

Ollscoil na hÉireann, Gaillimh

Consolidated Financial Statements

Year Ended 30 September 2010

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BURSAR'S REPORT

Introduction

The attached financial statements are prepared under the historical cost convention and in accordance with Generally Accepted Accounting Practice. Whilst not significant in terms of the financial reporting of core pedagogic and research activities, the financial results of subsidiary and associated entities are merged with those of the University and the overall reporting reflects a more commercial view of the University's consolidated activities.

Results

The financial year ended 30th September 2010 has in many ways been extraordinary. The deteriorating national economic environment prompted a cut in State Grant of over 20% and shifted much of the burden of this adjustment to University staff and students. At the start of the academic year students suffered an increase of 67% (i.e. from €900 to €1,500) in the long-standing non-tuition charge. Staff pay rates were cut by an average of 7% in January 2010 and these pay cuts were in addition to the Pension Levy of a similar amount which was imposed the previous year.

Students and staff were also impacted significantly by the Employment Control Framework which replaced the recruitment moratorium introduced during the previous year. Total student numbers increased by 8% from 15,775 in 2007/2008 to 17,086 in 2009/10. Staff numbers reduced by 5% between December 2008 and September 2010 with consequential pressures on the University community. Both groups are to be commended for contributing to "productivity gains" of circa 15% over that two year period.

Efficiency Initiatives

In seeking, in current circumstances, to "do more with less", a number of initiatives have been undertaken in both academic and support areas with a view to improving performance and service. A number of reviews by external consultants have been undertaken in the support services areas with an emphasis on "shared service" models as a means of improving service and reducing costs. It is worthy of note that a number of these studies have failed to demonstrate a clear business case for such developments in the particular scenarios investigated. This may be due to the fact that the University, as a large and progressive organisation, has over many years invested significantly in the standardisation and automation of its core business processes, and has already achieved the bulk of efficiencies available. Further reviews and, in particular, the development of further standardisation and automation, are now key elements of the University resourcing strategy.

Other significant achievements in 2009/2010 included:

1. the awarding of almost €60m in PRTL Cycle 5 grants for research facilities and programmes. This funding, from both the State and Philanthropic donors, was achieved in face of considerable national competition.
2. the achievement of all financial targets in very difficult economic circumstances.
3. the finding of a resolution, after almost 7 years of negotiation, to the issue of funding for extension of pension rights to part-time and contract staff on foot of the Protection of Employee Legislation of 2001 and 2003. Pensionable staff increased from under 1,000 in 2003 to over 2,500 in 2010. The University's Joint Pension Fund, valued at €275m at September 2007, was transferred to the State in March 2010, and all eligible staff were enrolled as appropriate in either the Joint Pension Scheme or the Model Scheme. On foot of these arrangements, the attached GAAP accounts include a matching asset for the University's pension obligations as computed under FRS17 (Financial Reporting Standard # 17) styled 'Retirement Benefits'.
4. the expansion of the Infrastructural Development Programme 2005-2015 from €234m in 2009 to €270m in 2010, an increase of €36m, on foot of State and private funding for projects including Life Cycle, Psychology, Bialann, Library Special Collections, academic equipment and backlog maintenance.
5. the increase of conferencing business by approximately 10% on previous year, despite sales at on-campus restaurants being down on previous year by between 2% and 26%.

BURSAR'S REPORT (continued)**The Future**

The position outlined above demonstrates how much the University community can achieve when working together and with Regional, National and International partners. It is this capacity to face and overcome significant challenges that represents our greatest asset in facing an uncertain future over the next few years.

A deficit in State funding of €20bn was identified in 2009 (expenditure €50bn, less income €30bn). Despite the implementation of expenditure cuts and increased taxes totalling €15bn to date, (50% of which was accounted for by the Pension Levy and Public Sector pay cuts) the deficit remains virtually unaltered today at approximately €20bn. In order to address this situation, the current Government proposes additional adjustments of approximately €15bn over the next few years.

It is anticipated that €6bn or 40% of this adjustment will be implemented in the calendar year 2011, and will consist of 67% in expenditure cuts and 33% in tax increases. This suggests an average of 8% cut in public expenditure in 2011. It is therefore likely that contributions will be required again from many sources, including those outlined above.

**Mary C Dooley, F.C.A., M.B.A.,
Bursar**

29 April 2011

STATEMENT OF RESPONSIBILITIES OF ÚDARÁS NA hOLLSCOILE

Údarás na hOllscoile is required to comply with the Universities Act, 1997, and to keep in such form as may be approved of by An t-Údarás um Ard-Oideachas all proper and usual accounts of money received and expended by it.

Údarás na hOllscoile is also responsible for preparing financial statements for each financial year that give a true and fair view of the state of the affairs of the University and the University group and the results of the University group for the period. Údarás na hOllscoile is also responsible for preparing the HEA Funding Statement in accordance with the most recent Harmonisation of Accounts Agreement.

In preparing those accounts, Údarás na hOllscoile is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- disclose and explain any material departures from applicable accounting standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the University will continue in operation.

Údarás na hOllscoile is responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the University and which enable it to ensure that its financial statements comply with the Universities Act, 1997, the Statement of Recommended Practice on Accounting for Further and Higher Education Institutions and are prepared in accordance with accounting standards issued by the Accounting Standards Board and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

Údarás na hOllscoile is responsible for ensuring that the business of the University is conducted in a proper and regular manner and for safeguarding all assets under its operational control and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of Údarás na hOllscoile

James Browne
President

29 April 2011

Statement on the System of Internal Control

1. On behalf of Údarás na hOllscoile, I acknowledge that Údarás have overall responsibility for the university's system of internal control, covering all material controls, including financial, operational, compliance controls and risk management systems that support the achievement of the university's policies, aims and objectives, while safeguarding the wider public interest.
2. The system of internal control, established by Údarás na hOllscoile, is designed to manage risk and to provide reasonable and not absolute assurances against material error.
3. (i) Údarás na hOllscoile (Údarás) has established an appropriate control environment through:
 - a. the allocation of defined management responsibilities through the University Management Team members; the establishment of appropriate delegated authority; the documentation of policies, procedures and regulations; the implementation of robust planning and performance monitoring systems; and information systems to ensure timely reporting to Management and Údarás.
 - b. Údarás provides governance oversight to ensure that the processes put in place by management provide an adequate level of assurance.
 - Údarás is supported in this role by its four standing Committees
 - a) Standing and Strategic Planning
 - b) Finance/Resource,
 - c) Academic Planning and Resource,
 - d) Support Services.
 - c. The four Committees operate to written terms of reference and include a substantial number of external members with appropriate expertise.
 - d. Údarás itself and two of its four standing Committees (Finance/Resource and Academic Planning and Resource) are chaired by independent external Chairs.
- (ii) The University operates a comprehensive set of processes for the identification, evaluation and management of significant risks.

The risk management framework established in the University includes a Risk Management Group, comprising all members of the University Management team (UMT). This Group carries overall executive responsibility for risk management. Responsibility at the detailed operational level is carried by the Risk Working Group, whose reports are provided to the Risk Management Group. In terms of the overall governance structure, the Risk Management Group is a sub-committee of Finance/Resource Committee, which oversees, on behalf of Údarás, implementation of the Risk Management Strategy.

Údarás formally adopted the updated University-wide Risk Strategy in October 2009 including the risk appetite. The most recent update was undertaken in December 2009 and was adopted by Údarás in February 2010.

The University Strategic Risk Register focuses primarily on risks related to the attainment of the University's objectives, and identifies responsibility for the overall management of each risk. It aligns with the University's Strategic Plan 2009-2014.

At operational level, risk registers for each College and for each of the various Support Units ensure key operational risks are identified and managed. All major capital projects have risk registers, and risk assessment is incorporated into planning and decision making processes.

The University's major risks are regularly reviewed by the relevant members of the Risk Management Group, and at year-end each member provides formal assurances on the adequacy of the management of key risks and documents the sources of assurances for each major risk. Each individual Annual Risk Management Return is reviewed by the Risk Management Group.

The relevant training programmes and the process of embedding risk into the existing management systems are currently ongoing.

Statement on the System of Internal Control (continued)

- (iii) Information systems are in place to ensure that appropriate information is available in relation to
 - operational, strategic, financial and academic affairs, and
 - planning and monitoring, including information systems to compare actual with planned results.
- (iv) A comprehensive set of financial policies and procedures has been formally adopted by the Finance / Resource Committee and Údarás na hOllscoile to address *inter alia* the financial implications of major business risk, including financial instructions and notes of procedures, delegation practices such as authorisation limits, segregation of duties, budget monitoring, risk assessments and management and multiple internal and external audit routines.
- (v) The procedures for monitoring the effectiveness of the system of internal control includes the following:
 - The monitoring role of the Internal Audit Function in relation to the adequacy and effectiveness of the systems of internal control including risk management.
 - The Audit Committee's role in providing independent oversight of the University's control environment
 - The oversight role of Údarás Committees in respect of their areas of responsibility.
 - The role of unit managers within the University, who have responsibility for the development and maintenance of the internal control environment within their area.
 - Consideration by management and the Audit Committee of comments made by the External Auditors in their management letters and other reports.
 - A programme of Quality reviews of all areas.
- 4. Following the adoption of the "NUI Galway Code of Governance" which was based on the agreed sectoral framework for governance "Governance of Irish Universities", we have further developed the process of implementing procedures that are necessary to provide a full statement on the effectiveness of systems of internal control.
- 5. No weaknesses in internal control have been identified, from the review carried out in the year, that have resulted in material losses, contingencies or uncertainties which require disclosure in the financial statements or the auditor's report on the financial statements.

Signed:

President:

29 April 2011

Independent Auditor's Report to Údarás na hOllscoile of National University of Ireland, Galway

We have audited the financial statements on pages 9 to 32. The financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the members of Údarás na hOllscoile of National University of Ireland Galway, as a body. Our audit has been undertaken so that we might state to the members of Údarás na hOllscoile those matters we are required to state to them in our auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the members of Údarás na hOllscoile, as a body, for our audit work, for this report or for the opinions we have formed.

Respective responsibilities of Údarás na hOllscoile and auditor

The responsibility of Údarás na hOllscoile for preparing the Bursar's report and the financial statements in accordance with the Universities Act, 1997, and accounting standards issued by the Accounting Standards Board as promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland) is set out on page 4 in the Statement of Responsibilities of Údarás na hOllscoile.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with Generally Accepted Accounting Practice in Ireland. We report to you whether, in our opinion, proper books of account have been kept by the University. We state whether we have obtained all the information and explanations we consider necessary for the purposes of our audit.

We read the Bursar's Report and consider any implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards of Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the members of Údarás na hOllscoile in the preparation of the financial statements, and of whether the accounting policies are appropriate to the University's circumstances, consistently applied and adequately disclosed.

We planned our audit so as to obtain all the information and explanations which are considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error.

