Sector Superannuation Scheme 2015 and pension obligations are met by the Exchequer as they arise. Deductions under the single public sector scheme are remitted to the Department of Public Expenditure and Reform. The superannuation scheme is operated on a Pay As You Go Basis and therefore superannuation deductions made from employees are retained by the Institute, as an agreed part of its funding. The Institute does not make contributions towards the scheme and has no obligations in respect of entitlements.

The Single Public Service Pension Scheme (Single Scheme) is the defined benefit pension 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. Deductions made from employees under the Single Scheme are remitted by the Institute to the Department of Public Expenditure and Reform.

The Institute is prescribed in S.I. No 581 of 2012 as a relevant authority for the purposes of the Single Scheme. The Institute had 132 members of the Single Scheme at 31 August 2015. Future benefits accruing to Scheme members have not been provided for in these financial statements. 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 Department of Public Expenditure and Reform is assessing the current arrangements in respect of the Single Scheme and is considering a number of options in relation to the future payment of benefits and financing of those benefits.

**9. DEFERRED CAPITAL GRANTS**

Deferred Capital Grants represent the unamortised value of accumulated funds allocated for fixed assets.

**10. CAPITAL DEVELOPMENT RESERVE**

The Capital Development Reserve represents funds set aside by the Institute for specified capital development purposes. Such funds arise from student contribution, non-state capital donations, banking facility fees and transfers from Revenue Reserves, in the latter case, which have had the prior approval of the Higher Education Authority, together with bank interest earned on these monies. Such funds shall be retained in the Capital Development Reserve Account provided the defined projects to which they are committed are in line with the Institute's Capital Development Plan, have been approved by the Governing Body, time phased and with estimate of costs.

**11. LEASED ASSETS**

Rentals under operating leases are charged to the Income and Expenditure account in the period in which the expenditure is incurred. Assets acquired under finance leases are treated as capitalised assets and depreciated over the shorter of the life of the asset and the length of the lease period.

**12. DONATIONS**

The Institute on occasion receives benefits in kind such as gifts of equipment or monies. These donations are recorded as Income in the relevant financial year and recorded under the appropriate asset classification such as Tangible Assets or Cash at Bank.

CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT FOR YEAR ENDED 31 AUGUST 2015

INCOME	NOTE	2015	Restated
		€'000	2014 €'000
State Grant	1	71,254	72,869
Tuition Fees	2	63,318	61,599
Amortisation of Deferred Capital Grants	18	9,795	10,201
Research Grants and Contracts	3	12,609	14,662
Student Support Funding Income recognised	4	1,242	1,367
Other Income	5	6,820	8,294
Interest Income		395	892
Profit on disposal of Fixed Assets		<u>1,605</u>	<u>360</u>
		<b><u>167,038</u></b>	<b><u>170,244</u></b>
<b>EXPENDITURE</b>			
Academic Departments	6	85,219	85,924
Academic Services	7	8,932	10,594
Facilities Costs	8	18,295	15,671
Central Administration and Services	9	15,962	17,218
General Educational Expenses	10	2,438	2,036
Student Services	11	5,172	5,144
Research Grants and Contracts	3	12,226	12,529
Student support funding income applied	4	1,242	1,367
Depreciation	15	9,500	10,201
An Chéim computer services	12	<u>5,902</u>	<u>5,443</u>
	13	<b><u>164,888</u></b>	<b><u>166,127</u></b>
<b>Operating Surplus</b>		2,150	4,117
Release from Capital Development Reserve	22	<u>3,680</u>	-
<b>Net Operating Surplus</b>		<b><u>5,830</u></b>	<b><u>4,117</u></b>
Transfer to capital development reserve	22	(14,375)	(2,481)
Accumulated surplus at the beginning of the year		<u>16,466</u>	<u>14,830</u>
Accumulated surplus at end of year		<b><u>7,921</u></b>	<b><u>16,466</u></b>

There are no gains or losses other than those recognised above.

The Statement of Accounting Policies, Cash Flow Statement and Notes 1 to 32 form part of the Consolidated Financial Statements.

