# National College of Ireland

*(A company limited by guarantee and not having a share capital)*

Directors' report and financial statements

**Year ended 30 June 2018**

***Registered number: 134303***

# National College of Ireland

## Directors' report and financial statements

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# National College of Ireland

## Directors and other information

| | |
|---|---|
| **Directors** | Fr Leonard Moloney S.J. (Chairman)<br>Gina Quin (President)<br>Michael Brady<br>Barbara Cotter<br>Dr Tish Gibbons<br>Jonathan Lambert<br>Brendan McGinty<br>Sean McMahon<br>Peter McLoone<br>Brigid McManus<br>Liam O'Donoghue<br>Fr Kevin O'Higgins S.J.<br>Frances Sheridan<br>Dr Tony White |
| **President Emeritus** | Professor Joyce O'Connor |
| **Secretary** | John McGarrigle |
| **Registered office** | Mayor Street<br>International Financial Services Centre<br>Dublin 1 |
| **Auditor** | KPMG<br>Chartered Accountants<br>1 Stokes Place<br>St. Stephen's Green<br>Dublin 2 |
| **Bankers** | Bank of Ireland<br>Ranelagh<br>Dublin 6<br><br>Allied Irish Banks<br>International Financial Services Centre<br>Dublin 1 |
| **Solicitors** | Arthur Cox<br>Earlsfort Centre<br>Earlsfort Terrace<br>Dublin 2<br><br>Ivor Fitzpatrick & Company Solicitors<br>44 - 45 St. Stephen's Green<br>Dublin 2 |
| **Registered number** | 134303 |
| **CHY number** | 9928 |

# National College of Ireland

## Directors' report

The directors present their report and audited financial statements of National College of Ireland ("NCI" "the company" or "the college") for the year ended 30 June 2018.

**Principal activities**

The principal activities of the company are the provision of educational services; there has been no significant change to these activities during the year.

**Business review**

The college continues to perform well in a competitive market. In the past financial year, income grew by 14%, and the underlying surplus from operations was €2,222,153 *(2017: €1,686,017)*.

| | **2018** | 2017 |
|---|---|---|
| | **€** | € |
| **Income** | **28,380,150** | 24,916,028 |
| **Operating surplus before pension accounting adjustments** | **2,222,153** | 1,686,017 |
| Non-cash/non-trading pension accounting adjustments* | **(516,732)** | (820,416) |
| Operating surplus after pension accounting adjustments | **1,705,421** | 865,601 |
| Bank interest payable net | **(102,215)** | (108,189) |
| Pension accounting interest adjustments* | **(112,430)** | (94,446) |
| **Surplus for the year retained** | **1,490,776** | 662,966 |

* Adjustments required by the accounting standard FRS102 S28 are non-trading, and have no cash effect.

National College of Ireland (NCI) has achieved significant revenue growth continuing the trend of increasing student enrolments of recent years. This has been driven by several key factors:

- Postgraduate programmes in areas of skills-need such as data analytics, cybersecurity, cloud computing, finance, marketing and management have been particularly well received by both domestic and international students;

- Undergraduate programmes have also seen strong demand across computing and business subjects. NCI's BA Psychology degree and part-time 2 year degrees in business and human resources have particularly resonated with part-time students. The college has also delivered a very strong performance in international markets;

- NCI continues its record of contribution to providing the transformative skills needed in our economy and the college has again seen growth in ICT programmes under the Higher Education Authority (HEA) Springboard+ initiative.

The directors are satisfied with the financial position as at 30 June 2018 as stated in the balance sheet on page 11.

### Principal risks and uncertainties

NCI moved to the IFSC in 2001. This existing campus is now at full capacity, which limits the ability to grow and to enhance the learning environment for students. The lack of additional physical space is a current impediment to our operations and the most significant risk to continued growth.

NCI has a historical limit of 925 students funded by the Department of Education and Skills through the Free Fees initiative. This arbitrary cap on numbers curtails NCI's ability to offer new full-time programmes, and limits the number of student places it can offer on programmes, even where there is excess demand. This cap on funded full-time student numbers limits opportunity for potential students in NCI's catchment area. The cap also combines with a relatively low level of core grant income to place NCI at a financial disadvantage compared to institutions fully-funded by the HEA.

The college has historically been the largest provider of programmes through the HEA's Springboard and ICT Skills funding initiatives, and NCI has reskilled many thousands of people in ICT in areas of skill shortages. These initiatives are vital for Ireland's future growth. Should these sources of revenue decline in future years, there would have to be mitigation through increased revenue in areas such as international recruitment, additional part-time students and other corporate or government educational initiatives.

### Future developments

A key strategic and operational imperative is to address the physical space limitations the college now faces. This is not just a simple capacity issue. We need a campus that can help in the NCI mission to change lives through education and that can inspire learners and encourage new forms of learning and collaboration between NCI and its local Docklands community. NCI will continue to actively seek solutions to this issue.

NCI will continue to engage with relevant stakeholders to review the cap on funded full-time student numbers and its overall funding allocation.

NCI will continue to fulfil our mission by working with the local community, through our work with the Early Learning Initiative and through providing various access routes to education for students of all types.

We will continue to develop our existing programmes through industry and academic engagement and accreditation initiatives, faculty and curriculum development and partnerships with industry. Notwithstanding the capacity constraints and funding considerations noted, we will strategically grow our numbers on our programmes.

We will continue to provide highly effective programmes under Springboard+, in alignment with the government's Action Plan for Education and Action Plan for Jobs, and we will continue to develop our offerings in the apprenticeship domain, building on existing offerings in the financial services area and developing programmes in areas such as HR and related business disciplines.

### Accounting records

The directors believe that they have complied with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to maintaining adequate accounting records by employing accounting personnel with appropriate expertise and by providing adequate resources to the financial function. The accounting records of the company are maintained at the company's premises at Mayor Street, International Financial Services Centre, Dublin 1.

