

Technological University Dublin
Consolidated Financial Statements
for the year ended 31 August 2022

Technological University Dublin

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Technological University Dublin

Statement of Responsibilities of the Technological University Dublin

Technological University Dublin (the University) was established under the terms of the Technological Universities Act 2018 (the Act) and the Technological Universities Act 2018 (section 36) (Appointed Day) Order 2018 (SI 437 of 2018).

The University is required under the Act to prepare financial statements which give a true and fair view of the state of affairs of the University at 31 August 2022 and of its income and expenditure for the period 1 September 2021 to 31 August 2022.

In preparing these Consolidated Financial Statements, The University is required to:

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

The University is responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the University and which enables it to ensure that the Consolidated Financial Statements comply with the Technological Universities Act 2018.

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



Signed: _____

Dr. Charles Larkin
Governing Body Chair
Technological University Dublin



Signed: _____

Professor David FitzPatrick
President
Technological University Dublin

Date: 13th December 2023

Technological University Dublin

Statement on Internal Control

For the year ended 31 August 2022

The Statement on Internal Control (SIC) is a mandatory requirement (section 2.7 of the TU Dublin Code of Governance) whereby entities set out the approach to, and responsibility for, risk management, internal control, and corporate governance.

1) Responsibility for the System of Internal Control

The Governing Body has overall responsibility for the University's system of internal control. The system of internal control covers all material controls including financial, operational and compliance controls, and risk management systems that support the achievement of the University's aims and objectives while safeguarding the public and other funds and assets for which the University is responsible.

(2) Reasonable Assurance Against Material Error

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

(3) Statement on Internal Control

The Statement on Internal Control was reviewed at the Audit and Risk Committee Meeting on 7 November 2023. The Statement on Internal Control is published with the University's consolidated financial statements which were approved by the Governing Body on 29 November 2023.

(4) Governance and Internal Control Environment

The Governing Body is the principal University governance and decision-making body in accordance with the Technological Universities Act 2018. The Governing Body is chaired by an independent Chair appointed in accordance with the Technological Universities Act 2018.

There are five permanently constituted standing committees of the Governing Body: the Audit and Risk Committee (ARC), the Finance and Property Committee (FPC), the Equality Diversity and Inclusion Committee (EDIC), the Nominations Committee (NC), and the Nominations and Process Committee (NPC). The ARC is chaired by an external member of the Governing Body. The committees consider matters covered by their respective Terms of Reference and make recommendations to Governing Body where appropriate. Each committee chair provides a report to Governing Body after each committee meeting.

The President is the Chief Officer of the University and is appointed by the Governing Body. The President is responsible for managing and directing the academic, professional support and other activities of the University.

The President is supported by the University Executive Team (UET), appointed in September 2021. The UET assists the President in overseeing the strategic direction of the University and delivering its mission; and ensures there is effective leadership, management and co-ordination of all the major academic and support activities undertaken by the University. The UET comprises the Registrar and Deputy President, the Chief Operations Officer, five Faculty Deans, the Vice President for Partnerships, the Vice President for Research and Innovation, the Vice President for Organisation Change and Culture, and the Vice President for Sustainability.

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

Technological University Dublin

Statement on Internal Control

For the year ended 31 August 2022

During the period 1st September 2021 to 31st August 2022, the University convened eight meetings of Governing Body and members' attendance at these meetings is outlined below. A number of members were appointed to and retired from the Governing Body during this period which are also highlighted below.

GOVERNING BODY MEMBER	PRESENT	ABSENT	MAXIMUM ATTENDANCE	APPOINTMENT DATE
Barrett, Lesley ¹	6	1	7	1 July 2021
Beecher, Noel ²	1	0	1	24 June 2020
Bejarano-Cañizares, Ana ³	0	1	1	1 July 2021
Bistany, Valerie	6	2	8	1 July 2019
Burns, Norah	8	0	8	23 June 2021
Carr, Michael	8	0	8	12 May 2021
Carson, David (Chair)	8	0	8	1 January 2021
Carroll, Evelyn	8	0	8	1 July 2019
Cullen, Margaret ⁴	3	0	3	23 March 2022
Duffy, Christy	7	1	8	3 February 2021
Finan, Éilish ⁵	6	1	7	1 July 2019
FitzPatrick, David (President)	8	0	8	1 January 2019
Grant, Jerry	7	1	8	1 July 2019
Jordan, Brian	1	0	1	1 July 2022
Kavanagh, Louise	1	0	1	1 July 2022
Kelly, Pamela	8	0	8	1 July 2019
Larkin, Charles	8	0	8	1 July 2019
Maher, Eamon	6	2	8	1 July 2021
McCarthy, Justin	6	2	8	1 July 2019
Clune Mulvaney, Catherine	8	0	8	23 June 2021
O'Donnell, Mark ⁶	5	2	7	1 July 2021
O'Donovan, Conor	6	2	8	23 June 2021
O'Shaughnessy, Susan	8	0	8	1 July 2019
O'Toole, Aileen	6	2	8	1 July 2019
Perez, Jessica	1	0	1	1 July 2022
Ryan, Maggie	8	0	8	1 July 2021
Sheridan, Stephen ⁷	2	4	6	9 December 2021

¹ Lesley Barrett completed her term of office on 30th June 2022.

² Noel Beecher resigned from Governing Body on 25th November 2021.

³ Ana Cañizares-Bejarano completed her term of office on 13th October 2021.

⁴ Margaret Cullen resigned from Governing Body on 16th June 2022.

⁵ Éilish Finan resigned from Governing Body on 30th June 2022.

⁶ Mark O'Donnell completed his term of office on 30th June 2022.

⁷ Stephen Sheridan completed his term of office on 30th June 2022.

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Statement on Internal Control

For the year ended 31 August 2022

Attendance of Audit & Risk Committee

During the year 1 September 2021 to 31 August 2022, the University convened eight meetings of the Audit and Risk Committee and members' attendance at these meetings is outlined below.

ARC MEMBER	PRESENT	ABSENT	MAXIMUM ATTENDANCE	APPOINTMENT DATE
Fallon, Gerard ¹	2	1	3	1 January 2019
Mulcahy, Kieran ²	3	0	3	1 January 2019
O'Donovan, Mirenda	5	3	8	6 February 2019
O'Toole, Aileen	8	0	8	29 July 2019
Beecher, Noel (Chair) ³	3	0	3	24 June 2020
Clune Mulvaney, Catherine	5	0	5	9 Dec 2021
Finan, Éilish ⁴	6	1	7	23 June 2021
Russell, Eamonn	1	1	2	11 May 2022

Attendance of Finance and Property Committee

During the year 1 September 2021 to 31 August 2022, the University convened five meetings of the Finance and Property Committee and members' attendance at these meetings is outlined below.

FPC MEMBER	PRESENT	ABSENT	MAXIMUM ATTENDANCE	APPOINTMENT DATE
Finan, Éilish ⁵	3	0	3	2 November 2019
FitzPatrick, David (President)	0	5	5	6 November 2019
Grant, Jerry (Chair)	5	0	5	6 November 2019
Fleming, Margaret	5	0	5	11 December 2019
Gunning, Olive	3	2	5	16 January 2020
Pender, Jim	5	0	5	16 January 2020
Carr, Michael	3	2	5	12 May 2021
O'Donovan, Conor	1	0	1	24 January 2022

¹ Gerard Fallon resigned 31 Dec 2021

² Kieran Mulcahy resigned 31 Dec 2021

³ Noel Beecher resigned on 25th November 2021

⁴ Éilish Finan was appointed ARC Chair on 9 Dec 2021, being transferred from FPC. She resigned from ARC and GB on 30th June 2022.

⁵ Éilish Finan transferred from FPC to ARC 9th Dec 2021

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Statement on Internal Control

For the year ended 31 August 2022

Attendance of Equality, Diversity and Inclusion Committee

During the period 1 September 2021 to 31 August 2022, the University convened 6 meetings of the Equality, Diversity and Inclusion Committee. Members' attendance at these meetings is outlined below.

EDIC MEMBER	PRESENT	ABSENT	MAXIMUM ATTENDANCE	APPOINTMENT DATE
Bistany, Valerie	2	4	6	6 November 2019
Carroll, Evelyn	6	0	6	6 November 2019
FitzPatrick, David (President)	1	5	6	6 November 2019
McCarthy, Justin (Chair)	6	0	6	6 November 2019
O'Shaughnessy, Susan	5	1	6	6 November 2019
Burke, Noelle	0	6	6	11 December 2019
Craddock, Gerald M	5	1	6	11 December 2019
Holzer, Talita	6	0	6	11 December 2019
Vacant (Students' Union)	n/a	n/a	n/a	n/a

Attendance of Nominations Committee and Nominations and Process Committee

These committees meet only as required to fill vacancies on the Governing Body. They assist and advise Governing Body on effective arrangements to ensure the implementation of its responsibilities in accordance with Section 12 (1) of the TU Act; including governance oversight of the making of regulations and procedures of the University relating to the conduct of elections, seeking of nominations for appointment and recommending appointment of members to the Governing Body. During the period 1 September 2021 to 31 August 2022, the University convened one meeting of the Governing Body Nominations and Process Committee (NPC). Members' attendance at these meetings is outlined below.

NPC Member	PRESENT	ABSENT	MAXIMUM ATTENDANCE	APPOINTMENT DATE
FitzPatrick, David	1	0	1	6 November 2019
Kelly, Pamela	1	0	1	6 November 2019
Bistany Valerie	1	0	1	1 March 2021
Carroll, Evelyn	1	0	1	1 March 2021
Carson, David (Chair)	1	0	1	1 January 2021

During the period 1 September 2021 to 31 August 2022 the University convened one meeting of the Governing Body Nominations Committee (NC). Members' attendance at this meeting is outlined below.

