

DUNDALK INSTITUTE OF TECHNOLOGY

FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2015

DUNDALK INSTITUTE OF TECHNOLOGY

FINANCIAL STATEMENTS 2015

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DUNDALK INSTITUTE OF TECHNOLOGY

STATEMENT OF INSTITUTE RESPONSIBILITIES

The Institutes of Technology Act 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 Institute is required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis, unless that basis is inappropriate
- disclose and explain any material departures from applicable accounting standards.

The Institute is responsible for keeping 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 financial statements comply with the Institutes of Technology Act 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.

CHAIRPERSON


Mr Clifford Kelly
19 December 2016

PRESIDENT:


Ms. Ann Campbell
19 December 2016

DUNDALK INSTITUTE OF TECHNOLOGY

**STATEMENT ON INTERNAL CONTROL
YEAR ENDED 31 AUGUST 2015**

Governing body responsibility for system of internal control

The Governing Body of Dundalk Institute of Technology acknowledges its responsibility for ensuring that an effective system of internal control is maintained and operated.

1. Reasonable assurance against material error

The system can only provide reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded and that material errors or irregularities are either prevented or would be detected on a timely basis.

2. Key procedures put in place designed to provide effective internal control - appropriate control environment

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

- Financial procedures and regulations are documented
- Reviews are carried out by the Governing Body of periodic and annual financial reports which include financial performance against budgets.
- Clearly defined capital investment control guidelines (Department of Education & Skills).
- Finance & Audit Committee has adopted a defined audit charter which deals with significant control issues.
- The Finance & Audit Committee receives reports from the Internal Auditors.

3. Key procedures put in place designed to provide effective internal control – business risks

The system of internal control consists of those processes used to identify, evaluate and manage the significant risks identified by the Institute in the management of its affairs.

The Institute has adopted a risk management policy and the risk register identifying key risks and responsibilities was updated on 23 June 2014.

4. Key procedures put in place designed to provide effective internal control – information systems

The Institute approved an annual budget for 2015 on 26 February 2015. Monthly management reports are prepared showing actual results against budget. Annual financial statements are prepared and submitted for audit to the Comptroller and Auditor General in a timely manner.

5. Key procedures put in place designed to provide effective internal control – financial implications of major business risks

Financial procedures and regulations are documented, implemented and are reviewed regularly.

The Institute carries out a review of its Internal Financial Controls annually. This report on Internal Financial Controls also informs the annual review of Internal Controls carried out as part of internal audit.

The review of Internal Controls for the period was reported to the Finance Audit and Risk Committee at its meeting on 6th October 2015.

The Institute is currently working with the HEA on an agreed 3 year plan to return the Institute to financial stability. A system of monthly reporting, on progress against the plan's targets, has been implemented. This involves detailed monthly reporting on all aspects of the plan to the Executive Board, the Finance Audit and Risk Committee, the Governing Body and the HEA.

A policy on Prevention and Detection of Fraud was adopted by the Governing Body on 27th July 2015.

6. Key procedures put in place designed to provide effective internal control – monitoring the effectiveness of the internal control system

The Governing Body through Internal Audit, kept the adequacy and the effectiveness of the system of internal financial controls under active review. An Internal Audit Plan for 2014/15 was agreed by the Governing Body on the 28 October 2014.

Internal Audit reviewed the following areas and reported to The Finance Audit and Risk Committee on 6 October 2015:

- Review of Information Technology General Controls
- Review of Legislative Compliance
- Review of Internal Controls

7. Review of the effectiveness of the system of internal control

A review of internal controls was carried out by the Finance Audit and Risk Committee on behalf of the Governing Body and reported to the Governing Body on 15 October 2015.

8. Weaknesses in internal control

There were no weaknesses in internal control that have resulted in material losses, contingencies or uncertainties which require disclosure in the financial statements or the auditor's report on the financial statements.