In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

Qualified opinion arising from disagreement

As more fully explained in Note 20 to the financial statements, an asset representing a receivable from the State, equivalent to the value of the University's net pension obligations in relation to its defined benefit pension schemes, has been recognised in the University's financial statements (and an equivalent amount recognised in revenue reserves) on the basis that Údarás na hOllscoile considers these pension liabilities to have always been guaranteed by the State. In addition, gains matching the increase in these pension liabilities during the year have been recorded in the income and expenditure account and statement of total recognised gains and losses for the year.

**Independent auditor's report to Údarás na hOllscoile of National University of Ireland, Galway
(continued)****Qualified opinion arising from disagreement (continued)**

In our opinion, while the enactment of the Financial Measures (Miscellaneous Provisions) Act 2009 provides a mechanism for the State to assume responsibility for any shortfall in funding arising in the University's Joint Pension Scheme, such legislation does not specifically cover other defined benefit pension arrangements operated by the University. In the absence of the State's formal acceptance of the obligation to fund deficits associated with the University's other defined benefit pension arrangements, in our opinion, it is not appropriate to recognise the pension receivable pertaining to these deficits on the University's balance sheet at 30 September 2010.

In our opinion, the treatment adopted for the deficits associated with the University's other defined benefit arrangements is not in accordance with the requirements of FRS 12 "Provisions, Contingent Liabilities and Assets" as the receivable remains contingent in nature until the State formally accepts the obligation.

Accordingly: (i) the pension receivable asset, net assets and revenue reserves at 30 September 2010 should be reduced by €210 million, and (ii) the pension receivable asset, net assets and revenue reserves at 30 September 2009 should be reduced by €115million.

Except for the financial effect of the recognition of the receivable from the State referred to in the preceding paragraph, in our opinion the financial statements on pages 9 to 32 give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of affairs of the University and the University Group at 30 September 2010 and of the surplus of the University Group for the year then ended.

Other matters

We have obtained all the information and explanations we consider necessary for the purposes of our audit. In our opinion, proper books of account have been kept by the University. The balance sheet of the University is in agreement with the books of account.

In our opinion, the information given in the Bursar's Report is consistent with the financial statements.

On 25 February 2011, we reported that the Funding Statements, from which an extract is set out on pages 34 to 65, had been properly prepared in accordance with the most recent Harmonisation of Accounts Agreement.

KPMG*Chartered Accountants**Registered Auditor*

Galway

29 April 2011

STATEMENT OF ACCOUNTING POLICIES

The significant accounting policies adopted by the University are as follows:

Basis of preparation

The financial statements have been prepared in accordance with accounting standards generally accepted in Ireland. Accounting standards (generally accepted in Ireland in preparing financial statements giving a true and fair view) are those issued by the Accounting Standards Board, as promulgated by the Institute of Chartered Accountants in Ireland and the Statement of Recommended Practice: Accounting for Further and Higher Education Institutions.

Accounting convention

The financial statements have been prepared under the historical cost convention.

Basis of consolidation

The consolidated financial statements include the University and its subsidiary undertakings and other undertakings in which the University has a financial interest, as indicated in note 11. The results of subsidiaries acquired or disposed of during the period are included in the consolidated income and expenditure account from the date of acquisition or up to the date of disposal. Intra-group sales and profits are eliminated fully on consolidation.

Associates are those undertakings in which the University has a participating interest in the equity share capital and over which it is able to exercise significant influence. Associates are accounted for using the equity method and the University's share of results is included in the consolidated income and expenditure account. The University's interest in their net assets or liabilities is included as a fixed asset investment in the consolidated balance sheet at an amount representing the University's share of the fair values of the net assets at acquisition plus the University's share of post-acquisition profits or losses.

Investments in associates are shown in the University's own balance sheet at cost less provisions for impairments in value.

In accordance with FRS2, the activities of the Students Unions have not been consolidated because the University does not control those activities. The financial statements of the University Foundation are also excluded as they are not controlled by the University.

Recognition of income

Recurrent grants from the Higher Education Authority are recognised in the period in which they are receivable.

Non-recurrent grants from the Higher Education Authority or other bodies received in respect of the acquisition or construction of fixed assets are treated as deferred capital grants and amortised in line with depreciation over the life of the related assets.

Income from specific endowments and donations is included to the extent of the relevant expenditure incurred during the year, together with any related contributions towards overhead costs.

Income from research grants, contracts, non-capital government grants and other services rendered is included to the extent of the completion of the contract or service concerned. This is generally equivalent to the sum of the relevant expenditure incurred during the year and any related contributions towards overhead costs. All income from short-term deposits is credited to the income and expenditure account in the period in which it is earned.

Foreign currency translation

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into euro either at year end rates or, where they are related forward foreign exchange contracts, at contract rates. The resulting exchange differences are dealt with in the determination of income and expenditure for the financial year.

Tangible fixed assets

(a) Land and buildings

The University's buildings are valued at depreciated historical cost. Freehold land is not depreciated. Freehold buildings are depreciated over their expected useful economic life to the University – normally fifty years. Leasehold buildings are included in the balance sheet at cost and depreciated over the term of the lease.

Where land and buildings are acquired with the aid of specific grants they are capitalised and depreciated as above. The related grants are credited to a deferred capital grant account and are released to the income and expenditure account over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

STATEMENT OF ACCOUNTING POLICIES**Tangible fixed assets (continued)****(a) Land and buildings (continued)**

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable.

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

The University group has considered the application of FRS5 "Reporting the Substance of Transactions" with regard to certain assets used by the University where the legal form of these transactions would indicate that all or part of the assets are not owned by the group. The financial substance of all transactions has been reflected in the consolidated financial statements and, as such, the full value of these assets is included in tangible fixed assets.

(b) Equipment

Equipment costing less than €10,000 per individual item is written off to the income and expenditure account in the year of acquisition. All other equipment is capitalised at cost. Capitalised equipment is depreciated over its useful economic life as follows:

Computer equipment	3 years
Other equipment	5 years

Where equipment is acquired with the aid of specific grants it is capitalised and depreciated in accordance with the above policy, with the related grant being credited to a deferred capital grant account and released to the income and expenditure account over the expected useful economic life of the related equipment.

Leased assets

Leasing agreements that transfer to the University substantially all the benefits and risks of ownership of the assets are treated as if the asset had been purchased outright. The assets are included in fixed assets and the capital element of the leasing commitments is shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged to the income and expenditure account in proportion to the reducing capital element outstanding. Assets held under finance leases are capitalised and depreciated over the shorter of the lease term or the useful economic lives of equivalent owned assets.

Rental costs under operating leases are charged to expenditure in equal annual amounts over the period of the lease.

Financial assets

Fixed asset investments that are listed on a recognised stock exchange are carried at market value. Those that are not listed are carried at historical cost less any provision for impairment in their value.

Current asset investments are included in the balance sheet at the lower of their original cost and net realisable value.

Stocks

Stocks are stated at the lower of their cost and net realisable value. Where necessary, provision is made for obsolete, slow moving and defective stock. Expenditure incurred by the University on books and consumable stocks financed from recurrent grants are charged to the Income and Expenditure account.

Taxation

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.

The University does carry out some commercial activity – most notably in the research area. VAT is charged on income from this activity where appropriate.

Trading activities undertaken by the University are administered through its subsidiary companies, which as commercial organisations are liable to Corporation Tax.

STATEMENT OF ACCOUNTING POLICIES

Deferred taxation

In subsidiary companies, who do not hold a charitable status, deferred taxation is provided on all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

Timing differences are temporary differences between profits as computed for taxation purposes and profits as stated in the financial statements that arise because certain items of income and expenditure in the financial statements are dealt with in different periods for the purposes of taxation.

Deferred tax is measured at the tax rates that are expected to apply in the years in which the timing differences are expected to be reversed, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is not discounted.

A net deferred tax asset is regarded as recoverable and, therefore, only recognised 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.

Provisions

Provisions are recognised when the University has a present legal or constructive obligation as a result of a past event, it is probable that a transfer of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Retirement Benefits

The University operates the following pension schemes:

- **Joint Pension Scheme (JPS)** – this is a funded scheme providing pension benefits at retirement on a defined benefit basis.
- **Model Pension Schemes (MPS)** – this is a ‘Pay As You Go’ (PAYG) scheme providing pension benefits at retirement on a defined benefit basis.
- **Defined Contribution Schemes** and Personal Retirement Savings Accounts (PRSA).

Pension supplementation provides post-retirement pension increases to the members of JPS and MPS. It is paid from core funding for members of the JPS and on a PAYG basis for members of the MPS.

Defined Benefit Pension Schemes

There are two defined benefit pension schemes, the Joint Pension Scheme (JPS) (entrants to 31st December 2004) and Model Pension Scheme (MPS) (entrants from January 1st 2005). The actuarially-assessed present value of the various schemes’ liabilities (calculated using the projected unit credit method) is disclosed as a liability on the balance sheet.

Current service costs: These are the costs of additional benefits that scheme members accrue during the year, based on projected salaries at retirement or earlier cessation of employment. The impact for the year is recognised in the Income & Expenditure account.

Interest cost: This is interest on the defined benefit obligation, which is the total present value of the members’ attributed benefits for valuation purposes at the year-end. The impact for the year is recognised in the Income & Expenditure account.

Actuarial gains or losses: These are (a) differences between the expected and actual return on assets for the year and (b) any changes in the liabilities due to changes in assumptions or because actual experience during the year was different to that assumed. These are recognised in the statement of total recognised gains and losses (STRGL).

STATEMENT OF ACCOUNTING POLICIES**Defined Benefit Schemes (continued)**

The University considers that its pension liabilities are guaranteed by the State. As a consequence, a pension receivable asset, corresponding to the net actuarially-computed liability for pensions, is recognised on the balance sheet.

Movements on this pension receivable are included in the Income & Expenditure account (i.e. current service costs and interest cost) or in the statement of total recognised gains and losses (i.e. actuarial gains or losses) in order to mirror the underlying movement on the pension liability.

This asset is recognised on foot of :

- a) guarantees enshrined in the Financial Measures (Miscellaneous Provisions) Act, 2009 in respect of JPS pension benefits at retirement *and*
- b) the “PAYG” basis of the MPS approved under the Universities Act 1997. Údarás na hOllscoile is of the opinion that the discussions between the sector, the HEA and Government Departments represented assurances that the State will fund any cash-flow deficiencies arising from pension payment obligations.

Defined Contribution Schemes

For defined contribution schemes the assets of the schemes are held separately from the University in independently administered funds. The amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period.

Liquid resources

These include sums on short-term deposits with recognised banks and building societies and government securities.

CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT
Year Ended 30 September 2010

	Notes	Consolidated 2010 €'000	Consolidated 2009 €'000
Income			
State grants	1	65,526	79,968
Academic fees	2	96,238	85,908
Research grants and contracts	3	64,530	62,454
Amortisation of deferred capital grants	16	9,526	8,756
Other income	4	14,468	13,301
Interest income	5	2,489	2,731
Total income		252,777	253,118
Expenditure			
Staff costs	6	133,641	147,939
Other operating expenses	7	87,583	89,844
Total expenditure		221,224	237,783
Surplus for the year after depreciation of assets before taxation		31,553	15,335
Taxation	8	(11)	(21)
Surplus for the year after depreciation of assets and after taxation	9	31,542	15,314

The surplus for the year arose solely from continuing operations.

The financial statements on pages 9 to 32 were approved by Údarás na hOllscoile on 29 April 2011 and were signed on its behalf by:

James Browne
President

Nollaig MacCongáil
Registrar

CONSOLIDATED BALANCE SHEET
30 September 2010

	Notes	Consolidated		University	
		2010 €'000	2009 €'000	2010 €'000	2009 €'000
Fixed assets					
Tangible assets	10	257,438	234,594	256,681	233,620
Financial assets	11	55,207	45,510	55,207	45,510
		312,645	280,104	311,888	279,130
Current assets					
Stocks	12	77	108	72	100
Debtors	13	55,799	63,640	55,889	63,392
Cash and bank		87,959	41,101	83,273	37,033
		143,835	104,849	139,234	100,525
Creditors: Amounts falling due within one year	14	(155,990)	(116,533)	(151,014)	(111,821)
Net current liabilities		(12,155)	(11,684)	(11,780)	(11,296)
Total assets less current liabilities		300,490	268,420	300,108	267,834
Creditors: Amounts falling due after one year	15	-	(24,823)	-	(24,823)
Net assets excluding pension		300,490	243,597	300,108	243,011
Pension receivable	20	660,249	256,723	660,249	256,723
Pension liability		(660,249)	(256,723)	(660,249)	(256,723)
Net assets including pension		300,490	243,597	300,108	243,011
Represented by:					
Deferred capital grants	16	159,122	133,459	159,122	133,376
Revenue surplus	17	141,368	110,138	140,986	109,635
Total		300,490	243,597	300,108	243,011

The financial statements on pages 9 to 32 were approved by Údarás na hOllscoile on 29 April 2011 and were signed on its behalf by:

James Browne
President

Nollaig MacCongáil
Registrar

CONSOLIDATED CASH FLOW STATEMENT
For the year ended 30 September 2010

	Notes	Consolidated 2010 €'000	Consolidated 2009 €'000
Net cash inflow from operating activities	21	55,395	15,548
Returns on investment and servicing of finance			
Net interest received		2,489	2,731
Net cash inflow from returns on investment and servicing of finance		2,489	2,731
Taxation paid		(11)	(21)
Investment activities			
Expenditure on capital projects		(36,232)	(35,794)
Dividends paid		(312)	(132)
Receipts from sale of fixed assets		37	25
Investment movements		(9,697)	(2,042)
Net cash outflow from investment activities		(46,204)	(37,943)
Net cash inflow/ (outflow) before financing		11,669	(19,685)
Financing			
Capital grants received		35,189	28,656
Net cash inflow from financing		35,189	28,656
Net cash inflow after financing		46,858	8,971
Increase in cash and cash equivalents	22	46,858	8,971

CONSOLIDATED STATEMENT OF HISTORIC COST SURPLUSES AND DEFICITS
Year Ended 30 September 2010

There are no material differences between the historical cost profit and the reported profit in 2009 or 2010.

CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
Year Ended 30 September 2010

		2010	2009
		€'000	€'000
Surplus on continuing operations after depreciation of assets at valuation, disposal of assets and tax		31,542	15,314
Actuarial (loss)/gain in respect of pension schemes	20	(109,934)	19,152
Adjustment to opening liabilities on pension supplementation	20	(47,250)	-
Movement on pension receivable	20	157,184	(19,152)
		<hr/>	<hr/>
Total recognised gains and losses relating to the year		31,542	15,314
		<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS

1 State grants	2010	2009
	€'000	€'000
State grants allocated for recurrent purposes	65,526	79,968

The above grant income was received predominantly from the Higher Education Authority and the Department of Health and Children. It includes amounts received from the HEA of €57.816m (2009: €71.088m).

1a. Deferred Income	2010	2009
	€'000	€'000
State grant received in respect of current year	63,396	75,197
State grant deferred from prior accounting year	16,203	20,974
State grant deferred to subsequent accounting years	(14,073)	(16,203)
State grant per financial statements (see above)	65,526	79,968

State funding is allocated on a calendar year basis. The university financial year is based on the academic year from October to September. In accordance with the university's accounting policies recurrent grants have been recognised on an accruals basis. In any accounting year, therefore an element of funding will be deferred to subsequent accounting periods in order to match the funding to the related expenditure.

2 Academic fees	2010	2009
	€'000	€'000
Academic fee income	95,765	85,535
Miscellaneous fee income	473	373
Total fees paid by or on behalf of individual students	96,238	85,908

A total of €40.688m in academic fee income was received from the HEA (2009- €38.241m).

2a. Student Service Charge	2010	2009
	€'000	€'000
Income from student service charge	18,159	12,161
Less reduction in state grant	(2,428)	(2,337)
	15,731	9,824
Expenditure		
Student service costs	1,947	1,942
Examination costs	1,939	1,972
Space costs associated with student facilities	1,644	1,621
Costs relating to registration, fees, admissions and records	1,921	1,856
Capitation grants	4,121	3,968
Careers, Sport and Health	2,526	3,067
Library and computer service	13,703	14,291
Total expenditure	27,801	28,717
Shortfall	(12,070)	(18,893)

Income from the student service charge represents a contribution towards the cost of student services provided by the university. The academic fees figure above includes this income.

NOTES TO THE FINANCIAL STATEMENTS

3 Research grants and contracts	2010	2009
	€'000	€'000
State and semi-state	50,931	47,795
European Union	5,788	6,238
Industry	3,663	3,847
Other	4,148	4,574
	<hr/>	<hr/>
	64,530	62,454
4 Other income	2010	2009
	€'000	€'000
Other rental and licence income	1,704	1,069
Funded post income	2,051	2,202
Other income	5,066	4,879
Catering	1,507	1,080
Student accommodation	4,140	4,071
	<hr/>	<hr/>
	14,468	13,301
5 Interest income	2010	2009
	€'000	€'000
Interest income	2,489	2,731
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS

6 Staff costs

The average weekly number of persons (including senior post-holders) employed by the University during the period, expressed as full-time equivalent was:

	2010	2009
	Number	Number
Teaching and research	1,309	1,312
Technical	114	120
Central administration and services	812	836
Other	39	52
	<u>2,274</u>	<u>2,320</u>
	2010	2009
	€'000	€'000
Salaries and wages	115,371	127,451
Social welfare costs	9,068	10,049
Other pension costs (note 20)	9,202	10,439
	<u>133,641</u>	<u>147,939</u>
	2010	2009
	€'000	€'000
Interest on pension liabilities	(30,315)	(28,628)
Expected return on pension plan assets	14,568	15,247
	<u>(15,747)</u>	<u>(13,381)</u>
Movement on pension receivable to offset pension expense	15,747	13,381
Net charge to income statement	<u><u>-</u></u>	<u><u>-</u></u>
7 Other operating expenses	2010	2009
	€'000	€'000
Prizes, scholarships and fellowships	3,291	3,149
Repairs and maintenance (including computer)	9,727	9,710
Travel, subsistence and relocation costs	3,651	4,299
Non-pay recurrent costs for research projects	25,078	25,732
Consumables (laboratories, etc)	1,316	1,361
Books, periodicals and journals	2,198	2,219
Professional, audit and legal (incl. consultancy and recruitment)	5,297	5,554
Printing and stationery	2,200	2,395
Light and heat	2,921	3,043
Rent and rates	1,828	1,861
Cleaning and waste disposal	1,807	1,502
Insurance	1,184	964
Marketing and promotion	998	1,003
Depreciation	13,342	14,066
Other	9,349	9,929
Non-pay costs for subsidiaries	3,268	2,929
Bank fees and charges	128	105
Bank interest	-	23
	<u>87,583</u>	<u>89,844</u>

NOTES TO THE FINANCIAL STATEMENTS

	2010	2009
	€'000	€'000
7 Other operating expenses – continued		
Other operating expenses include:		
Auditors' remuneration:		
- External audit	80	122
- Internal audit	328	290

8 Taxation

The majority of the University's activities are not liable to corporation taxation. The corporation taxation charge in the period in respect of trading activities administered through subsidiary companies amounted to €11,000 (2009: €21,000).

Deferred taxation in the period amounted to €nil (2009: €nil).

	2010	2009
	€'000	€'000
9 Surplus after taxation on continuing operations for the year		
The surplus after tax on continuing operations for the year is made up as follows:		
University's surplus for the year	31,351	14,930
Surplus generated by the subsidiary undertakings	191	384
	<hr/>	<hr/>
Total	31,542	15,314
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS

10. Tangible fixed assets	Land and buildings €000s	Equipment €000s	Assets in course of construction €000s	Total €000s
GROUP				
Cost				
At 1 October 2009	248,484	108,810	11,269	368,563
Additions	6,224	6,536	23,472	36,232
Transfer from assets in course of construction	201	-	(201)	-
Disposals	-	(362)	-	(362)
At 30 September 2010	254,909	114,984	34,540	404,433
Depreciation				
At 1 October 2009	45,628	88,341	-	133,969
Charge for year	5,630	7,712	-	13,342
Disposals	-	(316)	-	(316)
At 30 September 2010	51,258	95,737	-	146,995
Net book value				
At 1 October 2009	202,856	20,469	11,269	234,594
At 30 September 2010	203,651	19,247	34,540	257,438

This category includes € 31.192m in relation to two buildings that have been accounted for in accordance with Financial Reporting Standard 5 “Reporting the substance of transactions”, issued by the Accounting Standards Board. These buildings were completed in 2004 under S.843 legislation. While these buildings are legally owned by a special purpose finance company, the commercial effect of the transactions surrounding the sale and ultimate repurchase of these buildings is that the University continues to bear all significant benefits and risks relating to the land and buildings.

Land and buildings include €1.261m (historical cost) (2009: €1.261m) in respect of freehold land that is not depreciated.

NOTES TO THE FINANCIAL STATEMENTS

10 Tangible fixed assets – continued

	Land and buildings	Equipment	Assets in course of construction	Total
	€'000	€'000	€'000	€'000
UNIVERSITY				
Cost				
At 1 October 2009	248,484	106,854	11,269	366,607
Additions	6,224	6,403	23,472	36,099
Transfer from assets in course of construction	201	-	(201)	-
Disposals	-	(30)		(30)
At 30 September 2010	254,909	113,227	34,540	402,676
Depreciation				
At 1 October 2009	45,628	87,359	-	132,987
Charge for year	5,630	7,391	-	13,021
Disposals	-	(13)	-	(13)
At 30 September 2010	51,258	94,737	-	145,995
Net book value				
At 1 October 2009	202,856	19,495	11,269	233,620
At 30 September 2010	203,651	18,490	34,540	256,681

Land and buildings include €1.261m (historical cost) (2009: €1.261m) in respect of freehold land that is not depreciated.