NC MEMBER	PRESENT	ABSENT	MAXIMUM ATTENDANCE	APPOINTMENT DATE
Carson, David (Chair)	1	0	1	1 January 2021
Grant, Jerry	1	0	1	1 March 2021
O'Toole, Aileen	1	0	1	1 March 2021

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Statement on Internal Control

For the year ended 31 August 2022

(5) Key Control Procedures

The Governing Body of the University is taking steps to ensure an appropriate control environment, including:

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

On the establishment of the University each of the three previous Institutes had its own Financial Management System. In conjunction with EduCampus Services Limited and the systems suppliers each of those systems had been upgraded prior to an integration project. A single unitary system was implemented in September 2021.

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

- Comprehensive budgeting system with an annual budget review and agreement by the Governing Body of the University.
- Regular review by the Governing Body of the University (and its committees), of periodic and annual financial reports, which include reports of financial performance against budgets.
- Development of clearly defined capital investment control guidelines.
- Development of formal project management disciplines.
- Academic quality processes in place for academic programmes. These include external examiners, external validation panels, and review panels (both internal and external) at various stages of the academic quality cycle.

(6) Procedures for Monitoring the Effectiveness of the Internal Control System

The Governing Body's monitoring and review of the effectiveness of the system of internal control is informed by the work of the President and the senior leadership teams within the University, who have responsibility for the development and maintenance of the framework of internal control, by the work of the Internal Audit function and by the Audit and Risk Committee which oversees the work of Internal Audit and agrees the Internal Audit plan for the year.

A formal review of the effectiveness of the system of internal controls for the year ended 31 August 2022 was completed. This was considered by the Audit and Risk Committee on 2nd November 2022 and was approved by the Governing Body on 23rd November 2022. Annually, a review of Internal Financial Controls (IFC Review) is performed by Internal Audit. The scope of that review includes the internal financial control processes within the University. For the period 1 September 2021 to 31 August 2022 the IFC Review focused on the testing and examination of TU Dublin records for bank and cash, income and accounts receivable and budgeting and financial reporting. Recommendations implemented as a result of this review include ensuring more robust documentation of reconciliation reports are maintained and more timely preparation of bank reconciliations; documentation, review and communication of overarching policies and procedures applicable to finance sub-processes. The IFC review was presented to the Governing Body at their meeting on 23rd November 2022. There has been no occurrence of weaknesses in internal control leading to material losses during the period under review.

Internal Control Issues

Subsequent to the review of the effectiveness of the system of internal controls two issues came to light indicating weaknesses in internal control:

Technological University Dublin

Statement on Internal Control

For the year ended 31 August 2022

- i. The University identified an accounting error in the calculation of the income and accrual at 31 August 2021 in respect of the HEA Recurrent Grant, when reviewing the opening balances for the financial year 2021/22. This error was notified to the Governing Body at its March 2023 meeting, to the HEA in April 2023 as part of its reporting requirements and to the C&AG when submitting draft Financial Statements also in April 2023. The amount was quantified as a cumulative €7 million accounting misstatement on net assets. This resulted in a prior year adjustment. Opening revenue reserves carried forward as at 1 September 2020 are reduced in the amount €4.53 million. Income and net surplus for the financial year 2020/2021 are reduced by €2.47 million, totalling a net asset adjustment to 31 August 2021 in the amount €7 million. The University notified the HEA as is required under Section 20 of the Technological Universities Act 2018.

- ii. In July 2023, TU Dublin advised the HEA of a deteriorating projected deficit for 2022/23 estimated at €10 million compared to an operating budget deficit of €2.78 million reported to the HEA in April 2023. This was due to the reduction in student numbers for the 2022/23 Academic Year which had not previously been taken into account when preparing financial projections. The delays in monitoring student numbers and the associated impact on Tuition Fee Income led to concerns from the HEA regarding the reliability and timeliness of financial reporting and forecasting.

The actions taken to address these issues, along with resulting recommendations are set out below.

In July 2023, TU Dublin requested the assistance of the HEA under Section 142 (2) of the HEA Act 2022 to support the University in addressing and resolving these matters. The HEA appointed BDO to conduct an independent review. BDO commenced their review in August 2023, completed their review in October 2023 and issued their report to the HEA and to TU Dublin in October 2023. This report was presented to Governing Body on 11th October 2023.

The Executive have committed to immediate implementation of the following summarised recommendations contained therein:

- a) Documentation of accrual and deferral calculation processes and of financial forecasting processes, for both the recurrent grant and fee income
- b) Changes to tuition fee reporting and forecasting processes
- c) Actions to mitigate against human error in, and miscalculation of, student number forecasting
- d) Thorough and robust review process of income projections
- e) Cross-departmental review of the operational effectiveness of these changes throughout the 2023/24 Financial Year, and documentation and notification of any material issues to senior management, the Governing Body and the HEA.

The above recommendations a) to c) have been implemented and work is ongoing for d) and e) with expected completion by year end 31 August 2024.

The HEA continues to monitor the situation and is instigating further work with the agreement of the University.

(7) Internal Audit

The University's internal audit function is managed and operated by an external provider. The internal audit work operates in accordance with the Best Practice guidelines set out in the TU Dublin Code of Governance approved by Governing Body. The work of Internal Audit is informed by analysis of the risk to which the University is exposed, and annual internal audit plans are based on this analysis. The plans are approved by the Audit and Risk Committee of the Governing Body.

Technological University Dublin

Statement on Internal Control

For the year ended 31 August 2022

The internal audit function reports to the Audit and Risk Committee. Reporting includes updates on internal audit review recommendations. The Audit and Risk Committee met on eight occasions during the financial year ended 31 August 2022 and reports of each meeting were presented to the Governing Body.

There were eight Internal Audit reviews during the year as below:

1. Review of Internal Financial Controls 2022
2. Change Management
3. Project Management
4. Procurement
5. Business Continuity and Disaster Recovery
6. Student Recruitment
7. Risk Management (Advisory/Interim Review)
8. Internal Audit Tracking Report

Of the eight Internal Audit Reviews listed above, there was one finding rated as significant as follows:

- **Absence of Business Continuity Plans, testing and Lessons Learned**

The lack of Business Continuity plans at a faculty level gives rise to the risk that staff are not aware of how to respond to a disruption. This could lead to extended disruption to the organisation resulting in operational losses, reputational damage and Health and Safety issues for both staff and faculty users. The lack of a formal process and approach to testing the BCP may lead to management being unable to identify failures or weaknesses that would impact the ability to restore business operations on a timely basis. In the absence of an adequate and complete testing plan and lessons learned process, there is a risk the BCP may not operate as intended or lessons learned may not be captured.

Since this report was finalised in February 2023 the following action has been taken:

- Business Continuity Plans for Technology Services and Campus and Estates have been drafted and circulated to all relevant managers.
- A Business Continuity Policy has been drafted.
- Schedules of network scanning, training, penetration testing carried out by HEAnet are in place for 2023 and 2024.
- A Business Continuity Plan.
- Deans and Heads of Service expected to have their individual Business Continuity Plans drafted by end of 2023.

The Internal Audit Annual Report 2021/22 provided to the University after the year end in November 2022, included a limited assurance rating. This was reported to Governing Body in November 2022. The rating is due to the number of items outstanding from legacy audits and in many cases these have been superseded by new policies and processes. The University has focused on addressing and closing as many open items as is practical in time for the 2023 review of the system of internal control. The new Organisation Design has now been embedded and action owners updated to reflect this. Open Internal Audit action items are an agenda item on management meetings both one on one meetings and on Senior Leadership team meetings with a view to closing legacy open items by December 2023.

(8) Risk Management

The University Risk Appetite Statement and the University Risk Register were approved by Governing Body on 24th August 2022 on the basis that these documents would be subject to continuous review and enhancement. The Risk Management Policy and Framework, initially approved by Governing Body in December 2019 was reviewed, updated and approved by Governing Body on 23rd November 2022.

Technological University Dublin

Statement on Internal Control

For the year ended 31 August 2022

The Framework applies a process whereby risks are assessed on the basis of impact and the likelihood of occurrence. During the year risk was managed through operational risk registers, a University risk register, and action plans developed by school and support service functions. The Organisation Design for the University was further developed with the appointment of a Risk and Insurance Senior Manager and the establishment of a Risk Management Committee, a subcommittee of the University Executive Team (UET). This provides enhanced assurance to the UET, to Governing Body, and to the Governing Body Audit and Risk Committee, that an appropriate and effective risk management system operates in the University.

The University recognises that risk is an area requiring constant focus and attention and that the review and update of this policy framework is an iterative process of continuous improvement.

(9) Covid-19 Support Funding

The academic year 2021/22 saw decreased impact of the Covid-19 pandemic on the operation of the University, its staff, and students. During 2022, the HEA continued to provide allocation of Covid-19 funding support to the University. Financial Year 2022 reflects recognition of €2.80 million funding received. Further amounts of €1.37 million are expected to be recognized in Financial Year 2023. All Covid-19 funding support allocations from the HEA continue to be subject to the relevant funding conditions as set out by the HEA.

(10) Code of Governance and Codes of Conduct and the Annual Governance Statement

The Code of Governance for the University (the Code) incorporating the requirements of the Code of Practice for the Governance of State Bodies (2016) was prepared and adopted by the Governing Body of the University on the 10 April 2019; this was further revised and approved by Governing Body on 24th March 2021. The code outlines specific financial disclosure requirements which have been reflected in the financial statements.

The Annual Governance Statement (AGS) constitutes the assurances provided to the HEA by the University of its compliance with defined governance requirements during the reporting period. It requires the University to confirm compliance or otherwise (comply or explain) with a series of reporting requirements arising from the Code and other items which form part of the HEA's expectation of best practice and governance in the higher education sector. This Statement for the year ended 31 August 2022 was approved by Governing Body on 22nd February 2023 and included confirmation that the University had in place the required Codes of Conduct for members and for employees.