## Directors' report *(continued)*

**Results**

The surplus for the year is set out in the income and expenditure and other comprehensive income account on page 10.

**Post balance sheet events**

In August 2018 NCI acquired the leasehold interest in the on-campus crèche and gym units for a combined purchase price of €2.67m. Other than this transaction, there have been no significant events affecting the company since the year end.

**Political donations**

There were no political donations made during the year that would require disclosure under the Electoral Act, 1997.

**Retirement benefits**

The college operates a defined benefit pension scheme and a defined contribution pension scheme.

Defined benefit scheme
The defined benefit pension scheme continues to operate for staff who were members of that scheme as at 1 April 2014. The scheme has been closed to new members since that date. The contribution rates for the financial year, based on pensionable salaries, were 8% by members and 9.6% by the college.

Defined contribution scheme
A defined contribution pension scheme was put in place in April 2014. The college makes contributions to this scheme on a matching basis to those made by participating staff at rates of 4%, 6% or 8% as elected by each individual employee.

**Legal status**

National College of Ireland is a company incorporated under the Companies Act 2014 limited by guarantee and not having a share capital. The company is exempt from corporation tax. The company has been granted charitable status by the Revenue Commissioners (CHY number 9928).

**Directors and secretary**

The directors and the secretary serving during the year and subsequent to year end are as follows:

Fr Leonard Moloney S.J. (Chairman)
Gina Quin (President)
Michael Brady
Áine Casey (retired 5 September 2017)
Stephen Cleary (retired 30 June 2018)
Barbara Cotter
Dr Tish Gibbons
Jonathan Lambert (appointed 27 October 2017)
Brendan McGinty
Sean McMahon (appointed 1 July 2018)
Peter McLoone
Brigid McManus
Liam O'Donoghue
Fr Kevin O'Higgins S.J.
Frances Sheridan
Dr Tony White
John McGarrigle (secretary)

# National College of Ireland

## Directors' report *(continued)*

### Transactions involving directors

There were no contracts or arrangements of any significance in relation to the business of the company in which the directors had any interest, as defined in the Companies Act 2014, at any time during the year ended 30 June 2018.

### Related party transactions

Details of related party transactions are disclosed in note 20 to the financial statements.

### Relevant audit information

The directors believe they have taken all steps necessary to make themselves aware of any relevant audit information and have established that the company's statutory auditors are aware of that information. In so far as they are aware, there is no relevant audit information of which the company's statutory auditors are unaware.

### Auditor

In accordance with Section 383(2) of the Companies Act 2014, the auditor, KPMG, Chartered Accountants, will continue in office.

On behalf of the board

| | | |
|---|---|---|
| Fr Leonard Moloney S.J.<br>*Director* | Gina Quin<br>*President* | 26 OCT 2018 |

# National College of Ireland

## Statement of directors' responsibilities in respect of the directors' report and the financial statements

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland.*

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company and of its profit or loss for that year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the company and enable them to ensure that the financial statements comply with the Companies Act 2014. They are responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities. The directors are also responsible for preparing a directors' report that complies with the requirements of the Companies Act 2014.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the board

Fr Leonard Moloney S.J.
*Director*

Gina Quin
*President*

KPMG
**Audit**
1 Stokes Place
St. Stephen's Green
Dublin 2
D02 DE03
Ireland

# Independent auditor's report to the members of National College of Ireland

## 1 Report on the audit of the financial statements

### *Opinion*

We have audited the financial statements of National College of Ireland ('the company') for the year ended 30 June 2018 set out on pages 10 to 31, which comprise the income and expenditure account and other comprehensive income, the balance sheet, the statement of changes in equity, the cash flow statement and related notes, including the summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland.*

In our opinion, the accompanying financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 30 June 2018 and of its surplus for the year then ended;
- have been properly prepared in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

### *Basis for opinion*

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the company in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *We have nothing to report on going concern*

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

### *Other information*

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the directors' report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

KPMG

# Independent auditor's report to the members of National College of Ireland
*(continued)*

**1 Report on the audit of the financial statements** *(continued)*

***Other information*** *(continued)*

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Based solely on our work on the other information;

- we have not identified material misstatements in the directors' report;
- in our opinion, the information given in the directors' report is consistent with the financial statements;
- in our opinion, the directors' report has been prepared in accordance with the Companies Act 2014.

***Opinions on other matters prescribed by the Companies Act 2014***

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

***Matters on which we are required to report by exception***

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by Sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

**2 Respective responsibilities and restrictions on use**

***Responsibilities of directors for the financial statements***

As explained more fully in the directors' responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for 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.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

KPMG

# Independent auditor's report to the members of National College of Ireland
*(continued)*

**2 Respective responsibilities and restrictions on use** *(continued)*

***Auditor's responsibilities for the audit of the financial statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) 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.

A fuller description of our responsibilities is provided on IAASA's website at https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsiblities_for_audit.pdf

***The purpose of our audit work and to whom we owe our responsibilities***

Our report is made solely to the company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

*David Meagher*
**for and on behalf of**
**KPMG**
**Chartered Accountants, Statutory Audit Firm**
*1 Stokes Place*
*St. Stephen's Green*
*Dublin 2*

26 October 2018

# National College of Ireland

## Income and expenditure account
*for the year ended 30 June 2018*

| | Note | Educational activities € | Enterprise € | **2018 €** | 2017 € |
|---|---|---|---|---|---|
| **Gross income** | 2 | 27,171,605 | 1,208,545 | **28,380,150** | 24,916,028 |
| Operating expenses | 3 | (25,756,102) | (918,627) | **(26,674,729)** | (24,050,427) |
| **Operating surplus** | | 1,415,503 | 289,918 | **1,705,421** | 865,601 |
| Interest receivable and similar income | | 2,024 | - | **2,024** | 2,598 |
| Interest payable and similar charges | 5 | (216,669) | - | **(216,669)** | (205,233) |
| **Surplus for the year retained** | 6 | 1,200,858 | 289,918 | **1,490,776** | 662,966 |

Gross income and operating surplus arose solely from continuing activities.