NOTES TO THE FINANCIAL STATEMENTS

11 Financial assets	Consolidated		University	
	2010 €'000	2009 €'000	2010 €'000	2009 €'000
Investments at the year end were held as follows:				
University – other investments	55,207	45,510	55,207	45,510

Included above is €24.5m (2009: €24.2m) set aside as sinking funds under the terms of the financing agreement associated with Sec.843 funding. These funds will be used to acquire full legal ownership of the Sec.843 properties (see note 10).

The University held an interest in the following subsidiary and associate undertakings:

Subsidiary undertakings	Principal activity	Interest %
Galway University Press Ltd.	Press	100%
Tionól Teo.	Conferences	100%
UCG Research Applications Ltd.	Holding company	100%
Maoin Champais Teo.	Leasing	100%
Endenline Limited	Educational infrastructure development	100%
Atalia Student Residences Limited	Operation of student residences	100%
Athrutech Limited	IP rights	100%
College Campus Radio Ltd.	Radio programming	100%
CCG. Aonad Slainte do Mhicleinn Teo.	University health unit	n/a
Associated undertakings		
Bimini Ltd.	IP rights	28%

The registered office and place of work for each of the subsidiary and associated undertakings is NUI, Galway. These investments were carried at €nil (2009: €nil).

12 Stocks	Consolidated and University	
	2010 €'000	2009 €'000
University	72	100
Subsidiaries	5	8
	<u>77</u>	<u>108</u>

There is no material difference between the balance sheet amount of stocks and its replacement cost.

13 Debtors	Consolidated		University	
	2010 €'000	2009 €'000	2010 €'000	2009 €'000
Research balances	44,548	44,616	44,548	44,616
Prepayment for academic books and journals	408	560	408	560
Other debtors	2,374	927	1,549	473
Academic fees	1,012	640	1,012	640
Accounts receivable	7,123	6,824	7,123	6,824
NUI levy prepaid	200	349	200	349
Pension fund balance	-	9,530	-	9,530
Staff housing loans	134	194	134	194
Intercompany balances	-	-	915	206
	<u>55,799</u>	<u>63,640</u>	<u>55,889</u>	<u>63,392</u>

NOTES TO THE FINANCIAL STATEMENTS

14 Creditors: Amounts falling due within one year	Consolidated		University	
	2010 €'000	2009 €'000	2010 €'000	2009 €'000
Trade creditors and accruals	38,727	28,603	33,266	23,771
Pension accruals (schemes/NPRF)	14,900	-	14,900	-
Research grants and contracts in advance	51,882	54,391	51,882	54,391
Retention monies	843	301	843	301
Fees received in advance	12,625	17,035	12,625	17,035
S.843 funding of capital developments (note 10)	24,758	-	24,758	-
Intercompany balances	-	-	485	120
State grants received in advance	12,255	16,203	12,255	16,203
	<u>155,990</u>	<u>116,533</u>	<u>151,014</u>	<u>111,821</u>

15 Creditors: Amounts falling due after one year	Consolidated		University	
	2010 €'000	2009 €'000	2010 €'000	2009 €'000
S.843 funding of capital developments	-	24,823	-	24,823

16 Deferred capital grants	HEA	Other grants/ benefactors	Total
	€'000	€'000	€'000
Consolidated			
At 1 October 2009			
Buildings	79,227	38,659	117,886
Equipment	9,245	6,328	15,573
Total	<u>88,472</u>	<u>44,987</u>	<u>133,459</u>
Cash received			
Buildings	20,299	12,074	32,373
Equipment	1,402	1,414	2,816
Total	<u>21,701</u>	<u>13,488</u>	<u>35,189</u>
Released to income and expenditure			
Buildings	(2,727)	(1,405)	(4,132)
Equipment	(3,100)	(2,294)	(5,394)
Total	<u>(5,827)</u>	<u>(3,699)</u>	<u>(9,526)</u>
At 30 September 2010			
Buildings	96,799	49,328	146,127
Equipment	7,547	5,448	12,995
Total	<u>104,346</u>	<u>54,776</u>	<u>159,122</u>

NOTES TO THE FINANCIAL STATEMENTS

16 Deferred capital grants (continued)	HEA	Other grants/ benefactors	Total
University	€'000	€'000	€'000
At 1 October 2009			
Buildings	79,227	38,659	117,886
Equipment	9,245	6,245	15,490
Total	88,472	44,904	133,376
Cash received			
Buildings	20,299	12,074	32,373
Equipment	1,402	1,497	2,899
Total	21,701	13,571	35,272
Released to income and expenditure			
Buildings	(2,727)	(1,405)	(4,132)
Equipment	(3,100)	(2,294)	(5,394)
Total	(5,827)	(3,699)	(9,526)
At 30 September 2010			
Buildings	96,799	49,328	146,127
Equipment	7,547	5,448	12,995
Total	104,346	54,776	159,122

17 Reconciliation of movement of reserves	Consolidated 2010 €000s	Consolidated 2009 €000s	University 2010 €000s	University 2009 €000s
Opening reserves at 1 st October	110,138	94,956	109,635	94,706
Total recognised gains and losses relating to the year	31,542	15,314	31,351	14,929
Dividends	(312)	(132)	-	-
Closing reserves at 30 th September	141,368	110,138	140,986	109,635

18 Capital commitments	Consolidated		University	
	2010 €'000	2009 €'000	2010 €'000	2009 €'000
Contracted for but not provided	71,957	45,677	71,957	45,677
Authorised but not contracted out	63,890	101,467	63,890	101,467

NOTES TO THE FINANCIAL STATEMENTS

19 Related parties

Maoin Champais Teo is a wholly owned subsidiary company that provides property under lease terms for the provision of education to students. The University continues to support the working capital requirements of the Company and as of 30th September, 2010 was owed €48,493 (2009: €74,331).

Endenline Limited is a wholly owned subsidiary company and its principal activity is the construction of University properties. The University has made payments in respect of development work done as well as purchasing properties from it and, as of 30 September 2010 owed the subsidiary €326,883 (2009: €474,123).

Tionól Teo is a wholly owned subsidiary company and its principal function is to operate the University conferencing activities. The University has loaned €62,775 to it, which is fully provided for. There has been no change to this loan balance as of 30th September 2010 and 2009.

UCG Research Applications Limited is a wholly owned subsidiary company incorporated as a holding entity for the University's investments in, predominantly, intellectual property (IP) companies in which it has some active involvement. The University owed € 86,517 to the company as at 30 September, 2010 (2009: €87,849).

Galway University Press Limited is a wholly owned subsidiary company incorporated to assist academic staff of the University in printing and publishing their work. The University continues to support the working capital requirements of the Company and as of 30th September, 2010 was owed € 12,447 (2009: €10,535).

Atalia Student Residences Limited is a wholly owned subsidiary company incorporated to operate the student residences of Galway Student Residences and Corrib Village on behalf of the University. The University continues to support the working capital requirements of the Company and as of 30th September, 2010 was owed €15 (2009: €15).

Athrutech Limited is a wholly owned subsidiary company incorporated to operate as a patent holding company. Its objectives are to license/sell its technologies, IP and patent portfolio to industry and other third parties. The University supports the working capital requirements of the Company and as of 30th September, 2010 was owed €845,732 (2009: €651,818).

CCG Aonad Sláinte do MhicLéinn Teoranta is a company limited by guarantee and not having a share capital. Its principal activity is the operation of the health centre in NUIG. The University as of 30th September, 2010 owed €72,252 to the company (2009: €nil).

College Campus Radio Limited is formally an associate company of the University. In 2010, the University increased its holding from 45% to 100%. The company commenced broadcasting in November 1995. It continues to meet, primarily, the radio entertainment needs of third-level students in the Galway City area. There were no intercompany balances as at 30 September 2010 or 2009.

Bimini Limited is an associate company of the University. The University has a 28% holding. The company holds a patent. It accounts for the income and related expenses of this patent through the company. There were no intercompany balances as at 30 September 2010 or 2009.

The companies **Áras na Mac Léinn Teo** and **Gaelstór Teo (Líonta Teo)** have all been dormant for some time. Strike-off (voluntary) notices have been sought and received for both **Áras na MacLéinn Teo.** and **Gaelstór Teo.**

Steps have also been taken (and progress is well advanced) in requesting the Companies Registration Office to issue strike-off (voluntary) notices for **An Fhiontarlann Teo.** The process is expected to be concluded in late-Spring or early-Summer 2011 for this company.

NOTES TO THE FINANCIAL STATEMENTS**20 Retirement benefits**

The University operates both defined benefit and defined contribution pension schemes.

Defined contribution and PRSA pension schemes

The University operates both defined contribution and PRSA schemes to cater for the specific circumstances of its employees. These schemes seek to ensure that both the requirements of the relevant employees and the responsibilities of the University are properly addressed. The defined contribution schemes currently have no members and are in the process of being wound down. This winding down process is expected to conclude in 2011. The pension charge for the period represents contributions payable by the University to the scheme and amounted to €nil (2009: €nil).

Defined benefit pension schemes

Funded assets of the Joint Pension Scheme (JPS) had been managed for many years by Bank of Ireland Asset Management.

On foot of an EU Directive, the Protection of Employee Acts 2001 and 2003 extended pension benefits to part-time and fixed term workers. This resulted in significant increased membership of the JPS and significantly increased employer liabilities for provision of pension benefits. The University immediately entered into negotiations with the University Sector and relevant Government Departments in relation to the funding of these statutory liabilities.

Following these negotiations, the Higher Education Authority wrote to the University conveying its consent for the operation of the Model Pension Scheme (MPS) on an administrative basis in accordance with the terms of the model schemes for non-commercial State Bodies. The scheme provides both pension benefits at retirement and post-retirement pension increases to relevant staff appointed from 1 January 2005 on a pay as you go (PAYG) basis.

Further discussions over a number of years between the University sector, the HEA and Government Departments in relation to a long term provision for pension arrangements in the sector concluded in 2009 with significant legislative changes being introduced in the form of the Financial Measures (Miscellaneous Provisions) Act 2009. This Act came into force on 26 June 2009. It makes legal provision for (a) the State to underwrite the net pension liabilities of the JPS and (b) the transfer of the scheme's assets to the State (National Pension Reserve Fund).