DKIT has procurement procedures in place and these have been communicated to staff of the Institute. The Institute endeavours to ensure full compliance with procurement procedures and guidelines. The Institute is actively working with the Office of Government Procurement (OGP) to ensure procurement activities are taken place in accordance with the OGP model. This is an ongoing process. During the implementation phase of the OGP model and primarily due to resourcing and timing issues it is not always possible to achieve full compliance in relation to tendering for certain goods and services.


During the course of audit fieldwork issues were identified in relation to tendering for certain goods and services. Payments to 1 supplier totalling €422k that formed part of this transition process to the OGP were found to be non-compliant. The audit fieldwork also identified a further 5 suppliers that received payments totalling €757k which were not subject to proper procurement procedures

While the Institute endeavours to tender for all necessary work, due to time constraints and resource issues, this is not always achieved. With the set-up of the Office of Government Procurement we would expect that in time all contracts will be tendered through this shared service.

Chairman


Mr Clifford Kelly

President:


Ms. Ann Campbell

Name of Institute:

Dundalk Institute of Technology

Date:

19 December 2016



Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Dundalk Institute of Technology

I have audited the consolidated financial statements of Dundalk Institute of Technology for the year ended 31 August 2015 under the Institutes 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 Institutes 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.

Going concern

Without qualifying my opinion on the financial statements, I draw attention to Note 26 Going Concern. The Institute has incurred operating deficits in each of the last three years and had an accumulated deficit of €3.2 million at 31 August 2015. The members of the Governing Body are satisfied that the Institute remains a going concern.

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 Institute has disclosed in its statement on internal control that payments totaling €1.18 million were made in the year under review in respect of goods and services that had not been subject to competitive public procurement.

Seamus McCarthy
Comptroller and Auditor General

21 December 2016

DUNDALK INSTITUTE OF TECHNOLOGY

STATEMENT OF ACCOUNTING POLICIES

1. BASIS OF PREPARATION

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

2. BASIS OF CONSOLIDATION

The consolidated financial statements include the financial statements of the Institute and its subsidiaries, Dundalk Campus College Services Limited and DkIT Sport Ltd (note 21).

3. RECOGNITION OF INCOME

(a) 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.

(b) MINOR CAPITAL WORKS

The Minister for Education and Skills introduced a scheme to devolve responsibility to the Institute for Summer and other Capital Works. Where devolved grant 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, devolved grant funding is recognised in the period received.

(c) RESEARCH GRANTS AND CONTRACTS

Income from Research Grants and contracts are included in the year in which the related expenditure is incurred. Full provision is made for foreseeable losses.

(d) FEE INCOME

Fee Income is accounted for on an accruals basis. All fee income is now included under this heading including International Student Fee Income, Life Long Learning and Other Fees.

(e) 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. STOCKS

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

5. TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible 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

Tangible fixed assets in existence on 1 January 1993 (date of commencement order) are stated at valuation. The basis of valuation is set out at Note 14. 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

During the financial year, equipment costing less than €3,000 per individual item was written off to the income and expenditure account in the year of acquisition. Where individual items of equipment purchased were below the capitalisation limit (€3,000) and the total purchase invoice was in excess of the limit, these items were 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 tangible fixed asset, excluding land, on a straight line basis so as to write off their historical costs or valuations over their estimated useful lives.

	Years
The estimated useful lives assigned to tangible fixed assets are as follows.	50
Buildings	10
Prefabricated buildings, fixtures, plant and machinery	3
Other computer equipment	5
Educational and administrative equipment	5
Furniture	5
Motor Vehicles	5

Art works are included in Equipment and are not depreciated as they have an infinite useful economic life and a high residual value. All assets, other than equipment funded from research grants and contracts are depreciated over the life of the asset as outlined above. Equipment funded by research grants and contracts is depreciated over the life of the project.

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

6. 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 or at forward contract rates where such contracts exist.