## Other comprehensive income
*for the year ended 30 June 2018*

| | **2018 €** | 2017 € |
|---|---|---|
| **Surplus for the financial year** | **1,490,776** | 662,966 |
| **Other comprehensive income** | | |
| Remeasurement of the defined benefit pension scheme liability | **(842,804)** | 2,085,236 |
| **Total comprehensive income for the year** | **647,972** | 2,748,202 |

# National College of Ireland

## Balance sheet
*as at 30 June 2018*

| | Note | 2018<br>€ | 2017<br>€ |
|---|---|---|---|
| **Fixed assets** | | | |
| Tangible assets | 7 | **30,562,619** | 31,835,828 |
| Financial asset | 8 | **230** | 230 |
| | | **30,562,849** | 31,836,058 |
| **Current assets** | | | |
| Debtors | 9 | **3,652,535** | 3,966,696 |
| Cash at bank and in hand | 10 | **13,392,789** | 8,410,409 |
| | | **17,045,324** | 12,377,105 |
| **Creditors**: amounts falling due within one year | 11 | **(13,685,281)** | (11,132,082) |
| **Net current assets** | | **3,360,043** | 1,245,023 |
| **Total assets less current liabilities** | | **33,922,892** | 33,081,081 |
| **Creditors**: amounts falling due after more than one year | 12 | **(7,720,041)** | (8,582,629) |
| **Net assets** | | **26,202,851** | 24,498,452 |
| **Provisions for liabilities** | | | |
| Pension scheme net deficit | 15 | **(6,976,584)** | (5,504,619) |
| **Net assets** | | **19,226,267** | 18,993,833 |
| **Reserves** | | | |
| Development reserve | | **14,910,820** | 15,326,355 |
| Accumulated surplus | | **4,315,447** | 3,667,478 |
| **Total reserves** | | **19,226,267** | 18,993,833 |

On behalf of the board

Fr Leonard Moloney S.J.
*Director*

Gina Quin
*President*

# National College of Ireland

## Statement of changes in equity
*for the year ended 30 June 2018*

| | Development reserve € | Accumulated surplus € | Total reserves € |
|---|---|---|---|
| Balance at 1 July 2016 | 15,742,892 | 918,273 | 16,661,165 |
| **Total comprehensive income for the year** | | | |
| Surplus for the year | - | 662,966 | 662,966 |
| Transfer to income and expenditure account | (415,534) | - | (415,536) |
| Other comprehensive income (see page 10) | - | 2,085,236 | 2,085,236 |
| Total comprehensive income for the year | (415,534) | 2,748,202 | 2,332,666 |
| **Balance at 30 June 2017** | **15,326,358** | **3,667,475** | **18,993,833** |
| Balance at 1 July 2017 | 15,326,356 | 3,667,475 | 18,993,831 |
| **Total comprehensive income for the year** | | | |
| Surplus for the year | - | 1,490,776 | 1,490,776 |
| Transfer to income and expenditure account | (415,536) | - | (415,536) |
| Other comprehensive expense (see page 10) | - | (842,804) | (842,804) |
| Total comprehensive income for the year | (415,536) | 647,972 | 232,436 |
| **Balance at 30 June 2018** | **14,910,820** | **4,315,447** | **19,226,267** |

Total reserves at 30 June 2018, excluding the amount relating to the net pension liability of €6,976,584 *(2017: €5,504,619)*, amount to €26,202,851 *(2017: €24,498,450).*

# National College of Ireland

## Cash flow statement
*for the year ended 30 June 2018*

| | 2018 € | 2017 € |
|---|---|---|
| **Cash flows from operating activities** | | |
| Operating surplus | **1,705,421** | 865,601 |
| *Adjustments for:* | | |
| Depreciation | **1,893,465** | 1,611,063 |
| Amortisation of capital grants | **(229,008)** | (229,012) |
| Amortisation of development reserve | **(415,536)** | (415,536) |
| Decrease/(increase) in trade and other debtors | **314,161** | (1,177,562) |
| Increase in trade and other creditors | **2,990,940** | 3,506,053 |
| Movement in defined benefit pension scheme | **629,162** | 914,862 |
| **Net cash from operating activities** | **6,888,605** | 5,075,469 |
| **Cash flows from/used in investing activities** | | |
| Interest paid | **(213,686)** | (201,413) |
| Interest received | **2,024** | 2,598 |
| Finance lease interest paid | **(2,983)** | (3,819) |
| Acquisition of tangible fixed assets | **(620,256)** | (1,306,176) |
| **Net cash used in investing activities** | **(834,901)** | (1,508,810) |
| **Cash flows from financing activities** | | |
| Finance lease (repayment)/drawdown | **(112,621)** | 262,333 |
| Repayment of principal loan | **(958,703)** | (527,744) |
| **Net cash used in financing activities** | **(1,071,324)** | (265,411) |
| **Net increase in cash and cash equivalents** | **4,982,380** | 3,301,248 |
| **Cash and cash equivalents at 1 July** | **8,410,409** | 5,109,161 |
| **Cash and cash equivalents at 30 June** | **13,392,789** | 8,410,409 |

## Notes
*forming part of the financial statements*

### 1 Accounting policies

National College of Ireland (the "company" or the "college") is a company limited by guarantee and not having a share capital and incorporated and domiciled in Ireland. The company's registered office is Mayor Street, IFSC, Dublin 1 and its registered number is 134303.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* ("FRS 102") as issued in September 2015. The presentation currency of these financial statements is euro.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

#### *1.1 Measurement convention*

The financial statements are prepared on the historical cost basis.