Signed on behalf of the Governing Body



Tom Collins  
Chairman

Date 8/2/17



Brian Norton  
President

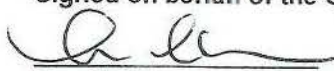
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CONSOLIDATED BALANCE SHEET AS AT 31 AUGUST 2015

	Notes	2015 €'000	Restated 2014 €'000
<b>FIXED ASSETS</b>			
Tangible Assets	15	98,660	104,955
<b>LONG TERM DEBTOR</b>			
GDA Loan	29	28,961	14,586
<b>CURRENT ASSETS</b>			
Debtors	16	7,600	6,585
Cash at bank and in hand		<u>33,213</u>	<u>46,074</u>
		<u>40,813</u>	<u>52,659</u>
<b>CURRENT LIABILITIES</b>			
Amounts Due within one year			
Creditors and Accrued Expenses	17	<u>27,790</u>	<u>27,411</u>
Net Current Assets		13,023	25,248
Net Assets		<u>140,644</u>	<u>144,789</u>
<b>REPRESENTED BY</b>			
Deferred Capital Grants	18	98,660	104,955
Income and Expenditure Account		7,921	16,466
Capital Development Reserve	22	<u>34,063</u>	<u>23,368</u>
		<u>140,644</u>	<u>144,789</u>

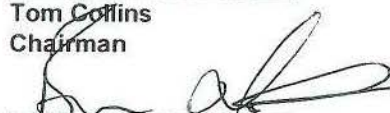
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Signed on behalf of the Governing Body



Tom Collins  
Chairman

Date 8/12/17



Brian Norton  
President


Date 8/3/17


INSTITUTE ONLY BALANCE SHEET AS AT 31 AUGUST 2015

	Notes	2015 €'000	Restated 2014 €'000
<b>FIXED ASSETS</b>			
Tangible Assets	15	97,037	102,913
<b>LONG TERM DEBTOR</b>			
GDA Loan	29	28,961	14,586
<b>CURRENT ASSETS</b>			
Debtors	16	6,096	5,334
Cash at bank and in hand		<u>30,434</u>	<u>44,700</u>
		36,530	50,034
<b>CURRENT LIABILITIES</b>			
Amounts Due within One Year Creditors and Accrued Expenses	17	<u>27,818</u>	<u>27,388</u>
Net Current Assets		8,712	22,646
Net Assets		<b><u>134,710</u></b>	<b><u>140,145</u></b>
<b>REPRESENTED BY</b>			
Deferred Capital Grants	18	97,037	102,913
Income and Expenditure Account		3,610	13,864
Capital Development Reserve	22	<u>34,063</u>	<u>23,368</u>
		<b><u>134,710</u></b>	<b><u>140,145</u></b>

The Statement of Accounting Policies, Cash Flow Statement and Notes 1 to 32 form part of the Consolidated Financial Statements.

Signed on behalf of the Governing Body

  
 Tom Collins  
 Chairman  
 Date 8/2/17

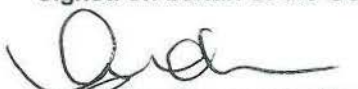
  
 Brian Norton  
 President  
 Date 8/2/17

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 2015

	2015 €'000	Restated 2014 €'000
<b>Reconciliation of operating surplus to net cash inflow from operating activities</b>		
Net Operating Surplus	2,150	4,117
Profit on disposal of Fixed Assets	(1,605)	(360)
Interest Income	(395)	(892)
Depreciation	9,500	10,201
Amortisation of Deferred Capital Grants	(9,795)	(10,201)
Increase in Debtors	(15,390)	(8,658)
Increase/(decrease) in Creditors	<u>379</u>	<u>(5,063)</u>
<b>Net cash outflow from operating activities</b>	<b><u>(15,156)</u></b>	<b><u>(10,856)</u></b>
<b>Cash Flow Statement</b>		
<b>Net cash outflow from operating activities</b>	<b>(15,156)</b>	<b>(10,856)</b>
Interest Received	395	892
<b>Capital expenditure</b>		
Payments to Acquire Fixed Assets	(3,500)	(4,804)
Proceeds from the Disposal of Fixed Assets	<u>1,900</u>	<u>360</u>
<i>Net Cash Outflow for capital expenditure</i>	<b><u>(1,600)</u></b>	<b><u>(4,444)</u></b>
<b>Financing</b>		
State Recurrent Grants Spent on Fixed Assets	2,454	4,523
Other funds spent on Fixed Assets	<u>1,046</u>	<u>281</u>
<i>Net Cash Inflow from Financing</i>	<b><u>3,500</u></b>	<b><u>4,804</u></b>
<b>Decrease in cash</b>	<b><u>(12,861)</u></b>	<b><u>(9,604)</u></b>
<b>Reconciliation of net cash flow to movement in net funds</b>		
<b>Decrease in cash</b>	<b>(12,861)</b>	<b>(9,604)</b>
Opening net funds	<u>46,074</u>	<u>55,678</u>
Net Funds at 31 August	<b><u>33,213</u></b>	<b><u>46,074</u></b>