Under this Act, a Transfer Order for the JPS was executed on 31 March 2010, and as provided for in the enabling legislation:

- the pension assets were transferred to the National Pension Reserve Fund
- JPS became National University of Ireland, Galway (Closed) Pension Scheme 2010
- the University and each member continues to contribute at the same rate as previously
- the obligation to pay benefits in accordance with the pension scheme rules remains an obligation of the University in relation to the scheme
- if the aggregate of the members and employer's contributions paid or withheld are insufficient to meet the University's obligations to pay these benefits in accordance with the scheme, the Minister for Finance shall make good the deficiency by payments to the University from funds provided by the Oireachtas for this purpose.

Accordingly the University believes that it is appropriate to recognise a pension receivable asset in respect of this scheme.

NOTES TO THE FINANCIAL STATEMENTS

20 Retirement benefits (continued)

Although the legislation relates specifically to the JPS the University believes that the discussions between the University sector, HEA and Government Departments represents assurances that the State will meet all future pension liabilities of all defined benefit schemes (including supplementation) on a “Pay As You Go” basis for all categories of staff. Accordingly the University has recognised a matching pension receivable in the balance sheet at an amount equivalent to the full pension liability for all defined benefit schemes for each reported period.

The following disclosures comply with those required under FRS17: Retirement Benefits. FRS17 stipulates the methodology for deriving assumptions to be used in calculating the University’s pension liabilities and requires disclosure of the University’s full pension liability including the liability for post-retirement pension increases payable to pensioners.

The last full actuarial valuation was at 30 September 2005. The valuation of the pension liabilities for the purposes of FRS17 disclosures has been based on actuarial data as at 30 September 2008, updated to 30 September, 2009 and 2010. The valuation assumptions have been amended to take account of the requirements of FRS17.

The following tables elaborate further on the basis/calculation of the pension liability.

	At year- end 30 September 2010 (€000s)	At year- end 30 September 2009 (€000s)
<i>Change in benefit obligation</i>		
Benefit obligation at start of year	472,606	464,686
Service cost	16,964	20,562
Interest cost	30,315	28,628
Plan participants' contribution	5,090	5,181
Actuarial loss/(gain)	104,461	(29,952)
Adjustment to opening pension supplementation	47,250	-
Benefits paid	(16,437)	(16,499)
Benefit obligation at end of year	660,249	472,606
<i>Change in plan assets</i>		
Fair value of plan assets at start of year	215,883	212,315
Expected return on plan assets	14,568	15,247
Transfer of assets to NPRF	(215,712)	-
Reclassification to financial assets (Note 11)	(7,121)	-
Actuarial gain/(loss)	(5,473)	(10,800)
Employer contributions	9,202	10,439
Plan participants' contribution	5,090	5,181
Benefits paid from plan	(16,437)	(16,499)
Fair value of plan assets at end of year	-	215,883
Pension receivable from State	660,249	256,723
Total asset value at end of year	660,249	472,606

NOTES TO THE FINANCIAL STATEMENTS

20 Retirement benefits (continued)

The adjustment to opening pension supplementation in 2010 arises because of a required adjustment to reflect supplementation in payment within the base actuarial data on which the computations are calculated.

	At year- end 30 September 2010 (€000s)	At year- end 30 September 2009 (€000s)
<i>Change in pension receivable from State</i>		
Opening receivable	256,723	252,371
Movement included in STGRL	157,184	(19,152)
Movement included in interest expense	15,747	13,381
Investments reclassified to financial assets	7,121	-
Movement included in staff costs	7,762	10,123
Transfer of assets to NPRF	215,712	-
Closing pension receivable	660,249	256,723
<i>Amounts recognised in balance sheet</i>		
Present value of scheme liabilities	660,249	472,606
Fair value of plan assets	-	215,883
Net pension liability	<u>660,249</u>	<u>256,723</u>
Pension receivable and net deficit	660,249	256,723
Net pension deficit	<u>-</u>	<u>-</u>
<i>Components of pension expense</i>		
<i>Staff costs</i>		
Current service costs	16,964	20,562
Movement on pension receivable	(7,762)	(10,123)
Amount recognised in I&E account	<u>9,202</u>	<u>10,439</u>
<i>Finance interest (income)/cost</i>		
Interest cost	30,315	28,628
Expected return on plan assets	(14,568)	(15,247)
Movement on pension receivable	15,747	13,381
Amount recognised in I&E account	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS

20 Retirement benefits (continued)

Components of pension expense (continued)

	At year- end 30 September 2010 (€000s)	At year- end 30 September 2009 (€000s)
<i>Statement of total recognised gains and losses</i>		
Actuarial losses/(gains) immediately recognised	157,184	(19,152)
Movement in pension receivable	(157,184)	19,152
Total pension cost recognised in STRGL	-	-

Weighted average assumptions**Weighted average assumptions used to determine benefit obligations**

Discount rate	4.40%	5.80%
Rate of compensation increase	3.00%	3.50%
Pension supplementation	2.25%	2.50%
Revaluation in deferment	1.75%	2.00%

Weighted average assumptions used to determine pension expense for year-ended

Discount rate	5.80%	6.10%
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Weighted average life expectancy for mortality tables used to determine benefit obligations at:

Male member age 65 (current life expectancy)	22.8	20.7
Female member age 65 (current life expectancy)	24.4	23.8
Male member age 40 (life expectancy at age 65)	26.1	21.8
Female member age 40 (life expectancy at age 65)	27.1	24.8

NOTES TO THE FINANCIAL STATEMENTS

20 Retirement benefits (continued)

History of defined benefit obligations, assets and experience gains and losses

Financial year ending 30 September

	2010	2009	2008	2007	2006
	€000s	€000s	€000s	€000s	€000s
Defined benefit obligation	660,249	472,606	464,686	446,009	481,879
Fair value of plan assets	-	215,883	212,315	280,896	267,024
Pension receivable from State	660,249	256,723	252,371	165,113	214,855
Deficit	-	-	-	-	-
Difference between expected and actual return on plan assets	N/A	10,800	88,620	8,012	(13,036)
% of plan assets	N/A	5.00%	41.74%	2.85%	(4.88%)
Experience (gains)/losses on plan liabilities	(36,349)	11,894	22,733	3,341	10,658
% of plan liabilities	(5.51%)	2.52%	4.89%	0.75%	2.21%

21 Reconciliation of consolidated operating surplus to net cash inflow from operating activities

	2010	2009
	€'000	€'000
Surplus on continuing operations after depreciation of assets	31,553	15,335
Net interest received	(2,489)	(2,731)
Loss on disposal of tangible fixed assets	9	306
Depreciation	13,342	14,066
Decrease/increase in debtors	7,841	(8,319)
Decrease in stock	31	16
Increase in creditors	14,634	5,631
Deferred capital grants released to income	(9,526)	(8,756)
Net cash inflow from operating activities	55,395	15,548

NOTES TO THE FINANCIAL STATEMENTS

22 Analysis of changes in cash and cash equivalents

	2010	2009
	€'000	€'000
Balance at 1st October	41,101	32,130
Net cash inflow in year	46,858	8,971
	<hr/>	
Balance at 30th September	87,959	41,101
	<hr/>	

23 Contingent liabilities

The University is involved in a number of legal actions arising in the ordinary course of business. No material adverse impact in the financial position of the University is expected to arise from the ultimate resolution of these actions.

24 Comparative figures

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

25 Approval of financial statements

Údarás na hOllscoile approved the consolidated financial statements on 29 April 2011.

RECONCILIATION OF HEA SURPLUS/(DEFICIT) TO GAAP SURPLUS

	2010	2009
	€'000	€'000
Surplus/(deficit) as per HEA financial statements	2,780	(4,369)
Capital grant amortisation (including subsidiaries)	9,526	8,756
Pension costs adjustment	7,206	1,441
Reversal of capital project funding from I&E account	15,358	7,775
Adjustment to income from research activity	3,412	4,960
Economic fees reversed from Development Fund	3,093	1,891
Income from subsidiaries (excluding capital grant amortisation)	4,657	4,545
Refurbishment capitalised	221	79
Alignment of income for Corrib Village and biotechnology centre	(63)	140
Capital expenditure aligned	1,236	1,999
Accrued sundry expenditure for post-year end entries	953	(863)
Expenditure from subsidiaries (excluding depreciation)	(4,148)	(4,161)
Net internal balances reversal	(214)	810
Depreciation (including subsidiaries' depreciation)	(13,342)	(14,067)
Reversal of provision under Protection of Employees Acts 2001 and 2003	-	6,812
Bank interest receivable accrued in consolidated accounts	-	(413)
Insurance proceeds	950	-
Intercompany provision reversal	(72)	-
	<hr/>	<hr/>
Surplus as per consolidated GAAP financial statements	31,553	15,335
	<hr/>	<hr/>

The above reconciliation is additional information not forming part of the consolidated financial statements.

HEA FINANCIAL STATEMENTS

National University of Ireland, Galway
Ollscoil na hÉireann, Gaillimh

HEA Cuntais

na bliana dar chríoch 30 Meán Fómhair, 2010

HEA financial statements

for year ended 30 September, 2010

HEA FINANCIAL STATEMENTS

Tá gnéithe den chaiteachas Caipitiúil agus Reatha araon arna dtuairisciú sna Ráitis Airgeadais seo maoinithe faoi cheann amháin nó níos mó de na cláir seo a leanas arna riaradh ag an UAO.

Elements of both Capital and Recurrent expenditure reported in these Financial Statements, have been funded under one or more of the following programmes administered by the HEA



HEA FINANCIAL STATEMENTS

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HEA FINANCIAL STATEMENTS

Ráiteas Dualgas

Ceanglaítear ar an Ollscoil Acht na nOllscoileanna 1997 a chomhlíonadh agus na cuntais go léir is cuí agus is gnách ar airgead a gheobhaidh an Ollscoil nó a chaithfidh sí a choimeád san fhoirm a cheanglóidh an comhaontú um Chomhchuibhiú Cuntas Airgeadais arna ghlacadh ag gach Ollscoil Éireannach. Nuair a bheidh na cuntais sin á n-ullmhú aici, ceanglófar na nithe seo a leanas ar an Ollscoil:

:

- Beartais chuntasaíochta chuí a roghnú a bheidh de réir an chomhaontaithe maidir le Comhchuibhriú Cuntas Airgeadais agus iad a chur i bhfeidhm go leanúnach;
- Breithiúnais agus meastacháin a dhéanamh atá réasúnach agus ciallmhar;
- Na ráitis airgeadais a ullmhú ar bhonn gnóthais leantaigh ach amháin mura cuí an bonn sin.

Tá an Ollscoil freagrach as leabhair chuntais chuí a choimeád a nochtann ag am ar bith staid airgeadais na hOllscoile agus a chumasaíonn di a chinntiú go n-ullmhaítear a ráitis airgeadais de réir an chomhaontaithe um Chomhchuibhiú Cuntas Airgeadais agus a chinntiú go bhfuil a ráitis airgeadais ag comhlíonadh Acht na nOllscoileanna, 1997.