#### *1.2 Going concern*

The financial statements have been prepared on a going concern basis.

#### *1.3 Basic financial instruments*

*Trade and other debtors/creditors*
Trade and other debtors are recognised initially at transaction price plus attributable transaction costs. Trade and other creditors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

*Interest-bearing borrowings classified as basic financial instruments*
Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

*Investments in ordinary shares in subsidiaries*
Investments in ordinary shares are measured initially at transaction price less attributable transaction costs. Subsequent to initial recognition, investments are measured at cost less impairment.

*Cash and cash equivalents*
Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

#### *1.4 Tangible fixed assets*

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets.

## Notes *(continued)*

### 1 Accounting policies *(continued)*

#### *1.4 Tangible fixed assets* (continued)

Leases in which the company assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. All other leases are classified as operating leases. Leased assets acquired by way of finance lease are stated on initial recognition at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, including any incremental costs directly attributable to negotiating and arranging the lease. At initial recognition a finance lease liability is recognised equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments. The present value of the minimum lease payments is calculated using the interest rate implicit in the lease.

The company assesses at each reporting date whether tangible fixed assets (including those leased under a finance lease) are impaired.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Leased assets are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated. The estimated useful lives are as follows:

- Buildings 2%
- Car park 2%
- Artworks 2%
- Equipment, fixtures and fittings 20%
- Computer equipment 33.3%
- Motor vehicles 25%

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since the last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits.

#### *1.5 Government grants*

Government grants are included within accruals and deferred income in the balance sheet and credited to the profit and loss account over the expected useful lives of the assets to which they relate or in periods in which the related costs are incurred.

#### *1.6 Impairment of assets*

*Financial assets (including trade and other debtors)*
A financial asset not carried at fair value through the income and expenditure statement is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

## 1 Accounting policies *(continued)*

### *1.6 Impairment of assets* (continued)

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment, an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in the income and expenditure statement. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through the income and expenditure statement.

### *1.7 Employee benefits*

*Defined contribution plans and other long term employee benefits*
A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

*Defined benefit plans*
A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The fair value of any plan assets is deducted. The company determines the net interest expense/(income) on the net defined benefit liability/(asset) for the period by applying the discount rate as determined at the beginning of the annual period to the net defined benefit liability/(asset) taking account of changes arising as a result of contributions and benefit payments.

The discount rate is the yield at the balance sheet date on AA credit rated bonds denominated in the currency of, and having maturity dates approximating to the terms of the company's obligations. A valuation is performed annually by a qualified actuary using the projected unit credit method. The company recognises net defined benefit plan assets to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

Changes in the net defined benefit liability arising from employee service rendered during the period, net interest on net defined benefit liability, and the cost of plan introductions, benefit changes, curtailments and settlements during the period are recognised in the income and expenditure statement.

Remeasurement of the net defined benefit liability/asset is recognised in other comprehensive income in the period in which it occurs.

*Termination benefits*
Termination benefits are recognised as an expense when the company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the company has made an offer of voluntary redundancy, it is probably that the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are payable more than 12 months after the reporting date, then they are discounted to their present value.

## 1 Accounting policies *(continued)*

### *1.8 Turnover*

All income other than donations is accounted for on an accruals basis, and is recognised in the income and expenditure account as the relevant services are performed. Donations are accounted for when received or when their receipt is considered certain, and are recognised in the income and expenditure account as the related costs are incurred or when specific donor imposed conditions (if any) have been satisfied.

### *1.9 Operating leases*

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease.

### *1.10 Interest*

Interest income and interest payable are recognised in the income and expenditure statement as they accrue, using the effective interest rate method. Foreign currency gains and losses are reported on a net basis.

## 2 Gross income

| | 2018 | 2017 |
|---|---|---|
| | € | € |
| Student fees | **23,016,870** | 19,792,234 |
| Department of Education and Skills | **1,966,500** | 1,949,000 |
| Other income | **3,396,780** | 3,174,794 |
| | **28,380,150** | 24,916,028 |
| Educational activities | **27,171,605** | 23,778,754 |
| Enterprise | **1,208,545** | 1,137,274 |
| | **28,380,150** | 24,916,028 |

## Notes *(continued)*

### 3 Operating expenses

| | **2018** | 2017 |
|---|---|---|
| | **€** | € |
| Property expenses | **1,690,818** | 1,300,621 |
| Enterprise expenses | **918,627** | 775,976 |
| Academic overheads | **16,358,193** | 14,725,176 |
| Central administration | **2,218,814** | 2,319,165 |
| Library | **874,637** | 861,000 |
| IT expenses | **1,959,649** | 1,871,445 |
| Student services | **651,136** | 577,505 |
| Accreditation bodies and miscellaneous costs | **753,934** | 653,024 |
| Depreciation | **1,893,465** | 1,611,063 |
| Amortisation of capital grants | **(229,008)** | (229,012) |
| Amortisation of development reserve | **(415,536)** | (415,536) |
| | **26,674,729** | 24,050,427 |
| Educational activities | **25,756,102** | 23,274,451 |
| Enterprise | **918,627** | 775,976 |
| | **26,674,729** | 24,050,427 |

### 4 Employees and remuneration

The average number of persons (excluding associate lecturers) employed by the college in the financial year was 230 *(2017: 209)*. In addition, 137 *(2017: 121)* associate lecturers were employed by the college. All were engaged in either the provision of educational services, research or administration.

| | **2018** | 2017 |
|---|---|---|
| | **€** | € |
| Staff costs are comprised of: | | |
| Wages and salaries | **13,902,530** | 12,590,817 |
| Social welfare | **1,464,250** | 1,250,784 |
| Pension costs | **1,284,101** | 1,435,357 |
| | **16,650,881** | 15,276,958 |