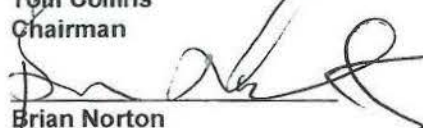
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Signed on behalf of the Governing Body



Tom Collins  
Chairman

Date 8/3/15



Brian Norton  
President

Date 8/3/15

## NOTES TO THE FINANCIAL STATEMENTS

## 1 State Grant

	Allocated for Recurrent Expenditure 2015 €000	Allocated for Capital Expenditure 2015 €000	Allocated to Projects Expenditure 2015 €000	Total 2015 €000	Total 2014 €000
HEA State Recurrent Grant	59,467	1,071	740	61,278	67,834
HEA An Cheim State Grant	7,610	1,383	-	8,993	7,557
HEA Other State Grant	<u>4,177</u>	<u>961</u>	<u>-</u>	<u>5,138</u>	<u>2,066</u>
	<u>71,254</u>	<u>3,415</u>	<u>740</u>	<u>75,409</u>	<u>77,457</u>
Total – 2014	<u>72,869</u>	<u>4,523</u>	<u>65</u>	<u>77,457</u>	

The total cost of certain Higher Certificate and Ordinary Degree courses is sub-vented by the European Social Fund (ESF) at national level. HEA Grants for Recurrent Expenditure are partly funded from this EU assistance. With effect from 1<sup>st</sup> February 2007 the Higher Education Authority took over responsibility from the Department of Education and Skills for the funding of non-nursing recurrent expenditure.

The Institute allocated recurrent grant totalling €717,483 towards the support of students undertaking post graduate research studies. This included payments for stipends and project expenses incurred in attaining the qualifications of MPhil and PhD.

## 2 Tuition Fees

	2015 Student No. (WTE)	2015 €000's	2014 Student No. (WTE)	Restated 2014 €000's
Fees paid by State	10,886	9,690	10,742	12,260
Gross Registration Charges inc. repeat Exam Fees		31,616		29,450
Non-EU Fees	636	6,802	641	6,340
Fees paid by students or on behalf of students	3,489	11,585	4,456	11,287
Life Long Learning and Other Fees	<u>376</u>	<u>3,625</u>	<u>267</u>	<u>2,262</u>
	<u>15,387</u>	<u>63,318</u>	<u>16,106</u>	<u>61,599</u>

The Higher Education Authority paid tuition fees in the year of €9,236,932 for full time degree courses and €453,460 for higher certificate and ordinary degree courses the total costs of which are part funded by the ESF.

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

NOTES TO THE FINANCIAL STATEMENTS – continued

<b>3</b>	<b>Research Grants and Contracts</b>			<b>2015</b>	<b>2014</b>
				<b>€'000</b>	<b>€'000</b>
	<b>Income:</b>				
	Research Grants & Contracts			12,609	14,662
	<b>Expenditure</b>				
	Pay costs			5,157	5,152
	Non-Pay Costs			<u>7,069</u>	<u>7,377</u>
				<b><u>12,226</u></b>	<b><u>12,529</u></b>
<b>4</b>	<b>Student Support Funding</b>	<b>Disabilities</b>	<b>Student Assistance</b>	<b>2015</b>	<b>2014</b>
				<b>€'000</b>	<b>€'000</b>
	Balance at 1 September 2014	27	-	27	126
	Receipts:				
	Higher Education Authority	921	547	1,468	1,268
	Other Income	<u>12</u>	<u>-</u>	<u>12</u>	<u>-</u>
	Net Income:	<u>933</u>	<u>547</u>	<u>1,480</u>	<u>1,268</u>
	Amounts Applied				
	Pay costs	370	-	370	413
	Non Pay costs	<u>325</u>	<u>547</u>	<u>872</u>	<u>954</u>
		<b><u>695</u></b>	<b><u>547</u></b>	<b><u>1,242</u></b>	<b><u>1,367</u></b>
	Balance at as 31 August 2015	<u>265</u>	<u>-</u>	<u>265</u>	<u>27</u>
<b>5</b>	<b>Other Income</b>			<b>2015</b>	<b>2014</b>
				<b>€'000</b>	<b>€'000</b>
	Superannuation deductions retained			5,496	5,920
	Sale of class materials and reprographic services			70	70
	Student Services			274	207
	Donation			308	460
	Other Income			<u>672</u>	<u>1,637</u>
				<b><u>6,820</u></b>	<b><u>8,294</u></b>
<b>6</b>	<b>Academic Departments</b>			<b>2015</b>	<b>Restated 2014</b>
				<b>€'000</b>	<b>€'000</b>
	Pay Costs			75,123	78,192
	Non Pay Costs			<u>10,096</u>	<u>7,732</u>
				<b><u>85,219</u></b>	<b><u>85,924</u></b>
<b>7</b>	<b>Academic Support Services</b>			<b>2015</b>	<b>2014</b>
				<b>€'000</b>	<b>€'000</b>
	Pay Costs			6,144	6,219
	Non Pay Costs			<u>2,788</u>	<u>4,375</u>
	<b>Total</b>			<b><u>8,932</u></b>	<b><u>10,594</u></b>