Ullmhófar sraith eile ráitis airgeadais le comhlíonadh agus beidh siad de réir prionsabail chuntasaíochta a nglactar leo go coitianta in Éirinn agus sa Ríocht Aontaithe cé go n-ullmhaítear na ráitis airgeadais seo don Údarás um Ard-Oideachas de réir an chomhaontaithe maidir le Comhchuibhriú Cuntas Airgeadais.

Ullmhaíodh na ráitis airgeadais de réir théarmaí an ráitis airgeadais roimhe seo agus rinne KPMG, iniúcháirí bainistíochta na hOllscoile, iniúchadh orthu.

Ba chóir a thabhairt faoi deara gurb é an tArd-Reachtair Cuntas agus Ciste iniúcháir reachtúil na hOllscoile.

Ar son Údarás na hOllscoile

HEA FINANCIAL STATEMENTS

Tuarascáil an Sparánaí**Réamhrá**

Ullmhaíodh na ráitis airgeadais faoi iamh faoi choinbhinsiún an chostais stairiúil agus i gcomhréir leis na beartais chuntasaíochta a aontaíodh ag leibhéal earnáil na nOllscoileanna i 1998 agus a leagtar amach sna nótaí ar leathanach 42 go dtí 44.

Chríochnaigh an bhliain airgeadais, ar bhliain urghnách a bhí inti ar go leor bealaí, an 30 Meán Fómhair 2010. De bhrí gur in olcas atá staid an gheilleagair ag dul, rinneadh gearradh breis agus 20% ar an Deontas Stáit agus thit go leor den ualach a bhain leis an gcoigeartú seo ar fhoireann agus ar mhic léinn na hOllscoile. Ag tús na bliana acadúla rinneadh ardú 67% (i.e. ó €900 go €1500) ar an táille sheanbhunaithe neamhtheagaisc. Gearradh 7% ar an meán (idir 5% agus 15%) ar rátaí pá na foirne i mí Eanáir 2010. Tháinig na laghduithe pá seo sa mhullach ar an Tobhach Pinsin a raibh an laghdú céanna i gceist leis agus a gearradh orthu an bhliain roimhe sin.

Bhí an-tionchar ag an gCreat um Rialú Fostaíochta, creat a tháinig in ionad an moratorium ar earcaíocht a cuireadh i bhfeidhm an bhliain roimhe sin, ar na mic léinn agus ar an bhfoireann. Sa dá bhliain dar chríoch Meán Fómhair 2010, tháinig méadú 8% ar líon iomlán na mac léinn agus tháinig laghdú 5% ar líon na foirne. Is léir gur chuir an méid sin brú ar phobal na hOllscoile, agus tá an dá ghrúpa le moladh as “méadú ar an táirgeacht” de thart ar 15% a sheasamh sa tréimhse sin.

Tionscnaimh Fuinnimh

Le hiarracht a dhéanamh bheith níos éifeachtaí ainneoin níos lú acmhainní a bheith ar fáil, cuireadh tús le tionscnaimh éagsúla i réimse na hacadúlachta agus i réimse na tacaíochta d’fhonn cur leis an bhfeidhmíocht agus leis an tseirbhís. Sna réimsí seirbhísí tacaíochta rinne comhairleoirí seachtracha scrúdú ar mhúnlaí “seirbhíse roinnte” mar mhodh leis an tseirbhís a fheabhsú agus costais a laghdú. Is fiú a lua gur theip ar chúpla ceann de na staidéir sin a léiriú go raibh cás soiléir gnó ann le forbairt den sórt sin a dhéanamh sna sainchásanna a scrúdaíodh. D’fhéadfadh sé go raibh sin amhlaidh de bhrí go bhfuil infheistiú mór déanta ag an Ollscoil, ar móreagraíocht fhorásach í, le blianta i gcaighdeánú agus in uathoibriú a príomhphróiseas gnó, agus de bhrí go bhfuil an chuid is mó de na bearta éifeachtúlachta a bhí indéanta curtha i gcrích aici cheana féin. Ina ainneoin sin, is gnéithe tábhachtacha de straitéis na hOllscoile maidir le hacmhainní a chur ar fáil athbhreithnithe eile a dhéanamh agus, go háirithe, tuilleadh caighdeánaithe agus uathoibríthe a dhéanamh.

Éachtaí Suntasacha Eile

Tá beagnach €60m faighte i ndeontais PRTL 5 d’áiseanna taighde agus do chláir thaighde. D’éirigh linn an maoiniú seo, a tháinig ón Stát agus ó dheontóirí daonchairdiúla araon, a aimsiú ainneoin go raibh an-iomaíocht ann dó ar bhonn Náisiúnta.

Gach sprioc airgeadais a bhaint amach tráth a bhfuil géarchéim sa gheilleagar.

HEA FINANCIAL STATEMENTS

Tuarascáil an Sparánaí ar lean

Tar éis beagnach seacht mbliana idirbheartaíochta, fuarthas réiteach ar cheist chearta pinsin na foirne páirtaimseartha agus na foirne ar conradh bunaithe ar an Reachtaíocht um Chosaint Fostaithe 2001 agus 2003. Méadaíodh an líon foirne atá i dteideal pinsin ó faoi 1,000 in 2003 go dtí os cionn 2,500 in 2010. I Márta 2010 aistríodh Comhchiste Pinsin na hOllscoile, arbh fhiú €275m é i mí Mheán Fómhair 2007 chuig an Stát agus is é an Stát atá freagrach anois as sochair phinsin a bhaineann leis.

Cuireadh €36m leis an gClár Forbartha Bonneagair 2005-2015, bunaithe ar mhaoiniú ón Stát agus ar mhaoiniú príobháideach do thionscail amhail taighde Saolré, Síceolaíocht, an Bhialann, Bailiúcháin Speisialta na Leabharlainne, trealamh acadúil agus riaráiste cothabhála.

Cé go raibh titim idir 2% agus 26% ar an díolachán sa bhialann ar an gcampas ón mbliain roimhe sin, tá méadú timpeall 10% ar ghnó ó chomhdhálacha ón mbliain roimhe sin.

An Todhchaí

Léiríonn an staid ina bhfuil cúrsaí, mar a léirítear thuas é, a mhéad is féidir le pobal na hOllscoile a bhaint amach ach oibriú as lámh a chéile agus oibriú i gcomhar le comhpháirtithe réigiúnacha, náisiúnta agus idirnáisiúnta. Is é an cumas seo atá ionainn tabhairt faoi dhúshlán mhóra agus iad a shárú an buntáiste is mó atá againn agus aghaidh á tabhairt againn ar an tréimhse neamhchinnte atá romhainn as seo go ceann cúpla bliain.

Aithníodh go raibh easnamh 20bn ar mhaoiniú an Stáit in 2009 (caiteachas €50bn, lúide ioncam €30bn). Ainneoin na lagduithe caiteachais a bheith curtha i bhfeidhm agus ainneoin na n-arduithe cánach ar fiú €15bn san iomlán iad go dtí seo, (ón Tobhach Pinsin a tháinig 50% de agus ón laghdú ar phá san Earnáil Phoiblí an 50% eile) is ar éigean atá aon athrú ar an easnamh sin. Le haghaidh a thabhairt ar an gcás seo, molann an Rialtas coigeartuithe breise timpeall €15bn a dhéanamh as seo go ceann cúpla bliain. Meastar go gcuirfear €6bn nó 40% den choigeartú seo i bhfeidhm i mbliain féilire 2011, agus gur laghdú caiteachais 67% agus méadú 33% ar chánacha a bheidh i gceist. Chiallóidh sin go mbeadh gearradh 8% ar chaiteachas poiblí in 2011.

Dá réir sin, is dócha go mbeidh ranníocaíochtaí de dhíth ó fhoinsí éagsúla arís, na cinn thuasluaite san áireamh.

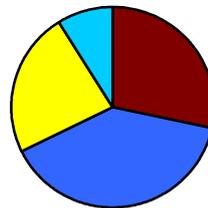
*Mary C. Dooley, FCA, MBA,
Sparánaí*

25 Feabhra, 2011

HEA FINANCIAL STATEMENTS

Ioncam Reatha 2009-2010

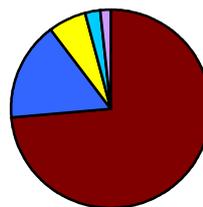
• Deontais Stáit	€65.1 m	28%
• Táillí na Macléinn	€91.3 m	40%
• Deontais Taighde	€53.3 m	23%
• Ioncaim Eile	€20.6 m	9%



Tá ioncam iomlán na bliana cothrom leis an ioncam a tuairiscíodh anuraidh. Léiríonn sé sin méadú ar tháillí mac léinn agus laghdú ar Dheontais Stáit. Léiríonn ioncam ó Thionscadail agus deontais taighde méadú de 1% i rith na bliana.

Caiteachas Reatha 2009-2010

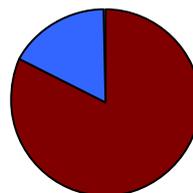
• Acadúla	€167.3 m	73%
• Foirgnimh	€37.1 m	16%
• Riarachán	€13.5 m	6%
• Seirbhísí Macléinn	€5.7 m	3%
• Eile	€3.9 m	2%



Tháinig laghdú de 3 % ar an gcaiteachas.

Caiteachas Caipitil 2009-2010

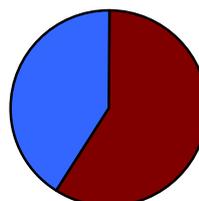
• Foirgnimh	€29.4 m
• Trealamh	€6.4 m



Léiríonn na cuntais a ndearnadh iniúchadh orthu caiteachas caipitil de €35.8 m i rith na bliana, a mhiondealaítear ina €29.4m ar fhoirgnimh agus €6.4m ar threalamh.

Deontais Caipitil 2009-2010

• ÚAO	€21.7 m
• Neamhspléach	€14.9 m



€36.6 m a cuireadh chun sochair le linn na bliana agus miondealaítear thuas foinsí na suime sin.

HEA FINANCIAL STATEMENTS

Tuarascáil ó na hIníúcháirí Neamhspléacha Chuig Bail Údarás na hOllscoile, Ollscoil na hÉireann, Gaillimh

Tá iniúchadh déanta againn ar Ráitis Chistiúcháin Ollscoil na hÉireann, Gaillimh (“an Ollscoil”) don bhliain dar críoch an 30 Meán Fómhair 2010 atá comhdhéanta den Ráiteas um Bheartais Chuntasafóichta, den Chuntas Ioncam agus Caiteachas, den Chlár Comhardaithe, den Ráiteas faoi Shreabhadh Airgid agus na nótaí gaolmhara. Ullmhaíodh na Ráitis Chistiúcháin seo faoina beartais chuntasafóichta atá ann.