### 5 Interest payable and other charges

| | **2018** | 2017 |
|---|---|---|
| | **€** | € |
| Finance lease interest | **2,983** | 3,819 |
| Bank interest and charges on bank loans | **213,686** | 201,414 |
| | **216,669** | 205,233 |

## Notes *(continued)*

### 6 Surplus for the year

#### (a) The surplus for the year is stated after charging/(crediting):

| | **2018** | 2017 |
|---|---|---|
| | **€** | € |
| Depreciation (note 7) | **1,893,465** | 1,611,063 |
| Amortisation of capital grants (note 14) | **(229,008)** | (229,012) |
| Amortisation of development reserve | **(415,536)** | (415,536) |
| Directors' remuneration – for management and academic services | **342,502** | 267,586 |

**Directors' remuneration**

| | **2018** | 2017 |
|---|---|---|
| Number of directors | **4** | 3 |
| Directors' emoluments | **323,147** | 252,929 |
| Employer contributions to benefit schemes | **19,355** | 14,657 |
| **Total directors' remuneration** | **342,502** | 267,586 |

Members of the Board of Directors do not receive any remuneration for their services as directors. Directors' remuneration includes the remuneration of employees of the college who also serve on the Board of Directors.

#### (b) Auditor's remuneration

Remuneration for the statutory audit and other services carried out by the college's statutory auditor exclusive of VAT:

| | **2018** | 2017 |
|---|---|---|
| | **€** | € |
| Statutory audit, including outlay | **58,800** | 56,910 |
| Non-audit services | **8,600** | 8,000 |
| | **67,400** | 64,910 |

#### (c) Taxation

The college has been granted charitable status by the Revenue Commissioners and is exempt from corporation tax.

## Notes *(continued)*

### 7 Fixed assets

| | Leasehold buildings € | Research building € | Car park € | Artwork € | Computer equipment € | Equipment fixtures and fittings € | Motor vehicles € | Total € |
|---|---|---|---|---|---|---|---|---|
| ***Cost*** | | | | | | | | |
| At 30 June 2017 | 24,395,998 | 12,170,721 | 4,427,243 | 757,158 | 5,732,988 | 2,298,334 | 83,754 | 49,866,196 |
| Additions | - | 263,910 | - | - | 179,477 | 176,869 | - | 620,256 |
| Disposals | - | - | - | - | (648,710) | (84,710) | - | (733,420) |
| **At 30 June 2018** | **24,395,998** | **12,434,631** | **4,427,243** | **757,158** | **5,263,755** | **2,390,493** | **83,754** | **49,753,032** |
| ***Depreciation*** | | | | | | | | |
| At 30 June 2017 | 7,143,078 | 3,078,232 | 1,151,083 | 228,028 | 4,843,737 | 1,502,456 | 83,754 | 18,030,368 |
| Charge for the year | 487,920 | 508,878 | 88,545 | 13,629 | 566,288 | 228,205 | - | 1,893,465 |
| Disposals | - | - | - | - | (648,710) | (84,710) | - | (733,420) |
| **At 30 June 2018** | **7,630,998** | **3,587,110** | **1,239,628** | **241,657** | **4,761,315** | **1,645,951** | **83,754** | **19,190,413** |
| ***Net book value*** | | | | | | | | |
| **At 30 June 2018** | **16,765,000** | **8,847,521** | **3,187,615** | **515,501** | **502,440** | **744,542** | **-** | **30,562,619** |
| At 30 June 2017 | 17,252,920 | 9,092,489 | 3,276,160 | 529,130 | 889,251 | 795,878 | - | 31,835,828 |

The Department of Education and Skills holds a charge on the leasehold buildings for 40 years from March 2003 as security for grants of €8,888,166 given by the department which would become repayable in the event of the disposal of the building or change of use.

Notes *(continued)*

| 8 | **Financial assets** | **2018** | 2017 |
|---|---|---|---|
| | | **€** | € |
| | Shares in North Wall Quay/Mayor Street Management | **130** | 130 |
| | Shares in Campus Crèche Limited (note 20) | **100** | 100 |
| | | **230** | 230 |

The company has one subsidiary as follows:

| Name of Undertaking | Country of incorporation | Principal activity | Company's interest | Profit for year | Net liabilities |
|---|---|---|---|---|---|
| Campus Crèche Limited | Ireland | Lease of Crèche | 100% | €3,500 | €33,535 |

The registered office of Campus Crèche Limited is Mayor Street, IFSC, Dublin 1.

Group accounts have not been prepared, as under Section 99 of FRS 102, a subsidiary may be excluded from consolidated when its inclusion is not material for the purpose of giving a true and fair view.

| 9 | **Debtors**: amounts falling due within one year | **2018** | 2017 |
|---|---|---|---|
| | | **€** | € |
| | Department of Education and Skills grant | **163,875** | 163,875 |
| | Prepaid expenses | **684,719** | 752,767 |
| | Other debtors | **2,803,941** | 3,050,054 |
| | | **3,652,535** | 3,966,696 |

Debtors are stated net of a provision for impairment of €175,861 *(2017: €343,105)*.

| 10 | **Cash and cash equivalents** | **2018** | 2017 |
|---|---|---|---|
| | | **€** | € |
| | Cash at bank and in hand | **13,392,789** | 8,410,409 |
| | **Cash and cash equivalents per cash flow statement** | **13,392,789** | 8,410,409 |

There were no significant non-cash transactions in the year. Restrictions on cash and cash equivalents held include any funds donated towards the cost of operating the Early Learning Initiative.

Included in the year end balance is cash of €669,513 *(2017: €593,844)* held on behalf of Adastra Limited, a company which owns the student residences on the college's campus.