7. PENSIONS

All pension entitlements of staff are conferred under a defined benefits scheme established under the Local Government (Superannuation) Act, 1980 and pension obligations are met by the Exchequer as they arise. 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 27 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.

8. DEFERRED CAPITAL GRANTS

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

9. CAPITAL DEVELOPMENT RESERVE

The Capital Development Reserve represents funds set aside by the Institute for specified capital development purposes. Such funds arise from Student Registration Fees, non-State capital donations, Banking Facility Fees and transfers from Revenue Reserves, 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 estimates of costs.

10. LEASED ASSETS


Rentals under operating leases are charged to the Income and Expenditure account in the period in which the expenditure is incurred.

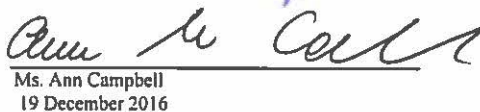
DUNDALK INSTITUTE OF TECHNOLOGY
Consolidated Income and Expenditure Account For The Year Ended 31 August 2015

INCOME	NOTE	2015 €'000s	As restated 2014 €'000s
State Grant	1	16,285	16,043
Tuition Fees	2	18,749	17,651
Amortised Deferred Capital Grants	17	3,183	3,682
Research Grants and Contracts	3	5,222	5,294
Student Support Funding Income recognised	4	292	348
Other Income	5	3,694	4,171
Interest Income		2	36
		<u>47,427</u>	<u>47,225</u>
EXPENDITURE			
Academic Departments	6	24,765	24,782
Academic Services	7	2,026	1,982
Facilities Costs	8	4,224	3,464
Central Administration and Services	9	6,333	6,128
General Educational Expenses	10	258	228
Student Services	11	1,546	1,510
Research Grants and Contracts	3	5,405	5,198
Student Support Funding Income applied	4	292	348
Subsidiary undertakings	21	706	486
Depreciation	14	3,186	3,685
		<u>48,741</u>	<u>47,811</u>
OPERATING DEFICIT		(1,314)	(586)
Transfer to Capital Grants Reserve	17	<u>(1,314)</u>	<u>(243)</u>
		(1,314)	(829)
ACCUMULATED (DEFICIT) AT 1 SEPTEMBER		<u>(1,926)</u>	<u>(1,097)</u>
ACCUMULATED (DEFICIT) AT 31 AUGUST		<u>(3,240)</u>	<u>(1,926)</u>

The Statement of Accounting Policies, Cash Flow Statement and Notes 1 to 27 form part of the financial statements.

Signed on behalf of the Governing Body :


 Mr Clifford Kelly
 19 December 2016


 Ms. Ann Campbell
 19 December 2016

DUNDALK INSTITUTE OF TECHNOLOGY
Consolidated Balance Sheet As At 31 August 2015

	NOTE	2015 €'000s	2014 €'000s
FIXED ASSETS			
Tangible Assets	14	97,091	99,824
		<u>97,091</u>	<u>99,824</u>
CURRENT ASSETS			
Stock		16	21
Debtors and Prepayments	15	2,650	2,366
Cash at bank and in hand		2,627	5,400
		<u>5,293</u>	<u>7,787</u>
CURRENT LIABILITIES			
Creditors and Accrued Expenses - Amounts falling due within one year	16	(8,530)	(9,713)
		<u>(3,237)</u>	<u>(1,926)</u>
NET CURRENT ASSETS			
		<u>93,854</u>	<u>97,898</u>
NET ASSETS			
		<u>93,854</u>	<u>97,898</u>
Represented by :			
Deferred Capital Grants	17	97,094	99,824
Income and Expenditure Account		(3,240)	(1,926)
		<u>93,854</u>	<u>97,898</u>

The Statement of Accounting Policies, Cash Flow Statement and Notes 1 to 27 form part of the financial statements.