(11) Procurement

The University endeavours to ensure full compliance with national procurement procedures and guidelines. The University is actively working with the Office of Government Procurement (OGP) and with the Education Procurement Service (EPS) to ensure that procurement activities are taking place in accordance with the operating model put in place by the OGP. The implementation of this model is an ongoing process since 2013 and is being managed by the OGP.

The University has put in place procurement policies and procedures and all non-pay expenditure is required to be procured in accordance with these policies and procedures. These policies and procedures have been communicated to the faculty and staff of the University and are published on the University website. The University made payments of €1.32 million in the period, to 29 suppliers, relating to the purchase of goods and services, the procurement of which were not subjected to competitive tendering process. Such purchases were therefore non-compliant with national public procurement guidelines. Of these 29 suppliers, 19 contracts representing €0.96 million are now in place, tenders are in progress for 4 other suppliers. Spend has been suspended on the 6 remaining suppliers and purchasers directed to alternative suppliers on existing framework agreements. Furthermore the following mitigating actions have been implemented:

Technological University Dublin

Statement on Internal Control

For the year ended 31 August 2022

- Design of a live contract registrar- updated and reviewed on a weekly basis focusing on
 - All live contracts
 - Ongoing tender Projects
 - Sole Suppliers (non-competitive Procurement)
- Non-compliance reports analysed monthly to proactively manage non-compliant spend
- Introduction of contract Accounting Module listing all live contracts steering users to compliant suppliers.
- Notifications in advance of contract expiry
- Delivery of procurement training highlighting how to become and remain procurement compliant.
- Checks in finance system on supplier spend which has exceeded €22,000 without a contract
- Maintaining an up-to-date Procurement Webpage guiding users on how to proactively procure following procurement rules.

Other than the procurement non-compliance as set out above no other material weaknesses in procurement have been identified.

(12) General Governance and Accountability

Legal Matters

In July 2018, the University entered into a 20-year lease on a building to provide additional staff facilities, in the amount of €531,000 per annum. Due to defects with the structure of the building discovered during refurbishment works in March 2020, the University has been delayed in taking occupation of the building. The landlord has rectified the defects identified and the University occupied the building in July 2021. Subsequently legal proceedings have been initiated against the landlord in relation to the costs incurred by the University as a result of not being in a position to occupy the premises from July 2018 until July 2021. These legal proceedings are ongoing.


Confidential Disclosure Reporting

The University confirms that procedures for Confidential Disclosure Reporting are in place in accordance with Section 21 (1) of the Protected Disclosures Act 2014. These procedures allow employees, in confidence, to raise concerns about possible irregularities in financial reporting or any other matters, as well as ensuring that there is meaningful follow-up of matters raised. The annual reports for 2021 and 2022, as required under Section 22 (1) of the Act have been published. There were two investigations under the Protected Disclosure Policy regarding disclosures made during 2022. Both investigations were completed after the year end and in both cases concluded that the alleged relevant wrong doings were not substantiated and that no further investigation is required.

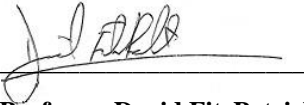
The University has since updated its Protected Disclosure Policy in line with the Protected Disclosures (Amendment) Act 2022.

TU Dublin has no further general governance and accountability issues to report in respect of the financial year ended 31 August 2022.

Signed: _____


Dr. Charles Larkin
Governing Body Chair
Technological University Dublin

**Technological University Dublin
Statement on Internal Control
For the year ended 31 August 2022**

Signed: 
**Professor David FitzPatrick
President
Technological University Dublin**

Date: 13th December 2023

Technological University Dublin

Report of the Auditor



Ard Reachtaire Cuntas agus Ciste Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Technological University Dublin

Opinion on the financial statements

I have audited the financial statements of Technological University Dublin for the year ended 31 August 2022 as required under the provisions of the Technological Universities Act 2018. The financial statements comprise

- the consolidated statement of comprehensive income
- the consolidated statement of changes in reserves and capital account
- the consolidated statement of financial position
- the consolidated statement of cash flows, and
- the related notes, including a summary of significant accounting policies.

In my opinion, the financial statements give a true and fair view of the assets, liabilities and financial position of the group at 31 August 2022 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 University 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 University has presented certain other information together with the financial statements. This comprises a statement of responsibilities of the Technological University Dublin and a 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.

Non-compliance with procurement rules

The statement on internal control discloses that the University incurred significant expenditure on goods and services the procurement for which did not comply with procurement guidelines. The statement also sets out the steps taken to improve procurement compliance.

Seamus McCarthy
Comptroller and Auditor General

20 December 2023

Technological University Dublin

Report of the Auditor

Appendix to the report

Responsibilities of Governing Body members

The members are responsible for

- the preparation of annual financial statements in the form prescribed under the Technological Universities Act 2018
- 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 Technological Universities Act 2018 to audit the financial statements of the University 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 University'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 University 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.

I report by exception if, in my opinion,

- I have not received all the information and explanations I required for my audit, or
- the accounting records were not sufficient to permit the financial statements to be readily and properly audited, or
- the financial statements are not in agreement with the accounting records.

Information other than the financial statements

My opinion on the financial statements does not cover the other information presented with those statements, and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, I am required under the ISAs to read the other information presented and, in doing so, consider whether the other information is materially inconsistent with the financial statements or with knowledge obtained during the audit, or if it otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

Reporting on other matters

My audit is conducted by reference to the special considerations which attach to bodies in receipt of substantial funding from the State in relation to their management and operation. I report if I identify material matters relating to the manner in which public business has been conducted.

I seek to obtain evidence about the regularity of financial transactions in the course of audit. I report if I identify any material instance where public money has not been applied for the purposes intended or where transactions did not conform to the authorities governing them.

Technological University Dublin

Consolidated Statement of Comprehensive Income For the year ended 31 August 2022

	Note	2022 Total €'000	2021 As Restated Note 28 €'000
Income			
State Grants	3	133,947	126,766
Tuition Fees	4	91,767	91,608
Amortisation of Deferred Capital Grants	21	11,487	10,628
Research Grants and Contracts	5	27,314	23,289
Student Support Funding	7	3,820	2,930
Gain/(Loss) on Sale of Fixed Assets	12	-	(169)
Other Income	8	15,660	12,866
Deferred Pension Funding	27	65,502	57,167
Interest Income		203	3
Gain on Investment		21	-
Total Income		<u>349,721</u>	<u>325,088</u>
Expenditure			
Staff Costs	9	197,199	184,688
Retirement Benefit Cost	27	65,502	57,167
Other Operating Expenses	10	74,123	71,271
Depreciation	12	16,684	11,874
Total Expenditure		<u>353,508</u>	<u>325,000</u>
Surplus/(Deficit) Before Tax		(3,787)	88
Taxation	11	(15)	(10)
Surplus/(Deficit) for the year		<u>(3,802)</u>	<u>78</u>

**Consolidated Statement of Comprehensive Income (Contd.)
For the year ended 31 August 2022**

	Note	2022 Total €'000	2021 As Restated Note 28 €'000
Surplus/(Deficit) for the year		<u>(3,802)</u>	<u>78</u>
Reduction in Pension liabilities arising from retirements in the period	27	(18,242)	(36,490)
Experience Losses/(Gain) on Retirement Benefit Obligations	27	-	13,890
Changes in assumptions underlying the present value of Retirement Benefit Obligations	27	(345,494)	36,657
Total Actuarial (Gains)/Losses in the period		(363,736)	14,057
Adjustment for deferred Retirement Benefit funding	27	363,736	(14,057)
Total Comprehensive (Loss)/Income for the Period		<u>(3,802)</u>	<u>78</u>

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

Notes 1 to 30 form part of these financial statements.

Signed on behalf of the Governing Body:



Dr. Charles Larkin
Governing Body Chair
Technological University Dublin



Professor David FitzPatrick
President
Technological University Dublin

Date: 13th December 2023

Technological University Dublin

Consolidated Statement of Changes in Reserves and Capital Account For the year ended 31 August 2022

	Deferred Capital Grants €'000	Capital Development Reserve €'000	Revenue Reserves €'000	Total €'000
Balance at 31 August 2020	149,493	36,304	231,786	417,583
Prior Period Adjustment: Correction of State Grant Error 2019 & 2020			(4,530)	(4,530)
Balance at 31 August 2020 – As Restated Note 28	149,493	36,304	227,256	413,053
Surplus for the year	-	-	2,549	2,549
Surplus for the year- Prior Period Adjustment: Correction of State Grant Error 2021			(2,471)	(2,471)
Net Surplus for the year – As Restated Note 28	-	-	78	78
Amortisation of Deferred Capital Grants	(10,628)	-	-	(10,628)
Allocated to Capital	168,929	-	-	168,929
Transfer to Capital Development Reserve	-	747	(747)	-
Transfer from the Capital Development Reserve	-	(15)	15	-
State Minor Capital Grant Allocated to Capital	-	-	-	-
Capital Projects	-	-	-	-
Balance at 31 August 2021 - As Restated Note 28	307,794	37,036	226,602	571,433
Adjustment to account for Subsidiary Opening Reserves - Note 13			2,547	2,547
Surplus/(Deficit) for the year	-	-	(3,802)	(3,802)
Amortisation of Deferred Capital Grants	(11,487)	-	-	(11,487)
Allocated to Capital	463	-	-	463
Transfer from Capital Development Reserve	-	-	-	-
Transfer to Capital Development Reserve	-	436	(436)	-
Balance at 31 August 2022	296,770	37,472	224,912	559,154

Notes 1 to 30 form part of these financial statements.

