

DUN LAOGHAIRE INSTITUTE OF ART, DESIGN & TECHNOLOGY

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019

**DUN LAOGHAIRE INSTITUTE OF ART, DESIGN & TECHNOLOGY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

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**DUN LAOGHAIRE INSTITUTE OF ART, DESIGN & TECHNOLOGY
STATEMENT OF INSTITUTE'S RESPONSIBILITIES**

The Institutes of Technology Acts 1992 to 2006 require 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 a 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 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.



Mr David Holohan
Chairperson

6 May 2020

Date



Mr David Smith
President

6 May 2020

Date

Responsibility for the System of Internal Control

On behalf of the Governing Body, we acknowledge our responsibility for ensuring that an effective system of internal control is maintained and operated.

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 has taken steps to ensure an appropriate control environment by:

- Clearly defining and documenting management responsibilities and powers
- Establishing processes for identifying risks and evaluating their financial implications
- Establishing an Audit and Risk Committee with clear terms of reference
- 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

The system of internal 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:

- A comprehensive budgeting system with an annual budget which is reviewed and agreed by the Governing Body with authority delegated where appropriate, for managing and controlling the Annual Allocation as granted by the Higher Education Authority and other income and expenditure
- Management Information Systems in respect of financial management, HR records and management, library information, student records and academic administration and timetabling information. These systems provide information enabling comparisons of actual results against budgeted forecasts
- A resource allocation system
- A risk management system with regular reporting and reviews
- Regular reviews by the Governing Body of periodic and annual financial reports which indicate financial performance against forecasts
- Setting targets to measure financial and other performance
- An Academic Council which reports to the Governing Body
- An Academic Quality Framework with clearly defined academic and quality processes and control guidelines
- Clearly defined capital investment control guidelines
- Formal project management disciplines

The Institute has an outsourced internal audit function which operates in accordance with the THEA Code of Governance for Institutes of Technology 2018. 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 analysis of risk and the internal audit plans are endorsed and approved by the Governing Body Audit and Risk Committee. At least once annually the Internal Auditors provide the Governing Body Audit and Risk Committee with a report of internal audit activity. These reports highlight any deficiencies or weaknesses in the system of internal control and the recommended corrective measures to be taken where necessary. The Governing Body Audit and Risk Committee receives regular reports on the status of issues raised.

Continued...

DUN LAOGHAIRE INSTITUTE OF ART, DESIGN & TECHNOLOGY
STATEMENT ON INTERNAL CONTROL (continued)

The Governing Body adopted the THEA Code of Governance for Institutes of Technology 2018 (the Code) at its meeting of 10 January 2018. The Code requires additional disclosures in relation to a number of matters and these disclosures have been made as follows:

| Required Disclosure | Reference |
|--|---|
| Governance procedures, Governing Body and its committees | Annual Report |
| Governing Body fees and attendance | Annual Report and Annual Governance Statement |
| Remuneration | Annual Governance Statement and Financial Statements Note 9 |
| Legal costs and settlements | Annual Governance Statement |
| Travel and Subsistence | Financial Statements Note 12 |
| Consultancy | Financial Statements Note 12 |
| Hospitality | Financial Statements Note 12 |

The Annual Report and Annual Governance Statement are published on the Institute’s website.

The Institute has a Procurement Policy that complies with the national guidelines on public procurement and the requirements of the Office of Government Procurement. All procurement is monitored for compliance with the Procurement Policy and periodic internal and external audits are conducted in this regard. IADT has not entered into contracts without a competitive process appropriate to the level of expenditure or otherwise in accordance with the Procurement Policy and Government Procurement Guidelines. The Governing Body is satisfied that the public procurement guidelines have been complied with.


The Governing Body’s monitoring and review of the effectiveness of the system of internal control is informed by the work of the Internal Auditors, the Governing Body Audit and Risk Committee which oversees the work of the Internal Auditors, the Executive Board who have responsibility for the development and maintenance of the financial control framework and comments made by the Comptroller and Auditor General in his management letters and other reports.

Annual Review of Controls

Through the Internal Audit structure and reporting, the Governing Body Audit and Risk Committee conducts a review of the internal controls operating in the Institute and reports on these with a confirmation that an appropriate control environment exists within the Institute.

The Governing Body Audit and Risk Committee reported on its activities for the year ended 31 August 2019 to the Governing Body on 2 October 2019. We confirm that the Governing Body conducted a review of the effectiveness of the system of internal control for the year ended 31 August 2019 on 2 October 2019.


There were no weaknesses in Internal Controls identified during the period that are required to be reported.



 Mr David Holohan
 Chairperson

6 May 2020

 Date



 Mr David Smith
 President

6 May 2020

 Date



Ard Reachtaire Cuntas agus Ciste Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Dún Laoghaire Institute of Art, Design and Technology

Opinion on the financial statements

I have audited the financial statements of Dún Laoghaire Institute of Art, Design and Technology for the year ended 31 August 2019 as required under the provisions of the Institutes of Technology Acts 1992 to 2006. The financial statements comprise

- the statement of comprehensive income
- the statement of changes in reserves and capital account
- the statement of financial position
- the 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 Institute at 31 August 2019 and of its income and expenditure for the year then ended in accordance with Financial Reporting Standard (FRS) 102 — *The Financial Reporting Standard applicable in the UK and the Republic of Ireland*.