## NOTES TO THE FINANCIAL STATEMENTS – continued

<b>8</b>	<b>Facilities Cost</b>			<b>2015</b>	<b>2014</b>
				<b>€'000</b>	<b>€'000</b>
	Pay Costs			5,643	5,610
	Non-Pay Costs			<u>12,652</u>	<u>10,061</u>
	<b>Total</b>			<b><u>18,295</u></b>	<b><u>15,671</u></b>
<b>9</b>	<b>Central Administration and Services</b>			<b>2015</b>	<b>2014</b>
				<b>€'000</b>	<b>€'000</b>
	Pay Costs			11,384	11,449
	Non Pay Costs			<u>4,578</u>	<u>5,769</u>
	<b>Total</b>			<b><u>15,962</u></b>	<b><u>17,218</u></b>
<b>10</b>	<b>General Educational Expenses</b>			<b>2015</b>	<b>2014</b>
				<b>€'000</b>	<b>€'000</b>
	Pay costs			2,059	1,705
	Non Pay costs			<u>379</u>	<u>331</u>
	<b>Total</b>			<b><u>2,438</u></b>	<b><u>2,036</u></b>
<b>11</b>	<b>Student Services</b>	<b>2014/15</b>	<b>2014/15</b>	<b>2014/15</b>	<b>2013/14</b>
		<b>€'000</b>	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>
		<b>Staff Costs</b>	<b>Non-Pay</b>	<b>Total</b>	<b>Total</b>
	Student Clubs and Societies	95	767	862	1,481
	Student Services	201	1,731	1,932	863
	Career Advisory Services	439	-	439	520
	Sports and Recreation	642	314	956	1,336
	Health and Counselling	<u>720</u>	<u>263</u>	<u>983</u>	<u>944</u>
		<b><u>2,097</u></b>	<b><u>3,075</u></b>	<b><u>5,172</u></b>	<b><u>5,144</u></b>
<b>12</b>	<b>An Chéim</b>			<b>2015</b>	<b>2014</b>
				<b>€'000</b>	<b>€'000</b>
	<b>Expenditure:</b>				
	Staff Costs			496	466
	Materials and Services			<u>5,406</u>	<u>4,977</u>
	<b>Total Recurrent Expenditure</b>			<b><u>5,902</u></b>	<b><u>5,443</u></b>

## NOTES TO THE FINANCIAL STATEMENTS – continued

## 13 Analysis of Expenditure

	Staff Costs €'000	Depreciation €'000	Other Operating Costs €'000	2015 €'000	Restated 2014 €'000
Research Grants and Contracts	5,157	411	7,069	12,637	13,159
Academic Department	75,123	986	10,096	86,205	87,501
Academic Services	6,144	361	2,788	9,293	11,091
Facilities Costs	5,643	5,757	12,652	24,052	21,469
Central Administration & Services	11,384	117	4,578	16,079	17,378
General Education Expenses	2,059	2	379	2,440	2,039
Student Services and Amenities	2,097	56	3,075	5,228	5,184
An Chéim Computer Services	496	1,802	5,406	7,704	6,918
Student Support Funding	370	8	872	1,250	1,388
	<u>108,473</u>	<u>9,500</u>	<u>46,915</u>	<u>164,888</u>	<u>166,127</u>