Signed on behalf of the Governing Body:



Dr. Charles Larkin
Governing Body Chair

Technological University Dublin

Date: 13th December 2023



Professor David FitzPatrick,
President

Technological University Dublin

Technological University Dublin

Consolidated Statement of Financial Position as at 31 August 2022

		Consolidated as at 31/08/2022 €'000	As Restated as at 31/08/2021 €'000
	Note		
Fixed Assets			
Property, Plant & Equipment	12	506,791	507,399
Long Term Debtor			
Grangegorman Development Agency loan	26	137,343	140,953
Current assets			
Receivables	15	15,943	15,505
Cash and Cash Equivalents	16	91,769	83,580
		<u>107,712</u>	<u>99,085</u>
Less: Payables amounts falling due within one year	17	(107,931)	(88,718)
Net Current Assets		<u>(219)</u>	<u>10,367</u>
Total Assets less Current Liabilities		<u>643,915</u>	<u>658,719</u>
Less: Payables amounts falling due after more than one year	18	(84,762)	(87,286)
Retirement Benefits			
Retirement Benefits Obligations	27	(915,026)	(1,202,367)
Deferred Retirement Benefit Funding Asset	27	915,026	1,202,367
		<u>(915,026)</u>	<u>(1,202,367)</u>
Total Net Assets		<u>559,154</u>	<u>571,433</u>
Restricted Reserves			
Deferred Capital Grants	21	296,770	307,794
Unrestricted reserves			
Income and Expenditure Reserve		224,912	226,602
Capital Development Reserve	22	37,472	37,036
		<u>262,384</u>	<u>263,638</u>
Total Reserves		<u>559,154</u>	<u>571,433</u>

Notes 1 to 30 form part of these financial statements.

Signed on behalf of the Governing Body:



Dr. Charles Larkin
Governing Body Chair
Technological University Dublin



Professor David FitzPatrick,
President
Technological University Dublin

Date: 13th December 2023

Technological University Dublin

Consolidated Statement of Cash Flows For the year ended 31 August 2022

	2022	2021 As Restated Note 28
	€'000	€'000
Net Cash Flow from Operating Activities		
Surplus/(Deficit) for the year	(3,802)	78
Loss/(Gain) on Sale of Fixed Assets	-	169
Depreciation of Fixed Assets	16,684	11,874
Amortisation of Deferred Capital Grants	(11,487)	(10,628)
Decrease/(Increase) in Receivables	(438)	(4,010)
Increase/(Decrease) in Payables	19,213	13,622
Interest Income	(203)	(3)
Net Cash Flows from Operating Activities	19,967	11,102
Cash Flows from Investing Activities		
Payments to acquire or dispose of Property, Plant & Equipment	(16,074)	(59,880)
Proceeds on Sale of Fixed Assets	-	-
State Recurrent Grants Spent on Fixed Assets	3,477	7,665
Other Funds Spent on Fixed Assets	4,097	7,025
Decrease/(Increase) in GDA Loan	(3,610)	44,856
Capital Project Payments	-	-
Net Cash Flows from Investing Activities	(12,100)	(335)
Cash Flows from Financing activities		
Interest Received	203	3
Payment of Finance Lease Liability	(2,524)	(1,248)
Net Cash Flows from Financing Activities	(2,321)	(1,245)
Net Increase in cash equivalents in the year	5,536	9,522
Cash and cash equivalents at 31 August 2021	83,580	74,0581
TU Foundation cash at 31 Aug 21 - Note 13	2,653	-
Cash and Cash Equivalents at 31 August 2022	91,769	83,580

Notes 1 to 30 form part of these financial statements.

Signed on behalf of the Governing Body:



Dr. Charles Larkin
Governing Body Chair
Technological University Dublin



Professor David FitzPatrick,
President
Technological University Dublin

Date: 13th December 2023

Technological University Dublin

Notes to the Financial Statements for the year ended 31 August 2022

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 period.

a. General information and statement of compliance

The primary objective of the University is to provide higher education.

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 of Technological University Dublin is Euro because that is the currency of the primary economic environment in which the University operates. The consolidated financial statements are also presented in Euro. Foreign operations are included in accordance with the policies set out below.

b. Basis of consolidation

The financial statements consolidate the financial statements of TU Dublin and its subsidiary undertakings as listed below and per Note 13. The financial statements as prepared to 31 August 2022 include, for the first year, financial statements for TU Dublin Foundation, where previously those statements were appended on the basis of immateriality. The consolidated statement of changes in reserves and capital account includes an opening adjustment to reflect subsidiary reserves of €2.547 million, and the consolidated cashflow for the period reflects opening adjustment for subsidiary cash reserves.

The subsidiaries are consolidated on the basis that the University exercises dominant influence over them, their financial activities, and their operating activities.

- Synergy Innovation and Growth DAC, the principal activity of which is the promotion and development of an innovation-oriented science development centre.
- TU Dublin Foundation, which is a company limited by guarantee set up with the principal activity to support the University in its advancement of education and research through philanthropy.
- LINC Collaboratory, a company limited by guarantee (CLG) incorporated to facilitate an application for Enterprise Ireland funding under the Regional Enterprise Development Fund.

The subsidiaries of the University continue to operate solely for the purposes of which they were established.

c. Basis of Accounting

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, and of the Minister for Further and Higher Education, Research, Innovation and Science.

d. Property, plant & equipment

(i) Land and buildings

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than 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:

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

Technological University Dublin

Notes to the Financial Statements for the year ended 31 August 2022

Significant accounting policies (continued)

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 was already of the age and in the condition expected at the end of its useful life.

Buildings acquired under Public Private Partnership (PPP) agreements involving Public Private Partnerships (PPP) are accounted for in accordance with the substance of the transactions. Where substantially all of the risk and rewards of ownership of the asset have been transferred to TU Dublin they are accounted for using the finance lease accounting model. The value of the asset is recognised as the net present value of the future minimum lease payments.

The construction payments set out in the contract are used as a measure of the future minimum lease payments. TU Dublin selected a discount rate of 3.41% following consultation with the National Development Finance Agency (NDFA) on the basis that it reflected an appropriate rate for long term infrastructure assets.

The “hand back” provision in the PPP agreement (governing the Central & East Quad Grangegorman) requires that the assets be handed back at the end of the contract term with useful lives equivalent to those of the assets when originally commissioned. As a result of these provisions TU Dublin will not charge depreciation on these assets for the duration of the related service agreement.

(ii) Equipment

Equipment costing less than €3,000 per individual item is written off to the income and expenditure account in the year of acquisition. Where individual items of equipment purchased are below the capitalisation limit (€3,000) and the total purchase invoice is in excess of the limit, these items are individually capitalised in the normal way. All other equipment is capitalised at cost. Capitalised equipment is depreciated over its useful economic life as follows:

Fixtures & Fittings	10 years
Plant & Machinery	10 years
Furniture & Equipment	5 years
Motor Vehicles	5 years
Computer Equipment	3 years

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

e. Impairment of assets

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

f. Taxation

(i) Corporation tax

As an exempt charity, the University is not liable for corporation tax or income tax on any of its charitable activities. It is registered for value added tax, but since the supply of education is an exempt activity on which no output tax is charged it is unable to recover input tax on the majority of its purchases. Certain research and commercial activities within the University fall into the VAT net. Any input or output tax relating to these activities is returned to the Revenue by the University.

Technological University Dublin

Notes to the Financial Statements for the year ended 31 August 2022

Significant accounting policies (continued)

(ii) Deferred Taxation

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

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

g. Recognition of income

State Grants

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

The “hand back” provision in the PPP agreement (governing the Central & East Quad Grangegorman) requires that the assets be handed back at the end of the contract term with useful lives equivalent to those of the assets when originally commissioned. As such the related deferred Capital Grant will not be amortised to income over the period of the related service agreement. On the cessation of the service agreement, the deferred Capital Grant will be amortised on a systematic basis over the periods in line with the recognition of the associated depreciation costs.

Fee Income

Fee income is accounted for on an accruals basis.

Research grants and contracts

Income from research grants and contracts is matched to expenditure and is included in the income of the period in which the related expenditure has been incurred. The most common classes of such transactions are:

(i) Donations with no restrictions

Donations with no restrictions include amounts given to the University 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.

(ii) 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.

(iii) Research grants from non-government sources

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

Technological University Dublin

Notes to the Financial Statements for the year ended 31 August 2022

Significant accounting policies (continued)

Minor Capital Works

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

In all cases these Summer and Minor Capital Works funding is recognised in the period receivable.

Income from short-term deposits

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

h. 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 University as an agreed part of its funding.

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

Pension liabilities represent the present value of future pension payments earned to date. The retirement benefit funding asset reflects the expectation that the Department of Further and Higher Education, Research, Innovation and Science will continue to pay pensions and lump sums as they fall due.

Pension costs charged to expenditure in the period reflect the benefits earned by current employees during the period and are shown net of staff pension contributions which, in respect of (i) the Education Sector Superannuation Scheme 2015, are retained by the University and (ii) 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.

Actuarial gains or losses arising on scheme liabilities are reflected in the Statement of Comprehensive Income and a corresponding adjustment is recognised in the retirement benefit funding asset.

The financial statements reflect, at fair value, the assets and liabilities arising from the University's pension obligations in respect of its current staff only and any related funding. The costs of providing pension benefits are recognised in the accounting periods in which they are earned by employees. Pension liabilities in respect of former employees who are in receipt of pensions are excluded because pension payments are charged to the appropriation accounts of the Department of Further and Higher Education, Research, Innovation and Science. The reduction in liabilities arising from members who retire during the year is reflected as an experience gain. Retirement benefit scheme liabilities are measured on an actuarial basis using the projected unit credit method.

Subsidiary staff are not part of the public sector schemes and each company operates its own private scheme.