Basis of opinion

I conducted my audit of the financial statements in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the appendix to this report. I am independent of the 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 the statement of Institute's responsibilities and the statement on internal control.

My responsibilities to report in relation to such information, and on certain other matters upon which I report by exception, are described in the appendix to this report.

I have nothing to report in regard to those matters.

Patricia Sheehan
For and on behalf of the
Comptroller and Auditor General

12 May 2020

Appendix to the report

Responsibilities of Governing Body members

The members are responsible for

- the preparation of financial statements in the form prescribed under 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 the Institutes of Technology Acts 1992 to 2006 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 and, based on the audit evidence obtained, on whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Institute's ability to continue as a

going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause the Institute to cease to continue as a going concern.

- I evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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. I also 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.

**DUN LAOGHAIRE INSTITUTE OF ART, DESIGN & TECHNOLOGY
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 AUGUST 2019**

| | Note | 2019 €000 | 2018 €000 |
|---|------|----------------|---------------|
| INCOME | | | |
| State Grant | 3 | 9,009 | 8,286 |
| Tuition Fees | 4 | 8,768 | 8,885 |
| Amortisation of Deferred Capital Grants | 17 | 1,955 | 1,813 |
| Research Grants and Contracts | 5 | 691 | 466 |
| Student Support Funding Income Recognised | 6 | 268 | 267 |
| Interest Income | | 16 | 19 |
| Deferred Pension Funding | 10 | 4,956 | 4,868 |
| Other Income | 7 | 1,365 | 1,235 |
| | | <u>27,028</u> | <u>25,839</u> |
| EXPENDITURE | | | |
| Staff Costs | 9 | 15,360 | 14,768 |
| Retirement Benefit Cost | 10 | 4,956 | 4,868 |
| Other Operating Expenses | 12 | 5,953 | 5,048 |
| Depreciation | 14 | 1,619 | 1,813 |
| | | <u>27,888</u> | <u>26,497</u> |
| OPERATING DEFICIT | | <u>(860)</u> | <u>(658)</u> |
| Experience Loss on Retirement Benefit Obligations | 10 | (829) | (1,190) |
| Reduction in Pension Liabilities arising from Retirements in the Year | 10 | 3,708 | 626 |
| Changes in Assumptions underlying the Present Value of Retirement Benefit Obligations | 10 | (10,783) | (337) |
| TOTAL ACTUARIAL LOSSES IN THE YEAR | | <u>(7,904)</u> | <u>(901)</u> |
| ADJUSTMENT TO DEFERRED RETIREMENT BENEFITS FUNDING | | 10 | 901 |
| TOTAL COMPREHENSIVE LOSS | | <u>(860)</u> | <u>(658)</u> |

The Statement of Comprehensive Income includes all gains and losses recognised in the year.
Notes 1 to 24 form part of the financial statements.

Signed on behalf of the Governing Body:



Mr David Holohan
Chairperson

6 May 2020
Date



Mr David Smith
President

6 May 2020
Date

DUN LAOGHAIRE INSTITUTE OF ART, DESIGN & TECHNOLOGY
STATEMENT OF CHANGES IN RESERVES AND CAPITAL ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2019

| | Capital Account €000 | Capital Development Reserve €000 | Revenue Reserve €000 | Total €000 |
|---|-------------------------------------|---|-------------------------------------|-----------------------|
| AT 1 SEPTEMBER 2017 | 39,771 | 0 | 8,622 | 48,393 |
| Operating Deficit | 0 | 0 | (658) | (658) |
| Allocated from Recurrent Grant | 671 | 0 | 0 | 671 |
| Allocated from Minor Works Grant | 571 | 0 | 0 | 571 |
| Allocated from Project Income | 0 | 0 | 0 | 0 |
| Amortisation in line with Asset Depreciation | (1,813) | 0 | 0 | (1,813) |
| Transfer between Reserves | 0 | 4,000 | (4,000) | 0 |
| MOVEMENT FOR THE YEAR | (571) | 4,000 | (4,658) | (1,229) |
| AT 31 AUGUST 2018 | 39,200 | 4,000 | 3,964 | 47,164 |
| Operating Deficit | 0 | 0 | (860) | (860) |
| Allocated from Recurrent Grant | 1,376 | 0 | 0 | 1,376 |
| Allocated from Capital Grant | 8 | 0 | 0 | 8 |
| Allocated from Minor Works Grant | 307 | 0 | 0 | 307 |
| Allocated from Project Income | 11 | 0 | 0 | 11 |
| Amortisation in line with Asset Write-Down | (336) | 0 | 0 | (336) |
| Amortisation in line with Asset Depreciation | (1,619) | 0 | 0 | (1,619) |
| Transfer between Reserves | 0 | 0 | 0 | 0 |
| MOVEMENT FOR THE YEAR | (253) | 0 | (860) | (1,113) |
| AT 31 AUGUST 2019 | 38,947 | 4,000 | 3,104 | 46,051 |

Notes 1 to 24 form part of the financial statements.