Signed on behalf of the Governing Body :


 Mr Clifford Kelly
 19 December 2016

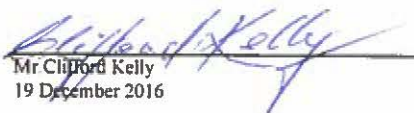

 Ms. Ann Campbell
 19 December 2016


DUNDALK INSTITUTE OF TECHNOLOGY
Institute Only Balance Sheet As At 31 August 2015

	NOTE	2015 €'000s	2014 €'000s
FIXED ASSETS			
Tangible Assets	14	97,089	99,818
		<u>97,089</u>	<u>99,818</u>
CURRENT ASSETS			
Debtors and Prepayments	15	2,787	2,420
Cash at bank and in hand		2,394	5,380
		<u>5,181</u>	<u>7,800</u>
CURRENT LIABILITIES			
Creditors and Accrued Expenses - Amounts falling due within one year	16	(8,363)	(9,697)
NET CURRENT ASSETS		<u>(3,182)</u>	<u>(1,897)</u>
NET ASSETS		<u>93,907</u>	<u>97,921</u>
Represented by :			
Deferred Capital Grants	17	97,088	99,818
Income and Expenditure Account		(3,181)	(1,897)
		<u>93,907</u>	<u>97,921</u>

The Statement of Accounting Policies, Cash Flow Statement and Notes 1 to 27 form part of the financial statements.

Signed on behalf of the Governing Body :


 Mr Clifford Kelly
 19 December 2016


 Ms. Ann Campbell
 19 December 2016

DUNDALK INSTITUTE OF TECHNOLOGY
Consolidated Cash Flow Statement for the year ended 31 August 2015

2015
€'000

2014
€'000

Reconciliation of operating deficit to net cash inflow/(outflow) from operating activities

Operating Deficit	(1,314)	(586)
Interest Income	(2)	(36)
Depreciation	3,186	3,685
Amortisation in line with asset depreciation	(3,183)	(3,682)
(Increase)/Decrease in Stock	5	(1)
(Increase)/Decrease in Debtors	(284)	(351)
Increase/(Decrease) in Creditors	(1,183)	1,726
Net Cash Inflow/ (Outflow) from Operating Activities	(2,775)	755

Cash Flow Statement


Net Cash Inflow/(Outflow) from Operating Activities	(2,775)	755
Interest Received	2	74
Capital Expenditure		
Payments to acquire Fixed Assets	(453)	(3,308)
Proceeds on disposal of Fixed Assets	-	-
Net Cash Outflow for capital expenditure	(453)	(3,308)
Financing		
State Capital Grants Spent on Fixed Assets	126	-
State Recurrent Grants Spent on Fixed Assets	199	74
Other funds spent on Fixed Assets	128	55
Net Cash Inflow from Financing	453	129
Decrease in Cash	(2,773)	(2,350)

Reconciliation of net cash flow to movement in net funds

Decrease in cash	(2,773)	(2,350)
Opening net funds	5,400	7,750
Net Funds at 31 August	2,627	5,400

The Statement of Accounting Policies, Cash Flow Statement and Notes 1 to 27 form part of the financial statements.

Signed on behalf of the Governing Body :


 Mr. Clifford Kelly
 19 December 2016


 Ms. Ann Campbell
 19 December 2016

DUNDALK INSTITUTE OF TECHNOLOGY
Notes To The Financial Statements

1. STATE GRANTS

	Allocated for Recurrent Expenditure €'000's	Allocated for Capital Expenditure €'000's	Total 2015 €'000's	Total 2014 €'000's
State Grant for Recurrent Expenditure - Higher Education Authority	14,666	199	14,865	15,207
State Grant for Recurrent Expenditure - Higher Education Authority (Nursing)	872	-	872	910
State Grant for Cluster Call - Higher Education Authority	123	-	123	0
EU funded capital grants	-	40	40	35
Other Capital Grants/Funding - Enterprise Ireland	-	88	88	17
State Grant for Minor Capital Works - Higher Education Authority	624	126	750	-
Total - 2015	16,285	453	16,738	16,169
Total - 2014	16,043	126	-	16,169