(ii) Short-term benefits

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

i. Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

Technological University Dublin

Notes to the Financial Statements for the year ended 31 August 2022

Significant accounting policies (continued)

j. Leases

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

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 minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability using the effective interest method. The finance charge is allocated to each period during the lease term giving a constant periodic rate of interest on the remaining balance of the liability

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

k. Deferred Capital Grants

Deferred capital grants represent the unamortised value of accumulated funds, deemed to have been received from State sources, allocated for fixed assets.

l. Capital Development Reserve

The capital development reserve represents funds set aside by the University for specified capital development purposes. Such funds arise from Student Registration Fees, non-state capital donations, banking facility fees and transfers from Revenue Reserves, together with bank interest earned on these monies. Such funds shall be retained in the Capital Development Reserve Account provided the defined projects to which they are committed are in line with the University's Capital Development plan, have been approved by the Governing Body and are time phased and with estimates of costs.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the University's accounting policies, which are described in Note 1, the Governing Body are required to make judgements, estimates and assumptions about the recoverability of debts, the useful life of assets, the rates of depreciation of fixed assets and 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 relevant. Actual results may differ from these estimates.

Accounting for PPP buildings

The Department of Further and Higher Education, Innovation and Science (DFHERIS) has entered into a Public Private Partnership (PPP) agreement with a private sector entity to design, build, finance and maintain the Central and East quad buildings on the Grangegorman campus. The purpose of this agreement is to provide buildings for academic use by TU Dublin, which since service commencement holds substantially all the risks and rewards of ownership and controls the assets and the residual interest in the assets at the end of the PPP contract term. While the PPP contract provides for the buildings to return to DFHERIS at the end of the 25 year contract, DFHERIS have confirmed that TU Dublin will retain exclusive occupancy at the end of the 25 year contract period. DFHERIS makes payments to the private sector entity over the life of the PPP agreement term for the construction, financing, operating, maintenance and renewal of the assets and the delivery of services. The contract entered into is on an availability basis and is for a 25 year service period from the date of service commencement. The payments are by way of an annual unitary charge. The unitary charge is subject to deductions for periods when the assets are unavailable for use. TU Dublin has agreed to co-fund the unitary charge payments with DFHERIS.

Technological University Dublin

Notes to the Financial Statements for the year ended 31 August 2022

Significant accounting policies (continued)

These buildings have been capitalised by TU Dublin and accounted for using the finance lease accounting model. The value of the buildings (€259.967m included in PPP Buildings additions in the year ended 31 August 2021) has been recognised at the date of service commencement to TU Dublin as the net present value of the future minimum lease payments, calculated on the basis of construction payments made by the DFHERIS.

TU Dublin has accounted for the liability to pay its share of the capital element of the unitary charge in the Statement of Financial Position (Note 18). This liability will reduce in line with annual unitary charge payments.

TU Dublin has recognised the DFHERIS capital contributions to the unitary charge as a deferred capital grant (Note 21). In determining the net present value of the liability, TU Dublin selected a discount rate of 3.41% following consultation with the National Development Finance Agency, on the basis that it reflected an appropriate rate for long life infrastructure assets.

The “hand back” provision in the PPP agreement (governing the Central & East Quad Grangegorman) requires that the assets be handed back at the end of the contract term with useful lives equivalent to those of the assets when originally commissioned. As a result of these provisions TU Dublin will not charge depreciation on these assets for the duration of the service agreement.

TU Dublin’s share of service charge elements of the unitary charge payments are expensed as incurred to the Statement of Comprehensive Income TU Dublin, commitments to make payments of an operational nature are disclosed in Note 19 to the financial statements.

The key judgements made in accounting for this arrangement are:

TU Dublin exercise control over these buildings.

TU Dublin hold substantially all the risks and rewards of ownership.

The PPP contract provides for the buildings to return to DFHERIS at the end of the 25 year contract, however, DFHERIS have confirmed that TU Dublin will retain exclusive occupancy at the end of the 25 year contract period.

Accounting for Grangegorman

The Grangegorman Development Agency is currently constructing a number of buildings on the Grangegorman campus. While economic benefit will ultimately flow to the University, substantial development work is yet to be undertaken on the related properties, associated valuations must be established and land transferred to University.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical Judgement – Recoverability of Debtors

Debtors have been included in the financial statements net of specific bad debt provisions. It is the view of the University that this net amount is fully recoverable.

Technological University Dublin

Notes to the Financial Statements for the year ended 31 August 2022

Significant accounting policies (continued)

Critical Judgement – Useful lives of Assets

The useful lives of assets used by the University is in line with industry standard, however some assets may come to the end of their useful lives in a shorter period and in such circumstances the depreciation of the assets are accelerated to take account of this.

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, mortality rates and healthcare cost trend rates) are updated annually based on current economic conditions, and for any relevant changes to the terms and conditions of the pension and post-retirement plans.

The assumptions can be affected by:

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

Technological University Dublin
Notes to the Financial Statements for the year ended 31 August 2022

3. State grants

	Allocated for Recurrent	Allocated for Capital	Allocated for Projects	2022	2021 As Restated Note 28
	Expenditure €'000	Expenditure €'000	Expenditure €'000	Total €'000	Total €'000
Recurrent Grant – HEA	113,903	3,477	2,762	120,142	113,866
Other State Grants – HEA	17,483	588	-	18,071	7,179
State Grant Capital – HEA	-	2,097	-	2,097	5,286
State Grant Capital – EI	-	545	-	545	97
State Grant Capital – Other	-	30	-	30	5,038
State Grant – Covid Supports	2,561	-	-	2,561	11,456
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total 2022 (note 6.1)	133,947	6,737	2,762	143,446	142,922
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Total 2021 – As Restated	126,766	14,043	2,113	142,922	
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	

Technological University Dublin
Notes to the Financial Statements for the year ended 31 August 2022

4. Tuition fees and student contribution

	State Funded 2022 €'000	Non State Funded 2022 €'000	Total 2022 €'000	State Funded 2021 €'000	Non State Funded 2021 €'000	Total 2021 €'000
Fees payable by State	12,345	-	12,345	12,147	-	12,147
Fees payable by other state agencies	-	-	-	2,445	-	2,445
Non-EU Fees	-	7,602	7,602	-	9,479	9,479
Tuition Fees Paid by Students or on behalf of Students	180	14,903	15,083	12	10,668	10,680
Lifelong Learning and Other Fees	1,602	4,611	6,213	1,360	5,159	6,519
Student Contribution Including Repeat Exam Fees	20,062	30,461	50,524	21,280	29,057	50,337
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net Fee Income/Student Numbers (note 6.2)	34,189	57,578	91,767	37,244	54,363	91,608
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The Higher Education Authority paid tuition fees in the period of €11,491,101 (2021: €11,193,704) for full-time Degree courses, and €853,688 (2021: €953,869) for higher certificate and ordinary degree courses the total costs of which are part funded by the European Social Fund.

Technological University Dublin
Notes to the Financial Statements for the year ended 31 August 2022

5. Research Grants and Other Contracts

	2022 €'000	2021 €'000
Income:		
State and Semi-state (note 6.3)	19,430	14,037
European Union	3,267	5,184
Industry	278	923
Other	1,072	3,170
Self-funded projects	3,267	163
Total Income	<u>27,314</u>	<u>23,477</u>
Amortisation of Deferred Capital Grants	839	1,304
Research Grants & Contracts Asset Purchases	(1,702)	(188)
Net Income	<u>26,451</u>	<u>24,593</u>
Expenditure:		
Pay Costs	12,928	9,245
Non Pay Costs	15,669	14,288
Depreciation	3,284	1,304
Total Costs *	<u><u>31,881</u></u>	<u><u>24,837</u></u>

Technological University Dublin
Notes to the Financial Statements for the year ended 31 August 2022

6. Analysis of State derived income

Note 6.1 State Grant

Name of Grantor	Note	Op Deferral 01/09/21 As Restated Note 28 €'000	Received 2022 €'000	CL Deferral 31/08/22 €'000	Released 2022 €'000
HEA – Recurrent Grant		1,512	120,143	162	121,493
HEA – Other Grant		6,663	23,167	12,276	17,554
HEA – Devolved Grant		-	5,338	4,045	1,293
HEA – Covid Support		-	6,997	4,436	2,561
Capital Grant – EI		-	545	-	545
State Grant	3	8,175	156,190	20,919	143,446

Technological University Dublin
Notes to the Financial Statements for the year ended 31 August 2022

Note 6.2 Tuition Fees & Student Contribution

Name of Grantor	Note	Op Deferral 01/09/2021 €'000	Received 2022 €'000	CL Deferral 31/08/22 €'000	Released 2022 €'000
Dept. of Defence		-	26	-	26
Design, Print & Packaging Skillnet		-	22	-	22
HEA		-	12,363	-	12,363
Higher Education Authority Springboard Only		-	568	-	568
ICT Ireland Skillnet		-	569	-	569
Irish Council for International Students		-	15	-	15
ITAG Skilnet		-	143	-	143
Software Skillnet		-	229	-	229
SUSI (Student Universal Support Ireland)		-	20,242	-	20,242
Department of Agriculture		-	4	-	4
National Standards Authority of Ireland		-	4	-	4
Teagasc		-	2	-	2
Irish Rail		-	2	-	2
Tuition fees and student contribution	4	-	34,189	-	34,189

Technological University Dublin
Notes to the Financial Statements for the year ended 31 August 2022

Note 6.3 Research Grants & Contracts

Name of Grantor	Op Deferral 01/09/2021 €'000	Received 2022 €'000	CL Deferral 31/08/22 €'000	Released 2022 €'000
Dept. of Agriculture, Food & Marine	214	48	70	192
Dublin City Council	110	56	100	66
Enterprise Ireland	2,530	5,279	3,347	4,461
Environmental Protection Agency	61	550	444	167
Higher Education Authority	11,884	10,488	12,539	9,833
Health Research Board	204	169	265	108
Health Service Executive	1	60	(1)	62
Tusla	240	743	159	824
Marine Institute	1	-	1	-
Solas	211	4	214	1
Teagasc	22	108	27	103
Science Foundation Ireland	1,647	3,999	3,586	2,060
Other State	465	(124)	133	208
SEAI	17	(23)	(78)	72
National Forum of Teaching & Learning	41	70	35	76
Irish Research Council	15	1,576	404	1,187
South Dublin County Council	19	(19)	-	-
AIB	30	(30)	-	-
University of Limerick	-	27	27	-
Dun Laoghaire Rathdown County Council	-	41	39	2
Fingal County Council	-	43	35	8
Research Grants & Contracts	5	17,712	23,064	21,346
HEA		1,058	637	3,820
Student Support Funding	7	1,058	637	3,820