Signed on behalf of the Governing Body:



Mr David Holohan
Chairperson

06 May 2020

Date



Mr David Smith
President

06 May 2020

Date

DUN LAOGHAIRE INSTITUTE OF ART, DESIGN & TECHNOLOGY
STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2019

| | Note | 2019 €000 | 2018 €000 |
|---|------|--------------|--------------|
| NONCURRENT ASSETS | | | |
| Property, Plant and Equipment | 14 | 38,947 | 39,200 |
| CURRENT ASSETS | | | |
| Receivables | 15 | 294 | 515 |
| Cash and Cash Equivalents | | 8,391 | 9,074 |
| | | 8,685 | 9,589 |
| PAYABLES | | | |
| Amounts falling due within one Year | 16 | (1,581) | (1,625) |
| NET CURRENT ASSETS | | 7,104 | 7,964 |
| RETIREMENT BENEFITS | | | |
| Retirement Benefit Obligations | 10 | (86,233) | (72,548) |
| Deferred Retirement Benefit Funding Asset | 10 | 86,233 | 72,548 |
| TOTAL NET ASSETS | | 46,051 | 47,164 |
| REPRESENTED BY | | | |
| Capital Account | 17 | 38,947 | 39,200 |
| Capital Development Reserve | 18 | 4,000 | 4,000 |
| Revenue Reserve | | 3,104 | 3,964 |
| | | 46,051 | 47,164 |

Notes 1 to 24 form part of the financial statements.

Signed on behalf of the Governing Body:



Mr David Holohan
Chairperson

06 May 2020

Date



Mr David Smith
President

06 May 2020

Date

**DUN LAOGHAIRE INSTITUTE OF ART, DESIGN & TECHNOLOGY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019**

| | 2019 | 2018 |
|--|---------------------|---------------------|
| | €000 | €000 |
| NET CASH FLOW FROM OPERATING ACTIVITIES | | |
| Operating Deficit | (860) | (658) |
| Interest Income | (16) | (19) |
| Depreciation | 1,619 | 1,813 |
| Write-down of Fixed Assets (Note 14) | 336 | 0 |
| Amortisation of Deferred Capital Grants | (1,955) | (1,813) |
| Decrease/(Increase) in Debtors | 214 | (86) |
| (Decrease)/Increase in Creditors | (44) | 30 |
| NET CASH OUTFLOW FROM OPERATING ACTIVITIES | <u>(706)</u> | <u>(733)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Interest Received | <u>23</u> | <u>16</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Payments to acquire Property, Plant and Equipment | <u>(1,702)</u> | <u>(1,242)</u> |
| CASH FLOWS FROM FINANCING | | |
| State Recurrent Grants spent on Property, Plant and Equipment | 1,376 | 671 |
| State Capital Grants spent on Property, Plant and Equipment | 8 | 0 |
| State Minor Works Grant spent on Property, Plant and Equipment | 307 | 571 |
| Other Funds spent on Property, Plant and Equipment | 11 | 0 |
| NET CASH INFLOW FROM FINANCING | <u>1,702</u> | <u>1,242</u> |
| NET DECREASE IN CASH AND CASH EQUIVALENTS | (683) | (717) |
| CASH AND CASH EQUIVALENTS AT 1 SEPTEMBER | 9,074 | 9,791 |
| CASH AND CASH EQUIVALENTS AT 31 AUGUST | <u><u>8,391</u></u> | <u><u>9,074</u></u> |

Notes 1 to 24 form part of the financial statements.

Signed on behalf of the Governing Body:



Mr David Holohan
Chairperson

06 May 2020

Date



Mr David Smith
President

06 May 2020

Date

**DUN LAOGHAIRE INSTITUTE OF ART, DESIGN & TECHNOLOGY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

1. SIGNIFICANT ACCOUNTING POLICIES

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

(a) General Information and Statement of Compliance

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

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

The functional currency for Dun Laoghaire Institute of Art, Design & Technology (IADT) is considered to be Euro because that is the currency of the primary economic environment in which the Institute operates. Any foreign operations are included in accordance with the policies set out below.

(b) Property, Plant & Equipment

i) Land and Buildings

Land and buildings are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all land and buildings, 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:

| Asset Category | Years |
|-----------------------|--------------|
| Freehold Buildings | 50 |

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

ii) Equipment

From 1 September 2009, equipment and computer hardware and software costing less than €3,000 per individual item is written off to the Statement of Comprehensive Income in the year of acquisition. All other equipment is capitalised at cost. Capitalised equipment is depreciated over its useful economic life as follows:

| Asset Category | Years |
|--|--------------|
| Prefabricated Buildings, Fixtures and Fittings | 10 |
| Computer Hardware and Software | 3 |
| Furniture and Equipment | 5 |

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.

Continued...

**DUN LAOGHAIRE INSTITUTE OF ART, DESIGN & TECHNOLOGY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Taxation

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 (VAT), but since the supply of education is an exempt activity on which no output tax is charged it is unable to recover input tax on the majority of its purchases. Certain research and commercial activities within the Institute fall within the scope of VAT and any input or output tax relating to these activities is returned to the Revenue by the Institute.

(d) Recognition of Income

i) 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 property, plant and equipment are credited to capital account and amortised in line with depreciation over the life of the assets.

The Minister for Education and Skills introduced a Minor Capital Works scheme to devolve responsibility to the Institute for summer and other capital works. In all cases this funding is recognised in the period received.

ii) Fee Income

Fee income is accounted for on an accruals basis.

iii) 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. The most common classes of such transactions are:

- **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.
- **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.

Continued...

**DUN LAOGHAIRE INSTITUTE OF ART, DESIGN & TECHNOLOGY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

- **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 there is a restriction in use but no performance related condition exists, the income is recorded in the Statement of Comprehensive Income when the Institute becomes entitled to the income.