Analysis of Other Operating Expenditure	2015 €'000	Restated 2014 €'000
Material and other consumables	3,348	2,948
Light, Heat & Power	2,330	2,289
Repairs and Maintenance Costs	5,244	3,693
Printed material, books and periodicals	1,716	2,996
Travel and Subsistence	2,337	2,135
Printing, Stationary, Postage and other Office Expenses	843	992
Rent, Rates and Insurance Costs	4,901	3,694
Recruitment, training etc.	546	601
Audit Fee	60	59
Subsidiary Audit Fee	13	10
Consultancy Costs	125	161
Equipment (non-capitalised) purchases and maintenance	2,391	2,749
Computer Costs	6,445	5,959
Student Grants	2,010	1,954
Professional Fees	2,697	2,933
Research Costs	2,732	2,569
Payments to Partners	3,660	2,446
General Advertising and Publicity	695	558
Communications	654	716
Finance Costs	262	241
Bad Debts	(79)	580
General Education	317	342
Services to Students	2,938	3,201
Other Expenses	<u>730</u>	<u>828</u>
Total Expenditure	<u>46,915</u>	<u>44,654</u>

## 14 Taxation

The Dublin Institute of Technology is exempt from Corporation Tax under a Charitable Status Order.

NOTES TO THE FINANCIAL STATEMENTS – continued

15	Consolidated Fixed Assets	Land and Buildings €'000	Fixtures and Fittings €'000	Computer Equipment €'000	Motor Vehicles €'000	Furniture and Equipment €'000	Total €'000
<b>Cost or Valuation</b>							
	At 1 September 2014	131,723	46,977	42,902	50	43,499	265,151
	Additions	-	913	1,445	6	1,136	3,500
	Disposals	(686)	(87)	(36)	-	(92)	(901)
	At 31 August 2015	<u>131,037</u>	<u>47,803</u>	<u>44,311</u>	<u>56</u>	<u>44,543</u>	<u>267,750</u>
<b>Depreciation</b>							
	At 1 September 2014	48,208	31,210	39,988	44	40,746	160,196
	Charge for the year	2,635	3,186	2,389	6	1,284	9,500
	Disposals	(409)	(69)	(36)	-	(92)	(606)
	At 31 August 2015	<u>50,434</u>	<u>34,327</u>	<u>42,341</u>	<u>50</u>	<u>41,938</u>	<u>169,090</u>
<b>Net Book Value</b>							
	At 31 August 2015	<u>80,603</u>	<u>13,476</u>	<u>1,970</u>	<u>6</u>	<u>2,605</u>	<u>98,660</u>
	At 31 August 2014	83,515	15,767	2,914	6	2,753	104,955
<b>Cost or Valuation</b>							

Land and Buildings in existence on 1 January 1993 were valued by the Valuation Office.

NOTES TO THE FINANCIAL STATEMENTS – continued

15	Institute Only Fixed Assets	Land and Buildings €'000	Fixtures and Fittings €'000	Computer Equipment €'000	Motor Vehicles €'000	Furniture and Equipment €'000	Total €'000
<b>Cost or Valuation</b>							
	At 1 September 2014	131,723	46,911	15,236	50	43,408	237,328
	Additions	-	913	62	6	1,136	2,117
	Disposal	(686)	(87)	(36)	-	(92)	(901)
	At 31 August 2015	<u>131,037</u>	<u>47,737</u>	<u>15,262</u>	<u>56</u>	<u>44,542</u>	<u>238,544</u>
<b>Depreciation</b>							
	At 1 September 2014	48,208	31,193	14,311	44	40,659	134,415
	Charge for the year	2,635	3,183	591	6	1,283	7,698
	Disposal	(409)	(69)	(36)	-	(92)	(606)
	At 31 August 2015	<u>50,434</u>	<u>34,307</u>	<u>14,866</u>	<u>50</u>	<u>41,850</u>	<u>141,507</u>
<b>Net Book Value</b>							
	At 31 August 2015	<b>80,603</b>	<b>13,430</b>	<b>396</b>	<b>6</b>	<b>2,602</b>	<b>97,037</b>
	At 31 August 2014	83,515	15,718	925	6	2,749	102,913
<b>Cost or Valuation</b>							

Land and Buildings in existence on 1 January 1993 were valued by the Valuation Office.

NOTES TO THE FINANCIAL STATEMENTS – continued

15 Fixed Assets – continued

Assets in the course of construction have been valued at cost.