Technological University Dublin
Notes to the Financial Statements for the year ended 31 August 2022

7. Student Support Funding

	2022	2022	2022	2021
	Disabilities	Students Assistance	Total	Total
	€'000	€'000	€'000	€'000
Balance at 1 September 2021	844	214	1,058	1,159
Receipts:				
Higher Education Authority	957	2,442	3,399	2,924
Income Deferred/Released	375	46	421	-
Total Receipts	1,332	2,488	3,820	2,924
Less: allocated to Deferred Capital Grants	(54)	-	(54)	(83)
Net Receipts	1,278	2,488	3,766	2,841
Amounts Applied:				
Pay Costs	465	-	465	529
Non Pay Costs	971	2,486	3,457	2,413
Net Amounts Applied:	1,436	2,486	3,922	2,942
Balance as at 31 August 2022	469	168	637	1,058

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

Technological University Dublin
Notes to the Financial Statements for the year ended 31 August 2022

8. Other income	2022	2021
	€'000	€'000
Superannuation Deductions Retained	7,427	7,651
Sale of Class Materials and Reprographics	38	11
Student Services	99	10
Donation	113	775
Commercial Income	447	1,139
Other Income	5,414	2,066
Bank and other concessions	1,500	220
Rental of Facilities	54	341
LINC Income	-	485
Photocopying	3	-
Education Projects	119	100
Secondments	269	65
Parking Income	177	2
	<u>15,660</u>	<u>12,866</u>

Technological University Dublin

Notes to the Financial Statements for the year ended 31 August 2022

9. Staff costs

The average number of persons (including senior post-holders) employed by the University during the year, expressed in full-time equivalent is:

	2022	2021
	No. of	No. of
	Employees	Employees
Teaching and Research	1,522	1,502
Technical	174	180
Central Administration and Services	904	867
	<u>2,600</u>	<u>2,549</u>
	2022	2021
	€'000	€'000
Salaries and Wages	179,308	168,910
Employer Welfare Costs	16,374	13,572
Allowances	706	1,176
Overtime	811	1,030
	<u>197,199</u>	<u>184,688</u>

Key management compensation

The President's salary and benefits for the financial year totalled €203,619 (2021: €200,270). The total remuneration for key management personnel for the financial year totalled €3,906,585 (2021: €3,616,600). Key management personnel in the University consist of the University Executive Team (UET), senior management teams and members of the Governing Body. The Governing Body members do not receive any remuneration, apart from serving staff members who are in receipt of normal salary entitlements.

Post-employment benefits and pension entitlements of the University's President and key management personnel do not extend beyond entitlements contained within relevant public sector pension schemes. As statutory payments only, containing no enhanced payments, any pension payments were made in accordance with the Department of Education and Science letter of 8th Nov 2018 on redundancy payments.

The University made no ex-gratia payments during the financial year. Two settlement payments were made during the year totalling €56,500 and which included a termination payment of €20,000.

Technological University Dublin
Notes to the Financial Statements for the year ended 31 August 2022

9. Staff costs (continued)

Higher paid staff:

Annual Salary Bands	Year Ended 31 August 2022	Year Ended 31 August 2021
60,000 – 70,000	221	234
70,001 – 80,000	203	161
80,001 – 90,000	179	441
90,001 – 100,000	527	261
100,001 – 110,000	100	79
110,001 – 120,000	41	39
120,001 – 130,000	11	4
130,001 – 140,000	0	1
140,001 – 150,000	1	0
150,001 – 160,000	10	10
160,001 – 170,000	3	1
170,001 – 180,000	0	0
180,001 – 190,000	0	0
190,001 – 200,000	0	2
200,000-210,000	2	0
Grand Total	1,298	1,233

10. Other operating expenses

	2022	2022	2022	2022	2021
	Pay Costs	Depreciation	Other Operating	Total	Total
	€'000	€'000	Expenses	€'000	€'000
			€'000		
Academic Departments	138,178	8,617	11,748	158,543	143,879
Academic Services	8,890	307	3,126	12,323	13,118
Facilities	9,921	3,488	23,171	36,580	40,229
Central Administration	19,637	913	12,263	32,813	30,602
General Education	2,608	6	369	2,983	2,153
Student Services	4,572	35	4,320	8,927	8,212
Student Support Funding	465	34	3,457	3,956	2,957
Research Grants and Contracts	12,928	3,284	15,669	31,881	24,837
Depreciation				-	1,846
Total	<u>197,199</u>	<u>16,684</u>	<u>74,123</u>	<u>288,006</u>	<u>267,832</u>
Total 2021	<u>184,688</u>	<u>11,874</u>	<u>71,271</u>	<u>267,832</u>	

Technological University Dublin

Notes to the Financial Statements for the year ended 31 August 2022

10. Other operating costs (continued)

Analysis of Other Operating Expenditure	2022	2021
	€'000	€'000
Auditors Remuneration	158	146
Cleaning Contract and Materials	2,716	2,725
Communications	457	202
Computer software, Maintenance, Licences & Consumables	4,397	3,993
Energy	3,268	3,320
Equipment and Maintenance Costs	3,582	627
Finance Costs	2,348	1,907
General Education	638	309
Hospitality	371	47
Subsidiaries Other Operating Costs	1,310	202
Materials and Consumables	4,903	3,347
Other Expenses	656	558
Payments to Partners	3,725	3,955
Professional Fees & Consultancy	7,957	5,603
Promotion and Publicity	657	552
Rent, Rates and Insurance	2,860	12,928
Repairs & Maintenance Costs	2,769	4,243
Research Costs	6,940	8,176
Security	1,450	1,524
Staff Recruitment and Training	741	581
Stationery, Office Materials, Books and Periodicals	4,382	3,334
Student Grants	4,159	3,511
Student Services	5,336	5,146
Subscriptions to Associations	1,079	879
Travel - International	279	10
Travel - National	823	147
PPP Related Unitary Charge	6,162	3,299
	<u>74,123</u>	<u>71,271</u>

Auditor's remuneration disclosed above excludes VAT. The University internal audit function was carried out by a combination of its own internal audit section and an outsourced provider. The outsourced expenditure has been included as Professional Fees and the payroll costs relating to the University internal audit section have been included as part of the staff costs for the period.

The University paid €421 in expenses to members of the Governing Body during the twelve month accounting period.

The University made payments of €55,222 to external parties to carry out investigations into internal human resource matters during the period. Included in Professional Fees & Consultancy costs is €354,214 for legal costs. A compensation claim of €9,000 was paid during the financial year.

Professional Fees and Consultancy for 2022 are the following external consultancy and advisor fees:

	€
Legal fees	354,214
Public relations/marketing	206,814
Educational services	557,910
IT consultancy	1,287,549
Management consultancy	179,743
Organisation design consultancy	3,139,842
Pension and human resources	144,291
Property professional fees	290,248
Tax and financial advisory	144,353
Medical services	318,642
Training	7,500
Community education partner	602,002
Other professional fees	723,855

Technological University Dublin

Notes to the Financial Statements for the year ended 31 August 2022

11. Taxation

The University is exempt from Corporation Tax under a charitable status order.

The subsidiary Synergy Innovation and Growth DAC is subject to Corporation Tax on a commercial basis.

The tax charge comprises:

	2022 €'000	2021 €'000
Current tax on profit on ordinary activities		
Irish corporation tax on profits of subsidiaries for the period	15	10
Total current tax	15	10
Deferred tax		
Origination and reversal of timing differences	-	-
Total deferred tax	-	-
Share of joint venture tax	-	-
Total tax on profit on ordinary activities	15	10

Reconciliation of tax expense incurred by subsidiary Synergy Innovation and Growth:

The differences between the total tax charge shown above and the amount calculated by applying the standard rate of Irish corporation tax to the profit before tax is as follows:

	2022 €'000	2021 €'000
Surplus for period / year before tax	61	26
Surplus for the period / year before taxation at standard Irish corporation tax rate of 25%	15	7
Effects of:		
- Timing differences		3
Total current tax	15	10

Technological University Dublin

Notes to the Financial Statements for the year ended 31 August 2022

12. Property, plant & equipment

	Land and Buildings €'000	PPP Buildings €'000	Assets under Construction €'000	Fixtures & fittings €'000	Computer equipment €'000	Plant & machinery €'000	Furniture & equipment €'000	Motor vehicles €'000	Total €'000
Cost									
At 1 September 2021	292,046	259,967	6,836	74,260	29,854	18,048	49,913	262	731,186
Additions in period	1,040	-	6,468	1,862	1,793	2,575	2,326	10	16,074
Disposals in period	-	-	-	-	(10)	-	-	-	(10)
At 31 August 2022	<u>293,086</u>	<u>259,967</u>	<u>13,304</u>	<u>76,123</u>	<u>31,637</u>	<u>20,623</u>	<u>52,239</u>	<u>272</u>	<u>747,250</u>
Depreciation									
At 1 September 2021	98,594	-	-	45,728	21,847	16,494	40,927	195	223,785
Charge for period	5,793	-	-	3,365	4,439	333	2,713	41	16,684
Depreciation on disposals	-	-	-	-	(10)	-	-	-	(10)
At 31 August 2022	<u>104,387</u>	<u>-</u>	<u>-</u>	<u>49,094</u>	<u>26,276</u>	<u>16,827</u>	<u>43,640</u>	<u>236</u>	<u>240,459</u>
Net book value									
At 31 August 2022	<u>188,699</u>	<u>259,967</u>	<u>13,304</u>	<u>27,029</u>	<u>5,361</u>	<u>3,796</u>	<u>8,599</u>	<u>36</u>	<u>506,791</u>
At 1 September 2021	<u>193,452</u>	<u>259,967</u>	<u>6,836</u>	<u>28,530</u>	<u>8,007</u>	<u>1,554</u>	<u>8,986</u>	<u>67</u>	<u>507,399</u>

Lease commitments at 31 August 2022 amounted to €135.415m (2020: €141.578m). Of that value, €126.29m relates to lease commitments for the remainder of the 25 year PPP agreement, which was entered into in financial year 2021, as set out in Note 18 to the financial statements. Other lease commitments amounting to €9.125m are set out in Note 20 to the financial statements.