Tá an tuarascáil seo ullmhaithe d’Údarás na hOllscoile amháin mar chomhlacht de réir reacht na hOllscoile. Chuathas i mbun ár gcuid oibre iniúchta ionas go bhféadfaimis na nithe ar ghá dúinn a lua le baill Údarás na hOllscoile i dtuarascáil iniúchóirí a lua agus ní chun críche ar bith eile. Chomh fada agus atá ceadaithe sa dlí, ní ghlacaimid agus ní ghabhaimid freagracht orainn féin maidir le haon duine seachas Údarás na hOllscoile as ár n-obair iniúchta, as an tuarascáil seo ná as na tuairimí atá curtha ar aghaidh againn.

Freagrachtaí na hOllscoile agus Freagrachtaí na nIníúcháirí

Tá an Ollscoil, faoi mar a leagtar amach ar leathanach 37, freagrach as na Ráitis Chistiúcháin a chur le chéile. Bunaíodh ár bhfreagrachtaí iniúchadh ar reacht na hOllscoile, Bord na gCleachtas Iniúcháireachta agus treoir eiticíúil gairmiúla.

Is é ár bhfreagracht iniúchadh a dhéanamh ar na Ráitis Chistiúcháin de réir cheanglais dlí agus rialacháin chuí agus de réir na gCaighdeán Idirnáisiúnta ar Iniúchadh (Ríocht Aontaithe agus Éire).

Tuairiscimid duit an tuairim atá againn cibé ar ullmhaíodh na Ráitis Chistiúcháin go cuí agus de réir an Chomhaontaithe um Chomhchuibhriú Cuntas Ollscoileanna- comhaontú a nglacann gach Ollscoil in Éirinn leis agus cibé an dtugann na ráitis chistiúcháin léargas fíor agus cothrom nuair a léadh iad cónasc lena mbeartais chuntasafóichta. Luaimid cibé an bhfuil an fhaisnéis agus na míniúcháin uile is gá chun críche na hiniúcháireachta faighte againn agus cibé an dtugann na Ráitis Chistiúcháin leis na leabhair chuntais.

Tuairiscimid freisin cibé ar choinnigh an Ollscoil leabhair chuntais chuí dar linn.

Bunús na Tuairime

Rinneamar an t-iniúchadh ar na Ráitis Chistiúcháin don bhliain dar críoch 30 Meán Fómhair 2010 de réir na gCaighdeán Idirnáisiúnta ar Iniúchadh (Ríocht Aontaithe agus Éire) a d’eisigh Bord na gCleachtas Iniúcháireachta. Mar chuid den iniúchadh déantar scrúdú, ar bhonn tástála, ar fhianaise a bhaineann leis na suimeanna agus ar an fhaisnéisiú a bhíonn sna Ráitis Chistiúcháin. Áirítear ann, freisin, measúnú ar mheastacháin shuntasacha agus ar bhreithiúnais a rinne an Ollscoil agus na Ráitis Chistiúcháin á n-ullmhú agus cibé an oireann na beartais chuntasafóichta do chúinsí na hOllscoile, cibé an geitear i bhfeidhm go leanúnach iad agus cibé an ndéantar faisnéisiú orthu mar is cuí.

Phleanálar agus rinneamar ár n-iniúchadh chun gach faisnéis agus míniúcháin a bhailiú-faisnéis agus míniúcháin a mheastar a bheith riachtanach chun fianaise leordhóthaineach a chur ar fáil dúinn d’fhonn dearbhú réasúnach a thabhairt go bhfuil na Ráitis Chistiúcháin saor ó mhíríteas ábhartha, bíodh sin de bharr calaoise nó neamhrialtachta nó earráide. Agus sin ag teacht ar thuairim, rinneamar measúnú ar leordhóthanacht chur-i-láthair na faisnéise sna Ráitis Chistiúcháin tríd is tríd.

Tuairim

Is é an tuairim atá againn i leith Ráitis Chistiúcháin na hOllscoile ná gur ullmhaíodh mar is cuí iad de réir an Chomhaontaithe um Chomhchuibhriú Cuntas is déanaí agus go dtugann na Ráitis Chistiúcháin léargas fíor agus cothrom ar staid chúrsaí na hOllscoile amhail 30 Meán Fómhair 2010 agus ar shreabhadh airgid agus breis don bhliain dar críoch amhlaidh, nuair a léadh iad cónasc lena mbeartais chuntasafóichta.

Fuaireamar gach faisnéis agus gach míniú a mheasamar a raibh gá leo chun an t-iniúchadh a dhéanamh. Is é an tuairim atá againn ná gur choimeád an Ollscoil leabhair chuntais chuí. Tá na Ráitis Chistiúcháin ag teacht leis na leabhair chuntais

KPMG

Cuntasóirí Cairte Iniúcháirí Cláraithe

25 Feabhra 2011

HEA FINANCIAL STATEMENTS

Ráiteas ar Pholasaithe Cuntasaíochta**A Ráitis Airgeadais**

Tugann na ráitis airgeadais léiriú ar theagasc, taighde agus gníomhaíochtaí seirbhíse atá bainteach leis an Ollscoil. Déantar ráitis airgeadais maidir le Ciste Pinsean na hOllscoile agus gníomhaíochtaí coimhdheacha neamhspléacha airgeadais a chur i láthair astu féin.

B Coinbhinsiún Cuntasaíochta

Ullmhaítear na Ráitis Airgeadais faoin gcoinbhinsiún costais stairiúil, arna mhionathrú chun athluacháil ar thalamh agus ar fhoirgnimh a chur san áireamh. Cuirtear i láthair iad de réir an chomhaontaithe reatha um Chomhchuíbhiú Ráiteas Airgeadais arna ghlacadh le haghaidh gach Ollscoile Éireannaí.

Ní chomhlíonann an comhaontas um chomhchuíbhiú na ráiteas airgeadais an cleachtas cuntasaíochta a bhfuil glacadh leis (GAAP). Déantar ráitis airgeadais chomhdhlúite a chomhlíonann GAAP a ullmhú ar leithligh.

C Deontais Stáit i gcomhair Caiteachas Reatha

Áirítear deontais reatha ar bhunús fabhrúithe. Tá an Deontas Reatha a úsáidtear i gcomhair sócmhainní docta a cheannach aistrithe go dtí an cúlchiste ginearálta.

D Deontais Stáit i gcomhair Caiteachas Caipitiúil

Áirítear sna ráitis airgeadais na deontais stáit atá ceadaithe ag an ÚAO do chaiteachas caipitiúil den tréimhse de réir an méid airgid a fritheadh.

E Ioncam Táillí

Déantar ioncam táillí a mheas ar bhunús fabhrúithe agus déantar é a thuairisciú ag leibhéal táillí an Aontas Eorpaigh. Áirítear ioncam táillí Neamh-Aontas Eorpaigh suas go dtí leibhéal an Aontais Eorpaigh agus déantar aon fhuilleach (suas go dtí an tAonad Costas déanaí is mó a mbaineann sé leis) a thuairisciú faoi Ioncam Ilghnéitheach. Áirítear aon fhuilleach atá os cionn an Aonaid Costais is déanaí a mbaineann sé leis faoi sheirbhísí coimhdheacha.

F Leithdháiltí Ceadaithe

Tá an cuntas ioncam agus caiteachas ullmhaithe ar bhunús fabhrúithe cé is móite de na heisceachtaí seo a leanas:

- (i) Caiteachas neamhphá na ranna acadúla agus ranna seirbhísí éagsúla agus ioncam na ranna seo nuair is ann dó.
- (ii) Trealamh roinne agus mionoibreacha.

Sna cásanna seo, áireofar caiteachas ar bhonn buiséad formheasta agus tabharfar ar aghaidh iarmhéideanna inmheánacha sa Chlár Comhardaithe faoi Shócmhainní Reatha nó faoi Dhliteanais, de réir mar is iomchuí.

HEA FINANCIAL STATEMENTS

Ráiteas ar Pholasaithe Cuntasaíochta, ar lean**G Sócmhainní Dochta agus Dímheas**

Luaitear costas stairiúil le gach sócmhainn seasta seachas Talamh agus Foirgnimh. Rinneadh foirgnimh a bhí críochnaithe faoin 30 Meán Fómhair 1998 a athluacháil go hinmheánach, ina gceann agus ina gceann, ag luach reatha athsholáthair an dáta sin lúide an muirear gaolmhar dímhéasa. Léirítear foirgnimh a tógadh i rith na bliana ag a gcostas stairiúil agus toimhdítear go mbeidh saol úsáideach 50 bliain acu. Rinneadh talamh a athluacháil chomh maith ag an luach reatha úsáide amhail an 30 Meán Fómhair 1998.

Tugtar cuntas ar an mbunchostas ar fhoirgnimh atá á dtógáil, bunaithe ar luach theastas na n-ailtirí agus ar chostais dhíreacha eile a thabhófar go deireadh na bliana airgeadais. Ní dhímheastar iad go dtí go n-úsáidtear iad.

Díscríobhtar trealamh a bhfuil costas níos lú ná €10,000 air go dtí an cuntas ioncaim agus caiteachais do bhliain a cheannaithe.

Foirgnimh:	50 bliain
Trealamh Ríomhaireachta:	3 bliana
Trealamh Eile	5 bliana
Níl dímhéas i gcéist i gcás talún	

Déantar athbhreithniú ar bhearnúchán sócmhainne seasta má léiríonn imeachtaí nó athruithe cúinsí go bhféadfadh sé nach mbeidh méid iasachta na sócmhainne seasta in-aisghabhála.

H Cúlchiste Ginearálta

Léiríonn an Cúlchiste Ginearálta luach an chistiúcháin atá iarrtha i gcomhair réamhchúraim caipiteal, tar éis amúchtha i gcomhréir le dímhéas, maraon le fuilleach ar ghníomhaíochta seirbhíse coimhdheacha.

I Deontais Thaighde agus Thionscadail

Taispeántear caiteachas taighde conartha glan ó ranníocaíocht go costais indíreacha. Áirítear ioncam ó dheontais thaighde chonartha sa Chuntas Ioncam agus Caiteachas de réir costas an chaiteachais a bhain leis. Áirítear ranníocaíocht taighde conartha go costais indíreacha na hOllscoile faoi Ioncam Eile. Áirítear sócmhainní dochta maoinithe trí Dheontais Taighde faoi 'Sócmhainní Dochta' sa Chlár Chomhardaithe.

J Airgead Coigríche

Aistrítear ioncam agus caiteachas ainmnithe in airgid coigríche de réir na rátaí malairte atá i réim ar dhátaí na hidirbheartaíochta. Aistrítear sócmhainní agus dliteanais ainmnithe in airgid coigríche go Euro de réir na rátaí malairte atá i réim ar dháta an Chláir Chomhardaithe. Déileáiltear le haon bhrabúis nó cailleanais a bhíonn ann dá thoradh seo taobh istigh den chuntas ioncam.