In the year end 31<sup>st</sup> August 2004 the Institute completed the financing arrangements for the Focas building in accordance with Section 843 (4) of the Taxes Consolidation Act, 1997 as amended in Section 51 in the Finance Act 1999. In applying FRS 5 "reporting the substance of transactions" the Institute has accounted for the Focas building in fixed assets on the basis of the commercial substance rather than the legal form. Under legal form the Institute had a restricted bank balance of €7,953,680 on deposit as at 31<sup>st</sup> August 2014 with a financial institution to acquire full ownership of the building. As part of the agreement, the Institute was leasing the building from the financial institution as at August 2014. In September 2014 the Institute completed the option whereby the Institute acquired the building, at a cost of €7,953,680.

16 Debtors and Prepayments	Group 2015 €'000	Group 2014 €'000	Institute 2015 €'000	Institute 2014 €'000
Tuition Fees	3,015	1,518	3,015	1,518
State & Other Capital Grant	-	44	-	44
Research Grants and Contracts	42	978	42	978
Prepayments and Accrued Income	3,307	2,438	1,803	1,187
Other Debtors	38	277	38	277
Taxes	215	413	215	413
Trade Debtors	<u>983</u>	<u>917</u>	<u>983</u>	<u>917</u>
<b>Total</b>	<b><u>7,600</u></b>	<b><u>6,585</u></b>	<b><u>6,096</u></b>	<b><u>5,334</u></b>

NOTES TO THE FINANCIAL STATEMENTS – continued

17 Creditors and Accrued Expenses	Note	Group	Group	Institute	Institute
		2015 €'000	2014 €'000	2015 €'000	2014 €'000
Amounts falling due within one year					
<b>Payments Received in advance:</b>					
Research Grants & Contracts		13,253	13,486	13,253	13,486
Student Support Funding		265	27	265	27
State grant for Strategic Initiatives		2,126	2,860	2,126	2,860
Tuition fees		<u>5,932</u>	<u>4,133</u>	<u>5,932</u>	<u>4,133</u>
Total payments received in advance		<u>21,576</u>	<u>20,506</u>	<u>21,576</u>	<u>20,506</u>
<b>Trade Creditors and Accruals</b>					
<b>Amounts falling due within one year</b>					
Trade Creditors		625	1,292	580	1,284
Taxation Creditors		2,783	2,767	2,642	2,752
Accruals & Other Creditors		<u>2,806</u>	<u>2,846</u>	<u>3,020</u>	<u>2,846</u>
		<u>6,214</u>	<u>6,905</u>	<u>6,242</u>	<u>6,882</u>
		<u>27,790</u>	<u>27,411</u>	<u>27,818</u>	<u>27,388</u>

Taxation Creditors are as follows;

	Group 2015 €'000	Group 2014 €'000	Institute 2015 €'000	Institute 2014 €'000
PAYE/PRSI Payable	2,642	2,752	2,642	2,752
VAT Payable	89	8	-	-
PSWT Payable	<u>52</u>	<u>7</u>	<u>-</u>	<u>-</u>
	<u>2,783</u>	<u>2,767</u>	<u>2,642</u>	<u>2,752</u>

## NOTES TO THE FINANCIAL STATEMENTS – continued

18	Deferred Capital Grants	Note	Group 2015 €'000	Group 2014 €'000	Institute 2015 €'000	Institute 2014 €'000
	Opening Balance	b/f	104,955	110,443	102,913	108,494
	Capital Grants Receivable:					
	State Capital Grants – Higher Education Authority	1	2,454	4,515	1,071	2,476
	Research Grants and Contracts		85	281	85	281
	Student Registration Charge		-	1	-	-
	Other Grants	1	<u>961</u>	<u>8</u>	<u>961</u>	<u>8</u>
	<b>Total funding for additions</b>		<u>3,500</u>	<u>4,805</u>	<u>2,117</u>	<u>2,765</u>
	<b>Release to Income</b>					
	Amortisation in line with asset depreciation	15	(9,500)	(10,201)	(7,698)	(8,254)
	Disposals		(901)	(5,404)	(901)	(1,336)
	Depreciation on Disposals		<u>606</u>	<u>5,312</u>	<u>606</u>	<u>1,244</u>
			(295)	(92)	(295)	(92)
	<b>Closing Balance</b>		<u>98,660</u>	<u>104,955</u>	<u>97,037</u>	<u>102,913</u>

**19 Capital Commitments contracted for but not provided**

Estimated capital commitments of €2,059,545 (€651,515 in 2013/2014) existed at the end of the period.