In July 2018, the University entered into a 20-year lease on a building to provide additional staff facilities, in the amount of €531,000 per annum. Due to defects with the structure of the building discovered during refurbishment works in March 2020, the University has been delayed in taking occupation of the building. The landlord has rectified the defects identified and the University occupied the building in July 2021. Subsequently legal proceedings have been initiated against the landlord in relation to the costs incurred by the University as a result of not being in a position to occupy the premises from July 2018 until July 2021. These legal proceedings are ongoing.

The University disposed of its Kevin St campus in 2019. There is an ongoing dispute with respect to a minor title issue relating to that sale which is going through a legal process. The outcome of the legal case may result in the University recovering some of its costs. All such costs have been recognised in previous Financial Statements. The case was heard in December 2022 and the Country Registrar's judgement was delivered on 28 July 2023. The judgment of the County Registrar is now being appealed by the Purchaser of Kevin Street campus to the Circuit Court.

Technological University Dublin
Notes to the Financial Statements for the year ended 31 August 2022

12. Property, plant & equipment – in respect of previous year

	Land and Buildings €'000	PPP Buildings €'000	Assets under Construction €'000	Fixtures & fittings €'000	Computer equipment €'000	Plant & machinery €'000	Furniture & equipment €'000	Motor vehicles €'000	Total €'000
Cost									
At 1 September 2020	271,778	-	2,153	59,141	24,070	17,773	44,037	262	419,214
Additions in period	20,268	259,967	4,683	15,135	5,784	275	5,876	-	311,987
Disposals in period	-	-	-	-	-	-	-	-	-
At 31 August 2021	<u>292,046</u>	<u>259,967</u>	<u>6,836</u>	<u>74,276</u>	<u>29,854</u>	<u>18,048</u>	<u>49,913</u>	<u>262</u>	<u>731,201</u>
Depreciation									
At 1 September 2020	93,382	-	-	43,463	19,994	16,139	38,797	154	211,929
Charge for period	5,212	-	-	2,283	1,853	355	2,130	41	11,874
Depreciation on disposals	-	-	-	-	-	-	-	-	-
At 31 August 2021	<u>98,594</u>	<u>-</u>	<u>-</u>	<u>45,746</u>	<u>21,847</u>	<u>16,494</u>	<u>40,927</u>	<u>195</u>	<u>223,803</u>
Net book value									
At 31 August 2021	<u>193,452</u>	<u>259,967</u>	<u>6,836</u>	<u>28,530</u>	<u>8,007</u>	<u>1,554</u>	<u>8,986</u>	<u>67</u>	<u>507,399</u>
At 1 September 2020	<u>178,397</u>	<u>-</u>	<u>2,153</u>	<u>15,677</u>	<u>4,076</u>	<u>1,634</u>	<u>5,240</u>	<u>108</u>	<u>207,285</u>

Technological University Dublin

Notes to the Financial Statements for the year ended 31 August 2022

13. Financial assets

The University held an interest in the following subsidiaries during the audit period:

Subsidiary undertakings	Principal activity	Interest	Retained deficit
Synergy Innovation and Growth DAC	Promotion and development of an innovation-oriented science development centre	85.71%	€288,264

Synergy Innovation and Growth DAC, formally Growcorp Advisory Services Limited.

The above listed subsidiary undertaking has their registered offices and place of business in 3015 Lake Drive, Citywest Business Campus, Dublin 24.

South Dublin Chamber of Commerce (SDCC) has participated in the management and operation of Synergy Innovation and Growth DAC since its foundation and holds 1 of the 7 shares and nominates 1 of the 7 members of the Board.

All surpluses generated by Synergy Innovation and Growth DAC are being used to repay loans advanced by the University, and the University holds a charge over the assets of Synergy Innovation and Growth DAC. The net surplus after taxation for Synergy Innovation and Growth DAC for the financial year was €46,532, reflected in these financial statements.

A Designated Activity Company (DAC) was incorporated on 20 June 2018 to enable an application for Enterprise Ireland funding under the Regional Enterprise Development Fund. The name of the company is the LINC Collaboratory DAC. This was a designated activity company limited by shares registered under Part 16 of the Companies Act 2014. This was subsequently re-registered as a Company Limited by Guarantee (CLG) in July 2021. The net surplus after taxation for LINC Collaboratory DAC for the financial year was €306,773 and reflected in these financial statements.

The TU Dublin Foundation is a limited company set up with the principal activity to support Technological University Dublin in its advancement of education and research through philanthropy. Financial year 2021/2022 is the first year that the University is reflecting the Foundation within the consolidated financial statements. During the period the University allocated funds totalling €1.061m to the TU Dublin Foundation, in support of the Foundation's operational expenditure of €1.080m. TU Dublin Foundation awarded scholarships and bursaries to TU Dublin students amounting to €453,965. €341,526 of this amount is reflected in Research Grants and Contracts for the period, with the remainder accounted for in Other Income. The net income for the financial year as reflected in the financial statements is €1,255,690.

The following table sets out the values of the identifiable assets and liabilities of our subsidiaries contributed to the University on 1 September 2021:

	€'000
Fixed Assets	58
Current Assets	
Cash and cash equivalents	2,653
Total Assets	2,711
Payables amounts falling due within one year	(164)
Net Assets/(Liabilities)	2,547

The subsidiaries of the University continue to operate solely for the purposes of which they were established. They remain in full compliance with the terms and conditions of the consent under which they were established.

Technological University Dublin

Notes to the Financial Statements for the year ended 31 August 2022

14. Heritage assets

The University does not hold a material level of heritage assets.

Artworks

The University does not hold a material level of artworks.

15. Receivables

	2022	2021 As Restated Note 28
	€'000	€'000
Trade Receivables	2,649	2,304
Research Grants and Contracts Receivable	3,902	3,976
State grant receivable	3,431	5,006
Academic Fees Receivable	2,084	1,167
Prepayments	2,737	2,758
Other Receivables	1,141	294
	<hr/>	<hr/>
	15,943	15,505
	<hr/> <hr/>	<hr/> <hr/>

16. Cash and Cash Equivalents

	2022	2021
	€'000	€'000
Cash at Bank including Balances Held on Short Term Deposit	91,769	83,580
	<hr/>	<hr/>
	91,769	83,580
	<hr/> <hr/>	<hr/> <hr/>

17. Payables: amounts falling due within one year

	2022	2021 As Restated Note 28
	€'000	€'000
Trade Payables	470	418
Research Grants and Contracts in Advance	43,455	30,817
Tuition Fees Received in Advance	7,999	7,933
State Grant Received in Advance	7,698	11,178
Deferred Income	18,092	6,346
Accruals & Other Creditors	14,879	23,106
Unitary Charge	2,485	2,403
Other Tax and Social Security	12,854	6,517
	<hr/>	<hr/>
	107,931	88,718
	<hr/> <hr/>	<hr/> <hr/>

Technological University Dublin

Notes to the Financial Statements for the year ended 31 August 2022

18. Payables: amounts falling due after more than one year

	PPP Finance Commitments	
	2022 €'000	2021 €'000
Within 1 year	5,381	5,381
Between 2 and 5 years	21,524	21,524
Greater than 5 years	99,385	104,766
Total Commitments	<u>126,290</u>	<u>131,671</u>
Less: Finance Charges	(39,044)	(41,982)
Carrying Amount of Liability	<u>87,246</u>	<u>89,689</u>
Classified as:		
Payables (amounts falling due within one year)	2,484	2,403
Payables (amounts falling due after more than one year)	84,762	87,286

This represents the net present value of the liability for contributions by TU Dublin towards unitary charges (in respect of the Central and East quads buildings on the Grangegorman Campus) over the duration of the Public Private Partnership agreement.

19. Public Private Partnership Service Payment Commitments

	2022 €'000	2021 €'000
Nominal Amount:		
PPP agreement – Central and East quads Grangegorman	104,901	106,416

The commitments disclosed above are prescribed in the PPP agreement (as disclosed in the Statement of Significant Accounting Policies) and relate to the TU Dublin share of the facilities management services costs, operational and lifecycle costs for the remaining life of the agreement. These are in addition to the capital element of the unitary charges described in Note 18 which have been recorded as a liability of the University at 31 August 2022. They are indexed at 2% per annum (from 2023) and are not discounted to present value.