## 11 **Creditors**: amounts falling due within one year

| | **2018** | 2017 |
|---|---|---|
| | **€** | € |
| Bank loan (note 13) | **-** | 450,000 |
| Academic fees received in advance | **6,733,469** | 4,738,573 |
| Other income received in advance | **1,212,174** | 951,945 |
| PAYE/PRSI | **465,561** | 577,610 |
| Other creditors and accruals | **4,474,029** | 3,626,161 |
| Amounts owed to Origin 8 Partnership relating to the purchase of the Research Building and car park (note 17) | **435,655** | 435,655 |
| Obligations under finance leases | **135,385** | 123,130 |
| Deferred income - capital grants (note 14) | **229,008** | 229,008 |
| | **13,685,281** | 11,132,082 |

## 12 **Creditors**: amounts falling due after more than one year

| | **2018** | 2017 |
|---|---|---|
| | **€** | € |
| Bank loans (note 13) | **-** | 508,703 |
| Obligations under finance leases | **14,326** | 139,203 |
| Deferred income - capital grants (note 14) | **7,705,715** | 7,934,723 |
| | **7,720,041** | 8,582,629 |

## 13 **Bank loan**

The college had a term loan facility with Bank of Ireland which was repayable by 31 October 2019. A decision was taken to clear the outstanding balance of the bank loan in full in February 2018. The only debt remaining at 30 June 2018 is a finance lease which will be cleared within two years.

The maturity profile of the debt, comprising bank loans and obligations under finance leases at 30 June, was as follows:

| | **2018** | 2017 |
|---|---|---|
| | **€** | € |
| Creditors: amounts falling due within less than one year | **135,385** | 573,130 |
| Creditors: amounts falling due after more than one year | | |
| - but not more than two years | **14,326** | 633,579 |
| - but not more than five years | **-** | 14,327 |
| | **14,326** | 647,906 |
| | **149,711** | 1,221,036 |

## 14 Deferred income – capital grants

| | **2018** | 2017 |
|---|---|---|
| | **€** | € |
| At beginning of year | **8,163,723** | 8,392,739 |
| Amortised during the year | **(229,008)** | (229,012) |
| **At end of year** | **7,934,715** | 8,163,727 |
| Included on the balance sheet as: | | |
| Creditors – amounts falling due within one year | **229,008** | 229,008 |
| Creditors – amounts falling due after more than one year | **7,705,715** | 7,934,723 |
| | **7,934,723** | 8,163,731 |

Capital grants are in respect of the college's IFSC campus and are taken to income over the expected useful lives of the related assets.

## 15 Pension scheme

### *(a) Defined benefit scheme*

During the year the college operated a defined benefit pension scheme with assets held in an externally administered fund. The scheme is externally funded and is contributory. The scheme was closed to new members with effect from 1 April 2014, and has been amended to align retirement ages with the State Pension. The fund is valued at least every three years by a professionally qualified independent actuary on both discontinuance and going concern basis. The rates of contribution are calculated by the actuary using the projected unit method. The actuary reviews the rates for continued appropriateness in the intervening years.

The employer contributions payable to the scheme at the year-end date were €34,335 *(2017: €35,364)*.

In addition to making contributions for retirement benefits, the college also pays insurance premiums for the death in service and disability benefits associated with each member in the pension scheme.

A full actuarial valuation of the scheme, on which the amounts recognised in the financial statements are based, was carried out at 30 June 2018, by a qualified independent actuary.

The following amounts recognised in the balance sheet were measured in accordance with the requirements of Financial Reporting Standard 102 Section 28:

| | **2018** | 2017 |
|---|---|---|
| | **€** | € |
| Total market value of assets | **13,536,780** | 12,249,826 |
| Present value of scheme's liabilities | **(20,513,364)** | (17,754,445) |
| **Net pension liability** | **(6,976,584)** | (5,504,619) |

## Notes *(continued)*

### 15 Pension scheme *(continued)*

The following amounts have been recognised in the performance statements for the year ended 30 June 2018 and 30 June 2017 under the requirements of FRS102.

| | **2018** | 2017 |
|---|---|---|
| | **€** | € |
| **Charged to operating result** | | |
| Current service cost | **(1,000,830)** | (1,282,462) |
| **(Charged) to other financial (charges)** | | |
| Expected return on pension scheme assets | **276,414** | 166,533 |
| Interest on pension scheme liabilities | **(388,844)** | (260,978) |
| Net charge | **(112,430)** | (94,445) |
| **Analysis of amount recognised in the statement of total recognised gains and losses** | | |
| Actual return less expected return on pension scheme assets | **447,841** | 735,523 |
| Experience gains and losses arising on the scheme liabilities | **365,982** | (34,943) |
| Changes in assumptions underlying the present value of the scheme liabilities | **(1,656,627)** | 1,384,656 |
| **Actuarial (loss)/gain recognised in the statement of total recognised gains and losses** | **(842,804)** | 2,085,236 |

The cumulative actuarial loss recognised in the statement of total recognised gains and losses up to and including the financial year ended 30 June 2018 is €5,038,075 *(2017: €4,195,271)*.

The fair value of assets in the scheme were:

| | **Market value at 30 June 2018** | Market value at 30 June 2017 |
|---|---|---|
| | **€** | € |
| Equities | **10,098,438** | 9,113,871 |
| Bonds | **3,438,342** | 3,135,955 |
| | **13,536,780** | 12,249,826 |

**15 Pension scheme** *(continued)*

**Basis of expected return on scheme assets**

The expected return on scheme assets was determined by considering the expected returns available on each of the assets underlying the current investment policy. Expected returns on fixed interest investments are based on gross redemption yields at the reporting date. Expected returns on equity and property investments reflect long-term real rates of return experienced in the respective markets.