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

2. TUITION FEES

	2015 Student No. (WTE)	2015 €000's	2014 Student No. (WTE)	As restated 2014 €000's
Fees Paid by State	3,485	3,591	3,468	4,345
Non-EU Fees	488	4,071	437	3,087
Fees paid by students or on behalf of students	83	47	71	67
Life Long Learning and Other Fees	368	469	395	779
Student Contribution Income	-	10,171	-	9,525
Student Facilities Fee	-	400	-	-
	4,424	18,749	4,371	17,803

The Department of Education and Skills paid tuition fees in the year of €1,551,852 (2014: €1,815,669) for full time degree courses and €320,047 (2014: €743,381) for higher certificate and ordinary degree courses, the total costs of which are part funded by the ESF. The Health Service Executive paid €1,581,228 (2014: €1,667,313) in respect of the tuition fee element for full time nursing degree students. Failte Ireland paid €9,853 (2014: €34,592) in respect of the tuition fee element for full time hospitality course students.

Student numbers are stated as wholetime equivalents, based on enrolled credits.

Non-EU Fees in 2014 have been restated in line with the accounting treatment applied in 2015. Refunds of fees to students are classified in Note 9.

3. RESEARCH GRANTS AND CONTRACTS

	2015 €'000s	2014 €'000s
Income		
Research Grants and Contracts	5,222	5,332
Less: Transfer for Capital Grants	-	(38)
	5,222	5,294
Expenditure		
Staff Costs	2,748	2,856
Non-Pay Costs		
Consultancy Costs	414	228
Travel and Subsistence	353	351
Equipment (Non Capitalised) purchases and maintenance	(7)	34
Transfer to Project Partners	652	736
Other Expenses	1,245	993
	5,405	5,198
Net Outcome	(183)	96

Included in the Research Grant and Contract Income is an amount of €447,918 (2014: €362,157) in respect of overhead recovery. The balance represents direct costs recovered for research work undertaken as outlined under expenditure headings above. Full provision is made for foreseeable losses.

DUNDALK INSTITUTE OF TECHNOLOGY
Notes To The Financial Statements

4. STUDENT SUPPORT FUNDING

	Disabilities €'000s	Student Assistance €'000s	2015 €'000s	2014 €'000s
Balance at 1 September 2014	11	8	19	8
Receipts				
Higher Education Authority	118	182	300	359
Amounts Applied	(107)	(185)	(292)	(348)
Balance at 31 August 2015	<u>22</u>	<u>5</u>	<u>27</u>	<u>19</u>

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

5. OTHER INCOME

	Note	2015 €'000s	2014 €'000s
Superannuation Deductions Retained		1,743	1,755
Dundalk Campus College Services Limited	21	462	480
DKIT Sport Limited	21	220	-
AIB Franchise Fees		190	400
AIB Other Funding		-	450
Springboard Income		276	535
Sundry Income		803	551
		<u>3,694</u>	<u>4,171</u>

DUNDALK INSTITUTE OF TECHNOLOGY
Notes To The Financial Statements

6. ACADEMIC DEPARTMENTS

	2015 €000's	2014 €000's
Staff:		
Teaching	19,938	19,950
Technical	1,662	1,729
Administrative and Support	2,120	2,160
	<u>23,720</u>	<u>23,839</u>
Non-Pay Costs:		
Materials and Other Consumables	307	320
Other Expenses	738	623
TOTAL	<u><u>24,765</u></u>	<u><u>24,782</u></u>

7. ACADEMIC SERVICES

	2015 €000's	2014 €000's
Staff:		
Library & Computer Services	1,632	1,634
Non-Pay Costs:		
Printed Material, Books and Periodicals	169	180
Other Expenses	225	168
TOTAL	<u><u>2,026</u></u>	<u><u>1,982</u></u>