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

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.

iv) Income from Short Term Deposits

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

(e) Employee Benefits

i) Retirement Benefits

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

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

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

Pension liabilities represent the present value of future pension payments earned to date. The Deferred Retirement Benefit Funding Asset represents future pension payments which will be paid by the Department of Education and Skills.

Actuarial gains or losses arising on scheme liabilities are reflected in the Statement of Comprehensive Income and a corresponding adjustment is recognised in the Deferred Retirement Benefit Funding Asset.

Continued...

**DUN LAOGHAIRE INSTITUTE OF ART, DESIGN & TECHNOLOGY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

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 pension are excluded because pension payments are charged to the appropriation account of the Department of Education and Skills. 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.

ii) Short Term Benefits

Short-term benefits such as holiday pay are recognised as an expense in the year, and benefits that are accrued at year end are included in the Payables figure in the Statement of Financial Position.

(f) 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 year-end date.

(g) Leases

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.

(h) Deferred State Capital Grants

Deferred State Capital Grants represents the unamortised value of accumulated funds allocated for property, plant and equipment.

(i) Capital Development Reserve

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

2. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES

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.

Continued...

**DUN LAOGHAIRE INSTITUTE OF ART, DESIGN & TECHNOLOGY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

2. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

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.

The following are the significant estimates and assumptions 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.

(a) Going Concern

The COVID-19 crisis has created major business challenges for all third level institutions. The Institute in conjunction with the Department of Education and Skills, the Higher Education Authority and all third level entities is currently assessing the ongoing and projected impacts of this and these are being reported on a monthly basis to the Governing Body. The Governing Body has also considered statements by the Higher Education Authority, Ministers and other Government Representatives and are satisfied that there is sufficient funding for the Institute to meet its liabilities as they fall due and to continue as a going concern. On this basis the Institute considers it appropriate to prepare financial statements on a going concern basis. 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) 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 asset 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.

(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 the discount rate eg changes in the rate of return on high-quality corporate bonds and future compensation levels eg future labour market conditions.

DUN LAOGHAIRE INSTITUTE OF ART, DESIGN & TECHNOLOGY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

3 State Grants

| | Allocated to Recurrent Expenditure €000 | Allocated to Capital Expenditure €000 | Total 2019 €000 | Total 2018 €000 |
|-----------------------|--|--|----------------------------|----------------------------|
| State Grant for: | | | | |
| Recurrent Expenditure | 8,726 | 1,376 | 10,102 | 8,938 |
| Capital Expenditure | 0 | 8 | 8 | 0 |
| Minor Works | 283 | 307 | 590 | 590 |
| Total 2019 | <u>9,009</u> | <u>1,691</u> | <u>10,700</u> | <u>9,528</u> |
| Total 2018 | <u>8,286</u> | <u>1,242</u> | | |

| 4 Tuition Fees | 2019 Student Nos | 2019 €000 | 2018 Student Nos | 2018 €000 |
|--|-----------------------------|----------------------|-----------------------------|----------------------|
| State Funded: | | | | |
| Tuition Fees | 1,889 | 1,466 | 1,933 | 1,459 |
| Life Long Learning and Other Fees | 42 | 335 | 70 | 395 |
| Student Contribution | | 2,414 | | 2,159 |
| | <u>1,931</u> | <u>4,215</u> | <u>2,003</u> | <u>4,013</u> |
| Non State Funded: | | | | |
| Student Contribution | | 3,166 | | 3,519 |
| Non-EU Fees | 4 | 54 | 1 | 12 |
| Fees Paid by or on behalf of Students | 172 | 581 | 230 | 798 |
| Life Long Learning and Other Fees | 290 | 752 | 234 | 543 |
| | <u>466</u> | <u>4,553</u> | <u>465</u> | <u>4,872</u> |
| | <u>2,397</u> | <u>8,768</u> | <u>2,468</u> | <u>8,885</u> |

The Higher Education Authority paid tuition fees in the year of €1,406,633 (2018: €1,386,158) for full time honours degree courses and €35,625 (2018: €50,125) for higher certificate and ordinary degree courses, the total costs of which are part funded by the ESF.

State funded tuition fees of €1.466m (2018: €1.459m) included €23,600 (2018: €22,500) in respect of Postgraduate Programmes.

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

DUN LAOGHAIRE INSTITUTE OF ART, DESIGN & TECHNOLOGY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

| 5 | Research Grants and Contracts | 2019 | 2018 |
|----------|--------------------------------------|-------------|-------------|
| | | €000 | €000 |
| | State | 467 | 390 |
| | European Union | 85 | 1 |
| | Industry | 124 | 59 |
| | Other | 26 | 16 |
| | | <hr/> | <hr/> |
| | Contract and Project Income | 702 | 466 |
| | Allocated to Capital Expenditure | 11 | 0 |
| | | <hr/> | <hr/> |
| | Net Income | 691 | 466 |
| | | <hr/> | <hr/> |
| | Staff Costs | 188 | 78 |
| | Non-Pay Costs | 400 | 296 |
| | | <hr/> | <hr/> |
| | Expenditure | 588 | 374 |
| | | <hr/> | <hr/> |
| | Net Outturn | 103 | 92 |
| | | <hr/> <hr/> | <hr/> <hr/> |