The main financial assumptions used in the valuation were:

| | **2018** | 2017 |
|---|---|---|
| **Annual** | | |
| Rate of increase in salaries | **3.0%** | 2.8% |
| Rate of increase in pensions in payment | **1.9%** | 1.8% |
| Discount rate | **2.0%** | 2.2% |
| Inflation rate | **2.0%** | 1.8% |

Assumptions regarding future mortality are set based on advice from published statistics and experience. The average life expectancy in years for a pensioner retiring aged 65 is as follows:

| | **2018** | 2017 |
|---|---|---|
| Male – currently aged 65 | **21.3** | 21.2 |
| Female – currently aged 65 | **23.8** | 23.7 |
| Male – currently aged 45 | **23.8** | 23.7 |
| Female – currently aged 45 | **26.1** | 26.0 |

| | **Pension assets €000** | **Pension liabilities €000** | **Pension deficit €000** |
|---|---|---|---|
| **Movement in scheme assets and liabilities - 2018** | | | |
| At 30 June 2017 | 12,250 | (17,754) | (5,504) |
| Current service cost | - | (1,001) | (1,001) |
| Interest on scheme liabilities | - | (389) | (389) |
| Expected return on scheme assets | 276 | - | 276 |
| Actual less expected return on scheme assets | 448 | - | 448 |
| Experience gains on liabilities | - | 366 | 366 |
| Change in actuarial assumptions | - | (1,657) | (1,657) |
| Contributions by plan participants | 304 | (304) | - |
| Risk premium | (66) | 66 | - |
| Payments out | (159) | 159 | - |
| Employer contributions paid (including risk premium) | 484 | - | 484 |
| **At 30 June 2018** | **13,537** | **(20,514)** | **(6,977)** |

**15 Pension scheme** *(continued)*

| | Pension assets €000 | Pension liabilities €000 | Pension deficit €000 |
|---|---|---|---|
| **Movement in scheme assets and liabilities - 2017** | | | |
| At 30 June 2016 | 10,825 | (17,500) | (6,675) |
| Current service cost | - | (1,283) | (1,283) |
| Interest on scheme liabilities | - | (261) | (261) |
| Expected return on scheme assets | 167 | - | 167 |
| Actual less expected return on scheme assets | 736 | - | 736 |
| Experience gains on liabilities | - | (35) | (35) |
| Change in actuarial assumptions | - | 1,385 | 1,385 |
| Contributions by plan participants | 295 | (295) | - |
| Risk premium | (32) | 32 | - |
| Payments out | (203) | 203 | - |
| Employer contributions paid (including risk premium) | 462 | - | 462 |
| **At 30 June 2017** | **12,250** | **(17,754)** | **(5,504)** |

Employer contributions expected to be paid to the scheme in the next financial year total €425,000. The actual return on pension scheme assets for the year was €724,255 *(2017: €902,056)*.

| | **2018 €'000** | 2017 €'000 | 2016 €'000 | 2015 €'000 | 2014 €'000 |
|---|---|---|---|---|---|
| Present value of the scheme liabilities | **(20,514)** | (17,754) | (17,500) | (12,661) | (10,571) |
| Fair value of plan assets | **13,537** | 12,250 | 10,825 | 9,971 | 7,813 |
| Net pension deficit | **(6,977)** | (5,504) | (6,675) | (2,690) | (2,758) |
| Difference between expected and actual return on plan assets | **448** | 736 | 88 | 1,273 | 582 |
| Percentage of plan assets | **3.3%** | 6% | 0.8% | 12.8% | 7.6% |
| Experience gains and losses on scheme liabilities | **366** | (35) | (256) | 272 | 71 |
| Percentage of scheme liabilities | **1.8%** | (1.97%) | (1.46%) | 2.1% | 0.7% |
| Total recognised in statement of total recognised (losses)/gains | **(843)** | 2,085 | (3,354) | 661 | (531) |
| Percentage of the present value of the scheme liabilities | **(4.1%)** | (11.7%) | (19.2%) | 5.2% | (5.0%) |

## Notes *(continued)*

### 15 Pension scheme *(continued)*

#### *(b) Defined contribution scheme*

The college operates a defined contribution scheme to provide benefits to new employees and existing employees who were not already members of the defined benefit scheme. The college pays contributions to this scheme on a matching basis to those made by participating staff at rates of 4%, 6% or 8% as elected by each individual employee. The defined contribution pension charge is based on contributions made to the defined contribution scheme during the year which amounted to €178,601 *(2017: €135,201)*. Contributions payable at the year-end amounted to €17,086 *(2017: €12,700)*.

### 16 Student numbers

During the year there were 2,500 *(2017: 2,250)* full time day students in the college. The total number of students attending courses was 5,600 *(2017: 5,358)*.

### 17 IFSC Campus

In 1997, the college entered into a number of agreements for the construction and financing of a new college campus in the Dublin Docklands area on lands provided by the Dublin Docklands Development Authority ("DDDA"). DDDA subsequently transferred the site to the college under two leases with 200 year terms:

- one lease is for the original site which DDDA agreed to grant to the college, free of charge, subject to the rental referred to below and,
- the second lease is for an additional adjoining site, which DDDA agreed to grant to the college for €2.86m.

The rent for the original site is a nominal amount for the first twenty years from 13 July 2003, provided the college continued to provide educational and related services on the site. After 20 years, the annual rent will be permanently reduced to a nominal amount. In the event that educational and related services are not provided the rent of the site will be €761,843 per annum, subject to five yearly upward reviews. The annual rent for the additional site is a nominal amount.

The college sub-contracted its obligations under the development agreement with DDDA to Origin 8 Partnership and Origin 8 Development Limited ("Origin 8"). The college granted one lease of the entire site to Origin 8 for 200 years less 3 days on the same terms and conditions as the college agreed with the DDDA. Origin 8 constructed a new college campus for the college on the site, including a research building, student residence, car park and crèche.

Origin 8 sub-leased the college element of the development to the college on a lease which expires in 2196 at a premium of €25.39 million and a nominal annual rent.