8. FACILITIES COSTS

	2015 €000's	2014 €000's
Staff:		
Caretakers, Cleaning, Maintenance	1,074	1,036
Non-Pay Costs:		
Light, Heat and Power	879	807
Other Expenses	2,271	1,621
TOTAL	<u><u>4,224</u></u>	<u><u>3,464</u></u>

DUNDALK INSTITUTE OF TECHNOLOGY
Notes To The Financial Statements

9. CENTRAL ADMINISTRATION AND SERVICES

	2015 €000's	As restated 2014 €000's
Staff:		
Administration	3,634	3,692
Non-Pay Costs:		
Printing, Stationery, Postage & other Office Expenses	121	131
Recruitment, Training etc.	143	177
External Audit Fees	(4)	30
Other Expenses	2,439	2,250
TOTAL	<u>6,333</u>	<u>6,280</u>

10. GENERAL EDUCATIONAL EXPENSES

	2015 €000's	2014 €000's
Staff:		
Student Support	155	122
Non-Pay Costs:		
Other Expenses	103	106
TOTAL	<u>258</u>	<u>228</u>

11. STUDENT SERVICES

	Staff Costs €000's	Non-Pay €000's	Total 2015 €000's	Total 2014 €000's
Subvention to Clubs, Societies and Students Union	154	118	272	276
Student Services	487	319	806	799
Careers Advisory Services	130	3	133	119
Sports & Recreation	6	-	6	5
Health & Counselling	223	106	329	311
TOTAL	<u>1,000</u>	<u>546</u>	<u>1,546</u>	<u>1,510</u>

DUNDALK INSTITUTE OF TECHNOLOGY
Notes To The Financial Statements

12. ANALYSIS OF EXPENDITURE

	Staff Costs €000's	Depreciation €000's	Other Operating Expenses €000's	2015 €000's	2014 €000's
Capital projects	-	2,756	-	2,756	2,708
Research Grants and Contracts	2,748	184	2,657	5,589	5,607
Academic Department	23,720	157	1,045	24,922	25,007
Academic Services	1,632	28	394	2,054	2,127
Facilities Costs	1,074	20	3,150	4,244	3,634
Central Administration and Services	3,634	19	2,699	6,352	6,134
General Education Expenses	155	1	103	259	229
Student Services	1,000	13	546	1,559	1,524
Student Support	14	5	278	297	352
Subsidiary Undertakings	129	3	577	709	489
2015 Total	34,106	3,186	11,449	48,741	47,811
2014 Total	34,291	3,685	9,835	-	47,811

Analysis of Other Operating Expenditure

	2015 €000's	2014 €000's
Materials and Other Consumables	7	26
Light, Heat & Power	924	846
Periodicals, Books and Printed materials	219	238
Travel & Subsistence	739	755
Printing, Stationery, Postage and other Office Expenses	295	330
Equipment Maintenance	6	11
Premises Maintenance	1,010	514
Premises Contract Alarms	38	48
Grounds	66	122
Computer Maintenance & Software	454	328
Class & Library Materials	266	259
Rent, Rates and Insurance Costs	419	661
Recruitment, Training etc.	43	47
External Audit Fees	26	30
Internal Audit Fees	92	19
Student Support Funding	582	623
Health Service	90	92
Subsidiary Undertakings	577	314
Communications	141	169
Equipment	172	84
Transfer to Project Partners	652	737
Advertising & Marketing	316	270
Professional Fees	571	364
Laboratory Costs	107	82
Research Costs	749	351
Courses, Conferences	13	23
Catering	138	84
Cleaning	531	542
Training/ Seminars	114	167
Security, Health & Safety	378	361
Bank Charges	31	21
General Education	1,382	1,081
Other Expenses	301	236
Total	11,449	9,835