Included in Contract and Project Income is an amount of €0 (2018: €15,000) in respect of overhead recovery. The balance represents direct costs recovered for research work undertaken as outlined under expenditure headings above.

| 6 | Student Support Funding | Disability | Assistance | 2019 | 2018 |
|----------|--------------------------------|-------------------|-------------------|-------------|-------------|
| | | €000 | €000 | €000 | €000 |
| | Receipts: | | | | |
| | Higher Education Authority | 168 | 100 | 268 | 267 |
| | Amounts Applied | (168) | (100) | (268) | (267) |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| | | 0 | 0 | 0 | 0 |
| | | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

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

| 7 | Other Income | 2019 | 2018 |
|----------|------------------------------------|-------------|-------------|
| | | €000 | €000 |
| | Superannuation Deductions Retained | 979 | 830 |
| | Facilities Income Recognised | 272 | 330 |
| | Print Charges | 52 | 42 |
| | International Student Income | 28 | 8 |
| | Miscellaneous | 34 | 25 |
| | | <hr/> | <hr/> |
| | | 1,365 | 1,235 |
| | | <hr/> <hr/> | <hr/> <hr/> |

DUN LAOGHAIRE INSTITUTE OF ART, DESIGN & TECHNOLOGY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

8 Analysis of State Derived Income

| | Deferred Balance at 1 September 2018 €000 | Amount Received €000 | Deferred Balance at 31 August 2019 €000 | Statement of Comp- rehensive Income €000 |
|--|--|-------------------------------------|--|---|
| State Grant (Note 3): | | | | |
| Higher Education Authority | 0 | 10,700 | 0 | 10,700 |
| Allocated to Capital Expenditure | 0 | (1,691) | 0 | (1,691) |
| Total State Income | 0 | 9,009 | 0 | 9,009 |
| Tuition Fees (Note 4): | | | | |
| Higher Education Authority | 0 | 1,769 | 0 | 1,769 |
| Student Universal Support Ireland | 0 | 2,414 | 0 | 2,414 |
| IADT Scholarships | 0 | 24 | 0 | 24 |
| Other | 0 | 8 | 0 | 8 |
| Total State Income | 0 | 4,215 | 0 | 4,215 |
| Research Grants and Contracts (Note 5): | | | | |
| Enterprise Ireland | 0 | 50 | 0 | 50 |
| Higher Education Authority | 237 | 161 | 282 | 116 |
| Irish Aid | 76 | (60) | 0 | 16 |
| Screen Ireland | 9 | 0 | 9 | 0 |
| National Centre for Technology in Education | 0 | 47 | 0 | 47 |
| Technological University Dublin | 0 | 24 | 0 | 24 |
| University College Dublin | 48 | 125 | 35 | 138 |
| Dublin City University | 40 | 0 | 0 | 40 |
| Dun Laoghaire Rathdown County Council | 0 | 21 | 0 | 21 |
| Dublin City Council | 0 | 5 | 0 | 5 |
| Kildare County Council | 0 | 5 | 0 | 5 |
| Bord Bia | 0 | 5 | 0 | 5 |
| Total State Income | 410 | 383 | 326 | 467 |
| Student Support Funding (Note 6): | | | | |
| Higher Education Authority | 6 | 381 | 119 | 268 |
| Total State Income | 6 | 381 | 119 | 268 |

DUN LAOGHAIRE INSTITUTE OF ART, DESIGN & TECHNOLOGY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

9 Staff Costs

The average number of persons (including senior post holders) employed by the Institute during the year, expressed in whole time equivalents was:

| | 2019 | 2018 |
|-------------------------------------|-----------------|-----------------|
| | Employee | Employee |
| | Nos | Nos |
| Teaching and Research | 124 | 127 |
| Technical | 16 | 16 |
| Central Administration and Services | 70 | 71 |
| | <u>210</u> | <u>214</u> |
| | 2019 | 2018 |
| | €000 | €000 |
| Salaries and Wages | 14,050 | 13,535 |
| Overtime and Allowances | 9 | 9 |
| Employers PRSI | 1,301 | 1,224 |
| | <u>15,360</u> | <u>14,768</u> |

Key Management Compensation

Key management personnel in the Institute consists of the President, Members of the Executive Management and Governing Body Members.

| | 2019 | 2018 | 2019 | 2018 |
|----------------------|------------------|------------------|-------------|-------------|
| | Headcount | Headcount | €000 | €000 |
| President | 1 | 1 | 153 | 147 |
| Executive Management | 5 | 5 | 528 | 511 |
| Governing Body | 19 | 18 | 0 | 0 |
| | <u>25</u> | <u>24</u> | <u>681</u> | <u>658</u> |

The President is a member of the Education Sector Superannuation Scheme and her pension entitlements do not extend beyond the terms of this scheme.

Executive Management are members of either the Education Sector Superannuation Scheme or the Single Public Service Pension Scheme. Their pension entitlements do not extend beyond the terms of these schemes.

Continued...

DUN LAOGHAIRE INSTITUTE OF ART, DESIGN & TECHNOLOGY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

9 Staff Costs (continued)

Higher Paid Staff

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

| | 2019 | 2018 |
|-------------------|-----------------|-----------------|
| | Employee | Employee |
| | Nos | Nos |
| €60,000-€70,000 | 22 | 22 |
| €70,001-€80,000 | 17 | 24 |
| €80,001-€90,000 | 47 | 41 |
| €90,001-€100,000 | 9 | 9 |
| €100,001-€110,000 | 1 | 1 |
| €110,001-€120,000 | 2 | 1 |
| €120,001-€130,000 | 0 | 0 |
| €130,001-€140,000 | 0 | 0 |
| €140,001-€150,000 | 0 | 1 |
| €150,001-€160,000 | 1 | 0 |
| €160,001+ | 0 | 0 |
| | 99 | 99 |
| | 99 | 99 |

Termination Payments

In 2019 the Institute issued no severance payments.