**20 Commitments under Property Leases**

At the year end DIT had commitments under non-cancellable property leases expiring as follows:-

	2015 €'000	2014 €'000
Within 1 year	-	37
Between 1 and 5 years	721	2
More than 5 years	<u>1,480</u>	<u>2,198</u>
	<u>2,201</u>	<u>2,237</u>

## NOTES TO THE FINANCIAL STATEMENTS – continued

21 Student Maintenance Grants	2015	2014
	€'000	€'000
Receipts from Department of Education and Skills (College Section)	231	278
Payments to students	(40)	(364)
Payments to students (top ups)	<u>(24)</u>	<u>(131)</u>
Net Cash (Outflow)/Inflow	<u>167</u>	<u>(217)</u>
<b>Opening Balance</b>	(199)	18
<b>Closing Balance</b>	<u>(32)</u>	<u>(199)</u>

The Institute processes payments to eligible students in respect of ESF maintenance grants which are notified by the relevant ETB or Local Authority. Funding for these payments is provided by the Department of Education and Skills with co funding provided by the European Social Fund (ESF). These transactions are not included separately in the Income and Expenditure Account.

From September 2012 responsibility for the payment of Third Level Training and Top up Grants was allocated to SUSI (Student Universal Support Ireland). For students that had commenced study prior to this date, the payment of the Third Level Grant continues to be processed by the Institute. The level of grants processed by the Institute is therefore reducing in each period and from September 2015 all payments will be made by SUSI.

22 Capital Development Reserve		Restated
	2015	2014
	€'000	€'000
Balance at 1 <sup>st</sup> September 2014	b/f 23,368	20,887
Release to Income and Expenditure Account	(3,680)	-
Transfer from Income and Expenditure	<u>14,375</u>	<u>2,481</u>
<b>Closing balance as at 31<sup>st</sup> August 2015</b>	<u>34,063</u>	<u>23,368</u>

The Capital Development Reserve represents funds allocated to the development of the Grangegorman Campus. There is an understanding between the Institute and the Student Services Committee that an element of this Reserve will provide a contribution towards the development of student facilities on the proposed Grangegorman Site. The nature and extent of these facilities would be subject to agreement between the Dublin Institute of Technology Student Union (DITSU) and the Institute.

## 23 Employees

The average number of employees (Whole Time Equivalents) during the year was 1,735 (1,741 in 2014).

## 24 Related Parties

The DIT Foundation is a limited company set up with the principal activity to support Dublin Institute of Technology in its advancement of education and research through philanthropy. The DIT Foundation transferred philanthropy funding to the Institute totalling €325,228 during the year. The Institute allocated funds totalling €298,333 to the DIT Foundation, €139,349 of these funds were disbursed on the Institute's Students Service department and €188,475 spend on the Foundation's operational expenditure during the year. As at 31 August 2015, there was an amount of € 153,788 due from DIT to the DIT Foundation.

## 25 Contingencies

There were no contingencies existing at the 31<sup>st</sup> August 2015.



**NOTES TO THE FINANCIAL STATEMENTS – continued**

**26 Disclosure of Transactions – Governing Body Members**

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

**27 Attendance of Governing Body Members**

During the financial year, the Institute convened twelve meetings of the Governing Body.

The attendance of the 6<sup>th</sup> Governing Body meetings (1<sup>st</sup> September 2014 – 31<sup>st</sup> March 2015) is outlined below:

Governing Body Member	Present	Absent
Tom Collins*	7	0
Brian Norton	7	0
Maurice Ahern	6	1
Shane Allwright	6	1
William Bassett	6	1
Maurice Boland	7	0
Paddy Bourke	5	2
Anne Butler	5	2
Jerome Casey	5	2
Áine Clancy	5	2
Dominic Dillane	7	0
Fiachra Duffy	6	1
Paul Fitters	5	2
Mary Freehill	5	2
Jackie Kelly	6	1
Maev Maguire	7	0
Ciara Murnane	6	1
Imelda Reynolds	7	0
Julie Sinnamon	3	4
Patrick Sutton	5	2

**NOTES TO THE FINANCIAL STATEMENTS – continued**

The attendance of the 7<sup>th</sup> Governing Body meetings (1<sup>st</sup> April 2015 – 31<sup>st</sup> August 2015) is outlined below:

Governing Body Member	Present	Absent
Tom Collins	2	0
Brian Norton	2	0
Shane Allwright	1	1
Paddy Bourke	2	0
Cathleen Carney Boud	2	0
Michael Carr	2	0
Áine Clancy	2	0
Michael Donnelly	1	1
Fiachra Duffy**	1	0
Denise Dunphy	2	0
Colm Gillen	2	0
Lysette Golden**	1	0
Graham Higginbotham**	1	0
Jackie Kelly	2	0
Tom Kelly	2	0
Mary Lonergan	2	0
Rebecca Moynihan	1	1
John Mulcahy	2	0
Ciara Murnane**	1	0
James O'Connor	2	0
Imelda Reynolds	2	0
Declan Troy	2	0

\* Professor Tom Collins commenced his term as Chair of Governing Body on 8<sup>th</sup> December 2014.