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13. TAXATION

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

14. FIXED ASSETS

	Consolidated €'000s	Subsidiary Co Equipment €'000s	DkIT only Total €'000s	DkIT Only Land & Buildings €'000s	DkIT Only Furniture €000s	DkIT Only Equipment €000s	DkIT Only Computer Equipment €'000s
Cost or Valuation							
At 1 September 2014	147,340	96	147,244	126,219	1,793	13,643	5,589
Additions	453	-	453	100	-	262	91
Assets Written Off	(6,928)		(6,928)	-	(938)	(4,878)	(1,112)
At 31 August 2015	140,865	96	140,769	126,319	855	9,027	4,568
Depreciation							
At 1 September 2014	47,516	91	47,425	27,854	1,722	12,488	5,361
Charge for year	3,186	3	3,183	2,514	57	441	171
Assets Written Off	(6,928)		(6,928)	-	(938)	(4,878)	(1,112)
At 31 August 2015	43,774	94	43,680	30,368	841	8,051	4,420
Net Book Value							
At 31 August 2015	97,091	2	97,089	95,951	14	976	148
Net Book Value							
At 31 August 2014	99,824	5	99,819	98,365	71	1,155	228

Cost or Valuation:

Land and Buildings in existence at 1 January 1993 have been valued by the Valuation Office

Other tangible fixed assets in existence on that date have been valued by the Institute on the basis of open market value for existing use. All subsequent additions have been valued at cost.

15. DEBTORS AND PREPAYMENTS

	Consolidated 2015 €'000s	Consolidated 2014 €'000s	DkIT Only 2015 €'000s	DkIT Only 2014 €'000s
Tuition Fee Debtor	5	19	5	19
State & Other Capital Grant	11	17	11	17
Research Grants and Contracts	1,665	1,407	1,665	1,407
Prepayments and Accrued Income	638	644	638	644
Other Debtors	331	279	304	257
Intercompany Debtor	0	0	164	76
Total	2,650	2,366	2,787	2,420

16. CREDITORS AND ACCRUED EXPENSES

	Consolidated 2015 €'000s	Consolidated 2014 €'000s	DkIT Only 2015 €'000s	DkIT Only 2014 €'000s
AMOUNTS FALLING DUE WITHIN ONE YEAR				
Payments Received in Advance :				
Research Grant and Contract Prepayments	1,353	2,161	1,353	2,161
	<u>1,353</u>	<u>2,161</u>	<u>1,353</u>	<u>2,161</u>
Trade Creditors and Accruals	495	669	495	674
Payroll Creditors	995	1,076	995	1,076
Professional Services Withholding Tax	16	7	16	7
Other Creditors	276	205	109	184
Deferred Income	2,046	2,530	2,046	2,530
Deferred Income - Student Support Funding (Note 4)	27	19	27	19
Advance of State Recurrent Grant	3,322	3,046	3,322	3,046
	<u>7,177</u>	<u>7,552</u>	<u>7,010</u>	<u>7,536</u>
	<u>8,530</u>	<u>9,713</u>	<u>8,363</u>	<u>9,697</u>

17. DEFERRED CAPITAL GRANTS

	Consolidated 2015 €'000s	Consolidated 2014 €'000s	DkIT Only 2015 €'000s	DkIT Only 2014 €'000s
Opening Balance	99,824	100,201	99,818	100,193
Capital Grants Receivable:				
Allocated from State Recurrent Grant - Higher Education Authority	199	74	199	74
State Grant for Minor Capital Works - Higher Education Authority	126	-	126	-
EU funded	40	35	40	35
Other Capital Grants/Funding - Enterprise Ireland	88	17	88	19
Transfer from Capital Development Reserve	-	2,936	-	2,936
Bank Access Fund	-	243	-	243
	<u>453</u>	<u>3,305</u>	<u>453</u>	<u>3,307</u>
Release to Income:				
Amortisation in Line with Asset Depreciation	(3,183)	(3,682)	(3,183)	(3,682)
Closing Balance	<u>97,094</u>	<u>99,824</u>	<u>97,088</u>	<u>99,818</u>

18. CAPITAL COMMITMENTS CONTRACTED FOR BUT NOT PROVIDED

The capital commitments for 31 August 2015 are nil for Dundalk Institute of Technology and nil for Dundalk Campus College Services Ltd and nil for DkIT Sport Ltd.
The capital commitments for 31 August 2014 were €44,265 for Dundalk Institute of Technology and nil for Dundalk Campus College Services Ltd. and nil for DkIT Sport Ltd.