In 2018 the Institute issued one severance payment to the value of €84,842, comprising of €17,604 statutory redundancy and €67,238 enhanced redundancy as agreed with the Department of Education and Skills.

10 Retirement Benefit Cost

Retirement benefit obligations were accounted for the first time in the 2017 financial statements. The opening position at 1 September 2016 was estimated by the actuary, based on market conditions at that time.

Description of Schemes

Education Sector Superannuation 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 (Single Scheme) in accordance with Public Service 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 that Act.

The Single Scheme is the occupational pension scheme for new entrant public servants hired since 1 January 2013. It is a defined benefit scheme, with retirement benefits based on career-average pay. The scheme generates pension credits and retirement lump sum credits for each scheme member. These money credits, known as “referable amounts”, accrue as percentages of pay on an ongoing basis. The referable amounts accrued each year are revalued annually until retirement in line with inflation increases (Consumer Price Index). The annual pension awarded on retirement is the cumulative total of a scheme member’s pension referable amounts, and the retirement lump sum awarded is, similarly, the total of the scheme member’s lump sum referable amounts.

Valuation:

The valuation used for FRS 102 disclosures has been based on a full actuarial valuation by a qualified independent actuary taking account of the requirements of the FRS in order to assess the scheme liabilities at 31 August 2019. On retirement, members’ pensions are paid by the National Shared Services Office on behalf of the Department of Education and Skills and those payments are charged to that Department’s appropriation account. Therefore, former employees of the Institute who are in receipt of pension have been excluded from the valuation. The reduction in liability arising from members who retire during the year is reflected as an experience gain and is separately identified in the liability reconciliation.

The principal actuarial assumptions used to calculate the components of the defined benefit cost for the year ended 31 August 2019 were as follows:

Continued...

DUN LAOGHAIRE INSTITUTE OF ART, DESIGN & TECHNOLOGY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

10 Retirement Benefit Cost (continued)

| | 2019 | 2018 |
|-------------------|-------------|-------------|
| Discount Rate | 0.90% | 1.95% |
| Inflation Rate | 1.30% | 1.80% |
| Salary Increases | 2.55% | 3.05% |
| Pension Increases | 2.05% | 2.55% |

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:

| | 2019 | 2018 |
|----------------|--------------|--------------|
| | Years | Years |
| Male Aged 65 | 21.7 | 21.5 |
| Female Aged 65 | 24.1 | 24.0 |

Analysis of Total Retirement Benefit Costs Charged to the Statement of Comprehensive Income

| | 2019 | 2018 |
|---|--------------|--------------|
| | €000 | €000 |
| Current Service Cost Including Employee Contributions | 4,324 | 4,101 |
| Interest on Retirement Benefit Scheme Liabilities | 1,457 | 1,431 |
| Employee Contributions | (825) | (664) |
| | <u>4,956</u> | <u>4,868</u> |

Movement in Net Retirement Benefit Obligations during the Financial Year

| | | |
|---|---------------|---------------|
| Net Retirement Benefit Obligation at 1 September | 72,548 | 66,115 |
| Current Service Cost | 3,499 | 3,437 |
| Employee Contributions | 825 | 664 |
| Interest Cost | 1,457 | 1,431 |
| Experience Losses on Retirement Obligations | 829 | 1,190 |
| Reduction in Pension Liabilities arising from Retirements in the Year | (3,708) | (626) |
| Changes in Actuarial Assumptions | 10,783 | 337 |
| Net Retirement Benefit Obligations at 31 August | <u>86,233</u> | <u>72,548</u> |
| Analysed as follows: | | |
| Education Sector Superannuation Scheme | 84,238 | 71,193 |
| Single Scheme | 1,995 | 1,355 |
| | <u>86,233</u> | <u>72,548</u> |

Continued...

**DUN LAOGHAIRE INSTITUTE OF ART, DESIGN & TECHNOLOGY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

10 Retirement Benefit Cost (continued)

Deferred Retirement Benefit Funding Asset

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:

| | 2019 | 2018 |
|---|--------------|--------------|
| | €000 | €000 |
| Funding recoverable in respect of Current Year Retirement Benefit Costs | <u>4,956</u> | <u>4,868</u> |

The deferred funding liabilities for retirement benefit as at 31 August 2019 amounted to €86,233,000 (2018: €72,548,000).