\*\* The student representative's term of office runs from 1<sup>st</sup> July until 30<sup>th</sup> June on an annual basis. As a result of their term of office there are four student representatives named above who attended meetings during the 2014/2015 financial term.

**28 Subsidiary Undertakings**

The financial statements include the following subsidiaries;

Company name	Percentage holding	Registered Office
An Cheim Computer Services Limited	100%	Fumbally Square Fumbally Lane Dublin 8
Dublin Institute of Technology Intellectual Property Limited	100%	Earlsfort Centre Earlsfort Terrace Dublin 2

An Cheim Computer Services Limited provides Information services to the Institute of Technologies sector. The Institute is in the process of transferring ownership of An Cheim Computer Services Limited to HEA Net. Dublin Institute of Technology Intellectual Property Limited was established to hold patents and to licence them to third parties.

## NOTES TO THE FINANCIAL STATEMENTS – continued

### 29 Grangegorman Development Agency Payments

The Grangegorman Development Agency (GDA) is responsible for the development of a 73 acre site in North City Centre Dublin. The agency is governed by the Grangegorman Development Agency Act (2005). The purpose of the development is to consolidate all existing locations of the Institute on one campus. In September 2014, 1,100 students were relocated to the Grangegorman campus. In September 2019, a further 10,000 Students will relocate and the remainder is envisaged to relocate by the completion date of 2021.

Phase I of the Grangegorman project has been completed. The Institute has committed to providing funding totalling €47.5M. Other public bodies have committed to providing the Institute with €11.1M of this amount. As at the 31<sup>st</sup> August 2015, the Institute paid accumulative amounts of €28.961M (2014: €14.586M) to the Grangegorman Development Agency. Payments made to the Grangegorman Development Agency (GDA) have been treated as a long term debtor by the Institute.

To facilitate the development of the campus the GDA will retain ownership of the lands and property which the Institute operates under a combination of licence and lease. Upon completion of the project in 2021, land and property title will be transferred from the GDA to the Institute.

### 30 Comparatives

The comparatives have changed to ensure consistency with the presentation of these financial statements. Payments to Grangegorman Development Agency totalling €11,018,654 in the year ended 31<sup>st</sup> August (€3,566,794 in 2012/13) were charged to the Income and Expenditure Account in the year ended 31<sup>st</sup> August 2014. These payments have been treated as a loan in these financial statements, with associated funding held in a restricted reserve.

### 31 Dublin Technological University

Through the National Strategy for Higher Education, the Government has proposed technological universities as a means to advance its goals for higher education. Pursuing the establishment of such a technological university is consistent and aligned with Government policy. Achieving designation as a technological university will directly underpin progress to realise the TU4Dublin mission and vision. It will also increase international recognition for TU4Dublin and will enhance its ability to attract international students, staff and funding.

In October 2011 the Dublin Institute of Technology, Institute of Technology Blanchardstown and Institute of Technology Tallaght established a formal alliance known as TU4Dublin Alliance. Since then the TU4Dublin Alliance has completed three of the four stages set down by the HEA (Towards a Future Higher Education Landscape, 13th February 2012) with respect to becoming a technological university.

The fourth stage is the formal application for designation as a Technological University. The process as currently defined also requires that a legal consolidation of 2 or more institutions has been achieved before an application may be made for designation. Legislation is required to enable the formation of technological universities and the dissolution of Institutes of Technology as part of the process of institutional consolidation. Following the passage of the relevant legislation, it is the intention of the TU4Dublin Alliance to submit its formal application within a short period.

The total estimated costs for the TU4Dublin Alliance, as submitted to the HEA in May 2014 are €23.8 million, inclusive of contingency. Up to the 31<sup>st</sup> August 2015 the Institute had incurred cumulative expenditure of €1,610,774 towards achieving this goal.

### 32 Approval of financial statements

The financial statements were approved by the Governing Body on the 8<sup>th</sup> March 2017.