20. Lease Commitments

Total future minimum lease payments under non-cancellable leases are as follows:

	Land and Buildings		Other	
	2022 €'000	2021 €'000	2022 €'000	2021 €'000
Within 1 year	782	782	-	-
Between 2 and 5 years	2,591	2,833	-	-
Greater than 5 years	5,753	6,292	-	-
Total Commitments	<u>9,125</u>	<u>9,907</u>	<u>-</u>	<u>-</u>

Technological University Dublin

Notes to the Financial Statements for the year ended 31 August 2022

21. Deferred Capital Grants

	2022 €'000	2021 €'000
At 1 September 2020		
Opening Balance	307,794	149,493
Received in period		
Allocated from State Recurrent Grants	3,477	4,078
Allocated from Other State Grants	3,260	9,880
Research Grants and Contracts	-	901
State funded element of PPP assets – not amortised over life of service agreement	-	154,070
Transfer (to)/from Capital Development reserve	(6,274)	-
	<hr/>	<hr/>
Total	463	168,929
	<hr/>	<hr/>
Amortised to income and expenditure in period		
Amortisation Charge of State Funded Assets	(11,487)	(10,587)
Release of Capital Grant related to Disposal	-	-
Subsidiary Company Fixed Assets Depreciation	-	(41)
	<hr/>	<hr/>
Total	(11,487)	(10,628)
	<hr/>	<hr/>
Closing balance	296,770	307,794
	<hr/>	<hr/>

22. Capital Development Reserve

	2022 €'000	2021 €'000
Opening Balance	37,036	36,304
Transfer to Revenue Reserves	-	(15)
Transfer from Revenue Reserves	436	747
Transfer from/ (to) Deferred Capital Grants	-	-
	<hr/>	<hr/>
Closing Balance	37,472	37,036
	<hr/>	<hr/>

In line with the University's accounting policy (see above policy Note 1), the capital development reserve represents funds set aside by the University for specified capital development purposes, primarily the funding of capital developments at the Grangegorman campus. There is an undertaking between the University and Student Representatives that an element of this reserve will provide a contribution towards the development of student facilities on all campuses. The nature and extent of these facilities would be subject to agreement between the TU Dublin Students Union and the University.

Technological University Dublin

Notes to the Financial Statements for the year ended 31 August 2022

23. Capital Commitments

	2022 €'000	2021 €'000
Contracted for but not provided	2,320	9,594
Authorised but not contracted	-	-
	<u>2,320</u>	<u>9,594</u>

€1.005m (2021: €7.752m) of this commitment relates to the construction of the Sports Science Health & Recreational Building in Tallaght campus. TU Dublin has received a capital grant from the HEA of €7.716m towards the funding of this project. Payments and commitments in respect of the Grangegorman campus development are detailed in Note 26 below.

24. Related Parties

Financial year 2021/2022 is the first year that the University is reflecting the Foundation within the consolidated financial statements. During the period the University allocated funds totalling €1.061m to the TU Dublin Foundation, in support of the Foundation's operational expenditure of €1.080m. TU Dublin Foundation awarded scholarships and bursaries to TU Dublin students amounting to €453,965. €341,526 of this amount is reflected in Research Grants and Contracts for the period, with the remainder accounted for in Other Income. The net income for the financial year as reflected in the financial statements is €1,255,690.

Details of Key Management Remuneration as reflected in Note 9, the President's salary and benefits for the financial year totalled €203,619 (2021: €200,270). The total remuneration for key management personnel for the financial year totalled €3,906,585 (2021: €3,616,600).

25. Provisions

TU Dublin holds a provision of €200,000 for the estimated re-instatement costs of a leased building which is occupied by the Apprenticeship Programme in Tallaght. This provision is included in Payables (Note 17) under the sub heading Accruals & Other Creditors.

26. Grangegorman Development Agency Payments

The Grangegorman Development Agency (GDA) is responsible for the development of a 73 acre site in North City Centre Dublin. The agency is governed by the Grangegorman Development Agency Act (2005). The purpose of the development is to consolidate many existing locations of the University on one campus. In September 2014, 1,100 students were relocated to the Grangegorman campus. In 2021, a further 10,000 students have relocated, primarily from the Kevin St. and Cathal Brugha St. campuses.

As at the 31st August 2022, the University had loans outstanding to the Grangegorman Development Agency (GDA) of € 137.48 Million. Payments made to the GDA are treated as a long term debtor by the University, and this loan is reduced as buildings are developed and transferred to the University, and recognised as fixed assets.

	31 August 2022 €'000	31 August 2021 €'000
Loan to GDA:		
Opening balance	140,953	185,809
Transferred to GDA during the period	-	50
Transfer of Lower House	-	(19,800)
GDA expenditure incurred by the University	-	-
Receipt of Funds from the GDA	<u>(3,610)</u>	<u>(25,106)</u>
Closing balance	<u>137,343</u>	<u>140,953</u>

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Notes to the Financial Statements for the year ended 31 August 2022

To facilitate the development of the campus the GDA will retain ownership of other lands and property, some of which the University operates under a combination of licence and lease. The status of these assets will be reviewed annually and will be recognised as Fixed Assets by the University when fully controlled by the University. A property transfer framework has been agreed with the GDA and land and property title will be transferred from the GDA to the University as the assets are recognised as TU Dublin assets.

27. Retirement Benefit Costs

(i) Staffing

A full actuarial valuation was carried out by a qualified independent actuary in the current year.

(ii) Description of Scheme

University 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 University.

Single Scheme

New entrant staff, employed by the University after 1 January 2013 are members of the Single Public Service Pension Scheme in accordance with Public Sector Pensions (Single Scheme and Other Provisions) Acts 2012. Deductions from staff salaries under the Single Scheme are transferred to the Department of Public Expenditure and Reform on a monthly basis in accordance with the act.

The Single Scheme is the occupational pension scheme for new entrant public servants hired since 1 January 2013. It is a defined benefit scheme, with retirement benefits based on career-average pay. The scheme generates pension credits and retirement lump sum credits for each scheme member. These money credits, known as “referable amounts”, accrue as percentages of pay on an ongoing basis. The referable amounts accrued each year are revalued annually until retirement in line with inflation increases (Consumer Price Index). The annual pension awarded on retirement is the cumulative total of a scheme member’s pension referable amounts, and the retirement lump sum awarded is, similarly, the total of the scheme member’s lump sum referable amounts. Pensions in payment are assumed to increase in line with inflation. The assumed rate of inflation is 2.45% at the valuation date, which is consistent with the implied inflation based on swap yields on conventional and index-linked bonds of appropriate duration (1.85% was used at 31 August 2021).

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 2022. On retirement, members’ pensions are paid by the National Shared Services Office on behalf of the Department of Further and Higher Education, Research, Innovation and Science and those payments are charged to that Department’s appropriation account. Therefore, former employees of the University who are in receipt of a 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.

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Notes to the Financial Statements for the year ended 31 August 2022

27. Retirement Benefit Costs (continued)

The principal actuarial assumptions used to calculate the components of the defined benefit cost for the twelve month period ended 31 August 2022 were as follows:

	31 August 2022	31 August 2021
Discount Rate	3.60%	1.40%
Inflation Rate	2.45%	1.85%
Salary Increases	3.70%	3.10%
Pension Increases	3.20%	2.60%

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:

	31 August 2022	31 August 2021
	Years	Years
Male aged 65	21.9	21.9
Female aged 65	24.3	24.3

(iii) Analysis of total retirement benefit costs charged to the Statement of Comprehensive Income

	31 August 2022	31 August 2021
	€'000	€'000
Current Service Cost	59,563	54,634
Interest on Retirement Benefit Scheme Liabilities	16,832	12,632
Employee Contributions	<u>(10,893)</u>	<u>(10,099)</u>
	<u>65,502</u>	<u>57,167</u>

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Notes to the Financial Statements for the year ended 31 August 2022

27. Retirement Benefit Costs (continued)

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

	31 August 2022	31 August 2021
	€'000	€'000
Net Retirement Benefit Obligation at 1 January	1,202,367	1,121,044
Net Current Service Costs	48,670	44,535
Employee Contributions	10,893	10,099
Interest Costs	16,832	12,632
Experience Losses/(Gain) on Liabilities	-	13,890
Reduction in pension liabilities arising from retirements in the period	(18,242)	(36,490)
Changes in Actuarial Assumptions	(345,494)	36,657
	<hr/>	<hr/>
Closing Net Retirement Benefit Obligations	<u>915,026</u>	<u>1,202,367</u>
Split between		
SPSPS	30,287	32,516
ESS	884,739	1,169,851

(v) *Deferred funding asset for retirement benefits*

The University is prescribed in S.I. No 581 of 2012 as a relevant authority for the purposes of the single scheme. It is the University'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 University 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 University 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:

	31 August 2022	31 August 2021
	€'000	€'000
Funding Recoverable in respect of retirement	<u>65,502</u>	<u>57,167</u>
Benefit Costs	65,502	57,167

The deferred funding liabilities for retirement benefit as at 31 August 2022 amounted to €915,026.

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Notes to the Financial Statements for the year ended 31 August 2022

27. Retirement Benefit Costs (continued)

(vi) *History of defined benefits obligations*

	2022	2021
	€'000	€'000
Defined Benefit Obligations	915,026	1,202,367

28. Prior Period Adjustment - Recurrent State Grant Financial Year 1 Sept 2020 – 31 Aug 2021

Following a review of the calculation of Recurrent State Grants, TU Dublin identified errors in the calculation of Recurrent State Grant recognised to income, and Recurrent State Grant Receivable/Payable for the financial years 2019, 2019/20 and 2020/21. The errors resulted in the opening revenue reserve as at 1 September 2020 being overstated by €4.53million. Income and surplus before tax for the financial period to 31 August 2021 being overstated by €2.47 million. Thereby leading to a cumulative overstatement of net assets for the financial period to 31 August 2021 being overstated by €7 million. These financial statements reflect restated amounts for 2021 by way of a prior year adjustment as at 31 August 2021, resulting in a reduction in reserves of €7 million as at 31 Aug 21, and a restated surplus for the financial period of €0.078 million.

Summary of the prior period adjustment:	2021	2020	2019
	€'000	€'000	€'000
(Overstatement)/Understatement of State Grant Income Recognised	(2,471)	(4,820)	290
(Overstatement)/Understatement of Net Assets	(7,001)	(4,530)	290

29. Post Balance Sheet Events

There were no significant events since the year end which would have implications for these Financial Statements.

30. Approval of financial statements

The financial statements were approved by the Governing Body on the 29 November 2023.