History of Defined Benefit Obligations

| | | |
|-----------------------------|---------------|---------------|
| Defined Benefit Obligations | <u>86,233</u> | <u>72,548</u> |
|-----------------------------|---------------|---------------|

11 Single Public Service Pension Scheme

| | 2019 | 2018 |
|--|-----------------|-----------------|
| | Employee | Employee |
| | Nos | Nos |
| Number of Single Public Service Pension Scheme Members | <u>72</u> | <u>87</u> |

DUN LAOGHAIRE INSTITUTE OF ART, DESIGN & TECHNOLOGY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

12 Analysis of Expenditure

| | Staff Costs | Other Operating Expenses | Total 2019 | Total 2018 |
|--|--------------------|---|-------------------|-------------------|
| | €000 | €000 | €000 | €000 |
| Academic Departments | 10,656 | 1,017 | 11,673 | 10,835 |
| Academic Services | 323 | 109 | 432 | 494 |
| Facilities Costs | 532 | 1,321 | 1,853 | 2,015 |
| Central Administration and ICT Services | 3,115 | 2,111 | 5,226 | 4,363 |
| General Educational Expenses | 110 | 278 | 388 | 414 |
| Student Services | 436 | 449 | 885 | 1,054 |
| Research Grants and Contracts | 188 | 400 | 588 | 374 |
| Student Support Funding Income Applied | 0 | 268 | 268 | 267 |
| Total 2019 | <u>15,360</u> | <u>5,953</u> | <u>21,313</u> | <u>19,816</u> |
| Total 2018 | <u>14,768</u> | <u>5,048</u> | | |

Continued...

DUN LAOGHAIRE INSTITUTE OF ART, DESIGN & TECHNOLOGY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

| | 2019 | 2018 |
|--|--------------|--------------|
| | €000 | €000 |
| 12 | | |
| Analysis of Expenditure (continued) | | |
| Analysis of Other Operating Expenses: | | |
| Research Expenditure | 400 | 296 |
| Materials and other Consumables | 425 | 379 |
| Equipment | 521 | 366 |
| National Film School | 61 | 56 |
| Stationery and Office Materials | 58 | 30 |
| Hospitality | 43 | 42 |
| Recruitment | 87 | 63 |
| Travel and Subsistence: Domestic | 91 | 14 |
| Travel and Subsistence: International | 80 | 59 |
| Expenditure on Extra Mural Courses | 32 | 38 |
| Books and Periodicals | 84 | 115 |
| Cleaning | 228 | 294 |
| Maintenance | 228 | 257 |
| Security | 156 | 140 |
| Insurance | 126 | 117 |
| Grounds and Landscaping | 48 | 40 |
| Energy and Water | 510 | 536 |
| ICT Maintenance | 418 | 347 |
| Publicity and Promotion | 179 | 198 |
| Enrolment, Exams and Conferring | 90 | 74 |
| Communications | 57 | 50 |
| Legal Fees | 11 | 44 |
| External Audit Fees | 32 | 28 |
| Professional Fees - Financial Advisory | 22 | 12 |
| Professional Fees - Strategic Planning | 102 | 18 |
| Professional Fees - Internal Audit | 37 | 18 |
| Professional Fees - Marketing and Public Relations | 60 | 53 |
| Professional Fees - Human Resources | 12 | 3 |
| Professional Fees - Other | 19 | 12 |
| Financial Expenses | 16 | 20 |
| Staff Development | 149 | 113 |
| Subscriptions to Professional Bodies | 66 | 78 |
| Expenditure on Facilities for Hire | 98 | 113 |
| Student Services | 449 | 541 |
| Student Support Funding Income Applied | 268 | 267 |
| Irrecoverable Tuition Fees | 241 | 125 |
| Write-down of Fixed Assets (Note 14) | 336 | 0 |
| Other | 113 | 92 |
| | <u>5,953</u> | <u>5,048</u> |

13 **Taxation**

Dun Laoghaire Institute of Art, Design & Technology is exempt from Corporation Tax under a charitable status order.

DUN LAOGHAIRE INSTITUTE OF ART, DESIGN & TECHNOLOGY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

14 Property, Plant and Equipment

| | Total €000 | Land and Buildings €000 | Assets under Con- struction €000 | Fixtures and Fittings €000 | Computer Hardware €000 | Furniture and Equipment €000 |
|-----------------------|-----------------------|--|---|---|---------------------------------------|---|
| Cost | | | | | | |
| At 1 September 2018 | 71,946 | 49,137 | 204 | 2,315 | 11,356 | 8,934 |
| Additions | 1,702 | 61 | 206 | 85 | 1,078 | 272 |
| Transfers | 0 | 205 | (205) | 0 | 0 | 0 |
| Disposals/Write-Down | (626) | (602) | 0 | 0 | (24) | 0 |
| At 31 August 2019 | <u>73,022</u> | <u>48,801</u> | <u>205</u> | <u>2,400</u> | <u>12,410</u> | <u>9,206</u> |
| Depreciation | | | | | | |
| At 1 September 2018 | 32,746 | 11,363 | 0 | 1,855 | 10,979 | 8,549 |
| Charge for the Year | 1,619 | 792 | 0 | 84 | 581 | 162 |
| Disposals/Write-Down | (290) | (266) | | | (24) | |
| At 31 August 2019 | <u>34,075</u> | <u>11,889</u> | <u>0</u> | <u>1,939</u> | <u>11,536</u> | <u>8,711</u> |
| Net Book Value | | | | | | |
| At 31 August 2019 | <u>38,947</u> | <u>36,912</u> | <u>205</u> | <u>461</u> | <u>874</u> | <u>495</u> |
| At 1 September 2018 | <u>39,200</u> | <u>37,774</u> | <u>204</u> | <u>460</u> | <u>377</u> | <u>385</u> |
| Cost | | | | | | |
| At 1 September 2017 | 70,905 | 48,800 | 188 | 2,282 | 10,960 | 8,675 |
| Additions | 1,242 | 337 | 77 | 33 | 402 | 393 |
| Transfers | 0 | 0 | (61) | 0 | 61 | 0 |
| Disposals | (201) | 0 | 0 | 0 | (67) | (134) |
| At 31 August 2018 | <u>71,946</u> | <u>49,137</u> | <u>204</u> | <u>2,315</u> | <u>11,356</u> | <u>8,934</u> |
| Depreciation | | | | | | |
| At 1 September 2017 | 31,134 | 10,544 | 0 | 1,778 | 10,699 | 8,113 |
| Charge for the Year | 1,813 | 819 | 0 | 77 | 347 | 570 |
| Disposals | (201) | 0 | 0 | 0 | (67) | (134) |
| At 31 August 2018 | <u>32,746</u> | <u>11,363</u> | <u>0</u> | <u>1,855</u> | <u>10,979</u> | <u>8,549</u> |
| Net Book Value | | | | | | |
| At 31 August 2018 | <u>39,200</u> | <u>37,774</u> | <u>204</u> | <u>460</u> | <u>377</u> | <u>385</u> |
| At 1 September 2017 | <u>39,771</u> | <u>38,256</u> | <u>188</u> | <u>504</u> | <u>261</u> | <u>562</u> |