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19. Student Maintenance Grants

	2015 €'000s	2014 €'000s
Receipts from Department of Education and Skills (Colleges Section)	66	447
Payments to students	(66)	(447)
Net Cash (Outflow)	<u>-</u>	<u>-</u>
Opening Balance	-	-
Closing Balance	<u><u>-</u></u>	<u><u>-</u></u>

The Institute processes payments to students in respect of ESF maintenance grants which are notified by the relevant VEC 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.

20. Capital Development Reserve

	2015 €'000s	2014 €'000s
Balance as at 1st September 2014	<u>-</u>	<u>2,936</u>
Less Transfers in relation to:		
Transfer from Recurrent Income	-	-
Transfer to Capital Account	-	(2,936)
Closing Balance as at 31 August 2015	<u><u>-</u></u>	<u><u>-</u></u>

21. Subsidiary Undertaking

The consolidated financial statements include the financial statements of the Institute and its subsidiary undertakings, Dundalk Campus College Services Limited (DCCS Ltd.) and DKIT Sport Limited. DCCS Ltd is involved in the operation of the college stationery shop, the provision of student printing and photocopying services and the booking of facilities within the college. DKIT Sport Limited is involved in the provision of leisure facilities.

Set out below are the financial results of both subsidiaries for the year ended 31 August 2015

	DKIT Sport Ltd		Dundalk Campus College Services Limited	
	2015 €'000s	2014 €'000s	2015 €'000s	2014 €'000s
Income (included in Note 5)	220	-	462	480
Depreciation	-	-	(3)	(3)
Other Expenditure	(239)	-	(467)	(486)
Operating (Loss)/Surplus for year	<u>(19)</u>	<u>-</u>	<u>(8)</u>	<u>(9)</u>
Accumulated (Loss)	<u><u>(19)</u></u>	<u><u>-</u></u>	<u><u>(46)</u></u>	<u><u>(38)</u></u>

The headings affected by the consolidation in the Institute income statement are Other Income, Other Expenditure and Depreciation.

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22. Contingencies

There were no contingencies existing at 31st August 2015.

23. 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 Governing Body and the Institute has complied with these procedures during the year.

24. Employees

The average number of employees (whole-time equivalents) during the year was 476 (2014: 485). Details are as follows:

	2015	2014
Academic Staff:		
Core Staff	264	263
Exchequer Funded Research Staff	2	2
Non Exchequer Funded Research Staff	17	15
	<u>283</u>	<u>280</u>
Non-Academic Staff:		
Core Staff	147	148
Exchequer Funded Research Staff	9	14
Non Exchequer Funded Research Staff	37	43
	<u>193</u>	<u>205</u>
Total Staff numbers	<u>476</u>	<u>485</u>

25. Comparative figures

Where appropriate, comparative figures have been reorganised and restated on the same basis as current year figures.

26. Going Concern

Dundalk Institute of Technology incurred operating deficits in years ended 31 August 2013, 31 August 2014 and 31 August 2015. The Institute is aware that further deficits of similar magnitude will result in depletion of reserves that could call into question the going concern status of the Institute in the medium term. Concerted effort has been made in 2015/16 to overcome this issue in line with HEA requirements. The going concern basis has been adopted in preparing the financial statements, as the Governing Body are of the view that the Institute has sufficient resources to meet projected expenditure for at least twelve months from the signing of the financial statements.

27. Approval of Financial Statements

The financial statements were approved by the Governing Body on the 19 December 2016