The college agreed to loan €29.20m to Origin 8 free of interest with repayment no later than 30 September 2013. This loan was fully drawn down by Origin 8. €3.8m of this loan was written off in the year ended 30 June 2010. The remainder of the loan (€25.39m) was offset against the amount of the lease premium on the college element of the development as provided for in the terms of the loan agreement.

## 17 IFSC Campus *(continued)*

The college purchased the research building and car park for €15.2m in the year to 30 June 2005. Up to 30 June 2007, the college paid €14.8m in part payment for these assets. The balance of the purchase price is €0.4m and will be paid from donations as they are received.

The college had a call option to purchase the remainder of the campus, being the student residence and crèche, 10 years after completion of the development works (being no later than 30 September 2013), for €26.2m (or €24.9m if the crèche was not included). The college did not exercise the option to purchase the remainder of the campus. In March 2017 the outstanding loans on the student residences were purchased from the Special Liquidator to Irish Bank Resolution Corporation (IBRC) by a third party.

As a consequence of all of the above transactions, the college holds the lands under a lease expiring in 2196 at a nominal rent.

## 18 Capital commitments

The college had the following capital commitments as at 30 June 2018:

| | **2018** | 2017 |
|---|---|---|
| | **€** | € |
| Contracted for | **-** | - |
| Authorised but not contracted for | **116,688** | 48,230 |
| | **116,688** | 48,230 |

Notes *(continued)*

## 19 Grants and grants-in-aid

| Name of grant making | Name of grant programme | Total grant allowed € | Term of grant | Grant accounted for in the current financial statements € | Whether and how the use of the grant is restricted |
|---|---|---|---|---|---|
| Department of Education and Skills | Grant in lieu of tuition fees | 3,262,757 | Sept 17 - Jun 18 | 3,262,757 | Restricted to recoupment of undergraduate fees for academic year 2017/2018 in respect of eligible students attending full time undergraduate courses |
| Department of Education and Skills | Core Grant | 1,966,500 | Jan 17 - Dec 17 | 988,250 | Educational activities |
| Department of Education and Skills | Core Grant | 1,966,500 | Jan 18 - Dec 18 | 978,250 | Educational activities |
| Department of Children and Youth Affairs | Area Based Childhood Programme | 2,175,470 | Sept 14 - Dec 18 | 642,576 | Restricted solely to the ABC Programme |
| Department of Education | HEA Tutor Support | 45,500 | Jan 17 - Dec 17 | 15,176 | Restricted solely to tutor support service |
| Department of Education and Skills | HEA Tutor Support | 45,500 | Jan 18 - Dec 18 | 26,233 | Restricted solely to tutor support service |
| HEA, Department of Education and Skills, European Social Fund | HEA Student Assistance Fund | 99,532 | Sept 16 - Aug 17 | 15,513 | Restricted to provision of financial aid to students experiencing financial hardship |

## Notes *(continued)*

### 19 Grants and grants-in-aid *(continued)*

| Name of grant making | Name of grant programme | Total grant allowed € | Term of grant | Grant accounted for in the current financial statements € | Whether and how the use of the grant is restricted |
|---|---|---|---|---|---|
| HEA, Department of Education and Skills, European Social Fund | HEA Student Assistance Fund | 167,190 | Sept 17 - Aug 18 | 83,794 | Restricted to provision of financial aid to students experiencing financial hardship |
| HEA, Department of Education and Skills, European Social Fund | HEA Fund for Students with Disabilities | 163,952 | Sept 16 - Aug 17 | 88,290 | Restricted to provision of learning aids to students with disabilities |
| HEA, Department of Education and Skills, European Social Fund | HEA Fund for Students with Disabilities | 42,828 | Sept 17 - Aug 18 | 42,828 | Restricted to provision of learning aids to students with disabilities |
| HEA, Department of Education and Skills | Springboard (including ICT) | 3,638,800 | May 17 - Dec 18 | 2,040,913 | Provision of training and education programmes to the unemployed and other suitably qualified applicants. |
| HEA, Department of Education and Skills | Springboard (including ICT) | 3,416,500 | May 16 – May 18 | 984,495 | Provision of training and education programmes to the unemployed and other suitably qualified applicants. |
| European Commission | Horizon 2020 | 555,885 | Mar 15 - Mar 18 | 121,390 | Funding of Newton Project |

### 20 Related party transactions

Included in debtors is €1,725 *(2017: €4,291)* being the excess of receipts over expenditure from Campus Crèche Limited, a wholly owned subsidiary of the college. During the year, the college paid annual rent of €95,000 *(2017: €95,000)* and other administrative costs totalling €2,434 *(2017: €2,362)* on behalf of Campus Crèche Limited.

Transactions between the college and NCI Foundation Limited are classified as related party transactions, as a result of both entities being subject to common influence. During the year, the college did not receive any funds from NCI Foundation Limited. There was no balance payable to or receivable from NCI Foundation Limited at 30 June 2018 *(2017: €Nil)*.

The total remuneration in respect of key management personnel was €1,814,931*(2017: €1,503,895)*. The increase in 2018 is due to the inclusion of additional personnel during the year. Key management personnel includes the executive management team of the college and other employees of the college serving on the Board of Directors.

### 21 Accounting estimates and judgements

*Pension assumptions*
The assumptions underpinning the valuations for the defined benefit pension scheme liability, which are subject to significant risk, and related income statement charges are as set out in note 15.

### 22 Post balance sheet events

In August 2018 NCI acquired the leasehold interest in the on-campus crèche and gym units for a combined purchase price of €2.67m. Other than this transaction, there have been no post balance sheet events since the year end that would require disclosure in, or amendment to, the financial statements.

### 23 Approval of financial statements

The financial statements were approved by the Governing Body on 26 OCT 2018.