A review of the fixed asset register conducted during the year identified a number of items capitalised in previous years which, for various reasons, are no longer considered assets. The adjustments to Cost and Depreciation are included in the disposals figure above and the net write-down is included in Note 12. This write-down amount is offset by an equivalent increase in the Amortisation of Deferred Capital Grants in the Statement of Comprehensive Income (See Note 17).

DUN LAOGHAIRE INSTITUTE OF ART, DESIGN & TECHNOLOGY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

| | 2019 | 2018 |
|--|--------------|--------------|
| | €000 | €000 |
| 15 | | |
| Receivables | | |
| Tuition Fees | 120 | 193 |
| Prepayments and Accrued Income | 39 | 36 |
| Accrued Interest | 0 | 7 |
| Research Grants and Contracts | 2 | 0 |
| Other Debtors | 133 | 279 |
| | <u>294</u> | <u>515</u> |
| 16 | | |
| Payables | | |
| Amounts falling due within one year | | |
| Payments received in advance: | | |
| Tuition Fees and Student Contributions | 94 | 220 |
| Research Grants and Contracts | 341 | 464 |
| Student Support Funding | 119 | 6 |
| | <u>554</u> | <u>690</u> |
| Accruals | 505 | 391 |
| Trade Creditors | 19 | 26 |
| PAYE/PRSI | 390 | 393 |
| Other Creditors | 113 | 125 |
| | <u>1,027</u> | <u>935</u> |
| | <u>1,581</u> | <u>1,625</u> |

DUN LAOGHAIRE INSTITUTE OF ART, DESIGN & TECHNOLOGY
NOTES TO THE FINANCIAL STATEMENTS
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| | 2019 | 2018 |
|--|----------------------|----------------------|
| | €000 | €000 |
| 17 Capital Account | | |
| At 1 September | 39,200 | 39,771 |
| Allocated from Recurrent Grant | 1,376 | 671 |
| Allocated from Capital Grant | 8 | 0 |
| Allocated from Minor Works Grant | 307 | 571 |
| Allocated from Project Income | 11 | 0 |
| | <u>40,902</u> | <u>41,013</u> |
| Amortisation in line with Asset Write-Down | (336) | 0 |
| Amortisation in line with Asset Depreciation | (1,619) | (1,813) |
| At 31 August | <u><u>38,947</u></u> | <u><u>39,200</u></u> |

18 Capital Development Reserve

| | | |
|-----------------------------|---------------------|---------------------|
| At 1 September | 4,000 | 0 |
| Transfer to Revenue Reserve | 0 | 4,000 |
| At 31 August | <u><u>4,000</u></u> | <u><u>4,000</u></u> |

In accordance with the Institute's accounting policy the Governing Body, at its meeting of 12 December 2018, approved the transfer to Capital Development Reserve of €4,000,000 towards the future fit-out costs of a Digital Media Building currently in the planning stages and which will be delivered through a Public Private Partnership (PPP) process.

19 Capital Commitments

The Institute had commitments of €666,945 (2018: €1,021,228) for capital expenditure at the balance sheet date.

20 Contingent Liabilities

There were no contingent liabilities at the balance sheet date.

21 Related Parties

In the normal course of business the Institute may enter into contractual arrangements with undertakings in which the Institute's Governing Body members are employed or otherwise interested. The Institute has adopted procedures in accordance with the THEA Code of Governance for Institutes of Technology 2018 in relation to the disclosure of interests by members of the Governing Body and these procedures have been adhered to.

**DUN LAOGHAIRE INSTITUTE OF ART, DESIGN & TECHNOLOGY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

22 Post Balance Sheet Events

The COVID-19 crisis has created major business challenges for all third level institutions. The Institute in conjunction with the Department of Education and Skills, The Higher Education Authority and all third level entities is currently assessing the ongoing and projected impacts of this and these are being reported on a monthly basis to the Governing Body. Implications for Going Concern are considered in Note 2.

23 Comparative Figures

Where necessary the comparative figures have been regrouped and reclassified on the same basis as the current year figures.

24 Approval of Financial Statements

The financial statements were approved by the Governing Body on 6 May 2020.