HEA FINANCIAL STATEMENTS

Ráiteas ar Pholasaithe Cuntasaíochta, ar lean**K Cánachas**

Níl aon soláthairtí déanta do chánachas mar go bhfuil stádas saor ó cháin ag an Ollscoil.

L Seirbhísí Coimhdheacha

Is seirbhísí coimhdheacha na seirbhísí (nach bhfuil áirithe faoi ghnó comhlachta) a chuirtear ar fáil ar an gcampas ar bhunús costas téarnamh agus atá pleanáilte le briseadh cothrom sa meántéarmach. Airítear ioncam infheistíochta ar an chúlchiste forbartha bonneagar faoin teideal seo freisin. Aistrítear an glanthoradh ar na gníomhaíochtaí seo go dtí an Cuntas Cúlchiste Ginearálta.

M. Pinsin

Feidhmíonn an Ollscoil scéimeanna sochair shainithe agus coimeádtar na sócmhainní i gcistí atá á riaradh astu féin. Tá scéim pinsin PRSA ar fáil do chomhaltaí foirne nach bhfuil i dteideal clárú sna scéimeanna sochair shainithe.

I gcás na scéimeanna sochair shainithe, déantar na bunphinsin scoir de chuid chomhaltaí foirne na hOllscoile a chistiú trí ranníocaíochtaí le Cistí Pinsin na hOllscoile ("na cistí pinsin") ag ráta réamhchinnte de phá inphinsin. Muirearaítear méaduithe i mbunphinsin scoir le cuntas Ioncaim agus Caiteachais na hOllscoile. Chomh maith leis sin, gearrtar ranníocaíochtaí fostóirí chuig an scéim sochair shainithe chuig cuntas ioncaim agus caiteachais na hOllscoile i ndáil le costais tuarastail agus pá fostaithe

Ullmhaíodh ráitis airgeadais ar leith do na Cistí Pinsin sochair shainithe go dtí an 31 Márta 2010. Aistríodh an ciste go dtí an stát, le héifeacht ón 31 Márta 2010. Dá thoradh sin, feidhmíonn na scéimeanna ar bhonn íoctar mar a úsáidtear, le héifeacht ón dáta sin

N Stoc

Úsáidtear costas nó an luach readtha glan, pé díobh is lú, agus is earraí inchaite saotharlainne, stáiseanóireacht agus ábhair fhoirgnimh an chuid is mó daoibh.

O Infheistíochtaí

Tá infheistíochtaí luaite ag a gcostas stairiúil.

HEA FINANCIAL STATEMENTS

Ioncam agus Caiteachas | *Income and Expenditure*

		2010 €'000	2009 €'000
Ioncam Income	Nóta Note		
Deontais Stáit <i>State Grants</i>	1	65,179	79,727
Táillí na Mac Léinn <i>Student Fees</i>	2	91,365	79,819
Ioncaim Eile <i>Other Income</i>	3	20,688	18,209
		177,232	177,755
Deontais Taighde agus Tionscnaimh <i>Research Grants and Projects</i>	4	53,313	52,843
Iomlán Total		230,545	230,598

Caiteachas | *Expenditure*

Rannóga Acadúla <i>Academic Departments</i>	5	85,445	92,976
Seirbhísí Acadúla <i>Academic Services</i>	6	21,804	22,868
Foirgnimh <i>Premises</i>	7	21,795	21,397
Tograí Foirgníochta agus Trealamh <i>Building and Equipping Projects</i>	8	15,358	7,775
Riarachán <i>Administration</i>	9	13,532	15,117
Costais Eile Oideachais <i>General Educational Expenditure</i>	10	5,705	5,915
Áiseanna agus Conláistí <i>Facilities and Amenities</i>	11	6,827	6,218
Costais Ilghnéitheacha <i>Miscellaneous Expenditure</i>	12	3,986	4,016
		174,452	176,282
Deontais Taighde agus Tionscnaimh <i>Research Grants and Projects</i>		53,313	58,685
Iomlán Total	13	227,765	234,967

Breis/Easnamh ar ghníomhaíochtaí roimh dhíscríobh Cúlchistí

Deontais Caipitil, Seirbhísí agus Coimhdeacha agus Dímhéas <i>Surplus/Deficit on activities before amortisation of Capital Reserves and Grants, Ancillary services and depreciation</i>		2,780	(4,369)
Breis ar Sheirbhísí Coimhdeacha <i>Surplus on Ancillary Services</i>	14	3,270	2,167
Dímhéas <i>Depreciation</i>	15	(17,416)	(19,228)
Gluaiseacht sa Chúlchiste Ginearálta <i>General Reserve Movement</i>	16	14,146	17,061
Coigeartú ar chúlchistí oscailte maidir le ciste pinsean <i>Adjustment to opening reserves re:pension fund</i>		-	1,441
Breis/Easnamh don Bhliain <i>Surplus /Deficit for year</i>		2,780	(2,928)

Is cuid de na cuntais seo an Ráiteas ar Pholasaithe Cuntais, an Ráiteas faoin Sreabhadh Airgid agus Nótaí 1 go 26.
The statement of Accounting Policies, Cash Flow Statement and Notes 1 to 26, form part of these Accounts

Síniú

Oifigeach Cuntasaíochta/Uachtarán *Accounting Officer/President*Meabhránaí *Registrar*

HEA FINANCIAL STATEMENTS

Clár Comhardaithe | *Balance Sheet*

		2010	2009
		€'000	€'000
	Nóta <i>Note</i>		
Sócmhainní Dochta <i>Fixed Assets</i>	17	354,649	336,191
Infheistíochtaí <i>Investments</i>	24	48,034	45,444
		402,683	381,635
Sócmhainní Reatha <i>Current Assets</i>			
Fuilligh sna Bainc agus Airgead <i>Bank Balances and Cash</i>		83,273	37,033
Feichiúnaithe agus Réamhíocaíochtaí <i>Debtors and Prepayments</i>	18	36,754	44,734
Stoc <i>Stock</i>		72	100
		120,099	81,867
Dlíteanais Reatha <i>Current Liabilities</i>			
Creidiúnaithe agus Caiteachas Fabhráithe níos lú ná bliain amháin <i>Creditors and Accrued Expenditure less than one year</i>	19a	149,548	154,646
Dlíteanas Reatha Glan <i>Net Current Liabilities</i>		(29,449)	(72,779)
Creidiúnaithe agus Caiteachas Fabhráithe níos mó ná bliain amháin <i>Creditors and Accrued Expenditure more than one year</i>	19b	-	(24,823)
Sócmhainní Iomlána Glan <i>Total Net Assets</i>		373,234	284,033
Arbh iad seo a bhfoinsí <i>Represented by</i>			
Cúlchiste Ginearálta <i>General Reserve</i>	20	363,390	325,717
Cúlchiste Reatha/Easnamh <i>Current Reserve/Deficit</i>	21	9,844	(41,684)
		373,234	284,033

Is cuid de na cuntais seo an Ráiteas ar Pholasaithe Cuntais, an Ráiteas faoin Sreabhadh Airgid agus Nótaí 1 go 26.
The Statement of Accounting Policies, Cash Flow Statement and Notes from 1 to 26 form part of these Accounts.

SíniúOifigeach Cuntasaíochta/Uachtarán *Accounting Officer/President*Meabhránaí *Registrar*

HEA FINANCIAL STATEMENTS

Ráiteas faoin Sreabhadh Airgid | *Cash Flow Statement*

	2010 €'000	2009 €'000
Glan insreabhadh/(eis-sreabhadh) airgid ó ghníomhaíochtaí oibrithe (Nóta 22) <i>Net Cash inflow/(outflow) from Operating Activities (Note 22)</i>	30,197	(6,551)
Toradh ar Infheistíocht agus Fónamh Airgeadais <i>Return on Investment and Servicing of Finance</i>		
Ús faighte glan <i>Net Interest Received</i>	2,469	3,101
Glan eis-sreabhadh airgid ó ghníomhaíochtaí infheistithe <i>Net Cash Outflow from Investment Activities</i>		
Caiteachas ar thionscnaimh chaipitil <i>Expenditure on Capital Projects</i>	35,891	34,789
Fáltais ó Dhíol Sócmhainní Dochta <i>Receipts from sale of Fixed Assets</i>	(8)	-
Gluaiseacht Infheistíochtaí <i>Investment movement</i>	2,590	2,031
	(38,473)	(36,820)
Glan eis-sreabhadh airgid roimh mhaoiniú <i>Net Cash outflow before Financing</i>	(5,807)	(40,270)
Maoiniú <i>Financing</i>		
Aistriú ó Ioncam agus Caiteachas <i>Transfer from Income and Expenditure</i>	15,358	7,775
Deontais Caipitil ÚAO <i>HEA Capital Grant</i>	21,701	22,271
Deontais Caipitil Neamh ÚAO <i>Non HEA Capital Grant</i>	14,988	18,762
Glan insreabhadh airgid ó mhaoiniú <i>Net Cash inflow from financing</i>	52,047	48,808
Glan insreabhadh tar éis maoiniú <i>Net inflow after financing</i>	46,240	8,538
Méadú ar airgead agus a chomhionann (Nóta 23) <i>Increase in cash and cash equivalents (Note 23)</i>	46,240	8,538

HEA FINANCIAL STATEMENTS

Nótaí faoi na cuntais | *Notes to the Accounts*

	<i>2010</i>	2009
	<i>€'000</i>	€'000
1. Deontais Stáit <i>State Grants</i>		
Deontais Reatha <i>Recurrent Grants</i>	64,055	78,724
Cistiú Sprioctha do Thionscnaimh Speisialta <i>Targeted Funding for Special Initiatives</i>	956	903
Mion Oibreacha <i>Minor Works</i>	168	100
	65,179	79,727
2. Táillí na Mac Léinn <i>Student Fees</i>		
Táillí Acadúla <i>Academic Fees</i>	90,894	79,445
Táillí Ilghnéitheach <i>Miscellaneous Fees</i>	471	374
	91,365	79,819
3. Ioncam Ilghnéitheach <i>Miscellaneous Income</i>		
Ús Saothraithe <i>Interest Receivable</i>	2,469	3,101
Poist Mhaoinithe <i>Funded Posts</i>	2,051	2,202
Cíos srl. <i>Rent etc.</i>	2,454	2,656
Deontais Taighde <i>Research Grants</i>	8,804	6,537
Táillí Neamh AE <i>Non EU Fees</i>	1,419	2,173
Ioncam ó Infheistíochtaí <i>Income from Investments</i>	398	(515)
Ioncam Eile <i>Other Income</i>	3,093	2,055
	20,688	18,209

HEA FINANCIAL STATEMENTS

Nótaí faoi na cuntais, *ar lean* | *Notes to the Accounts cont'd*

	Pá Pay €'000	N/Phá Non Pay €'000	2010 <i>Iomlán</i> <i>Total</i> €'000	2009 €'000
4. Deontas Taighde agus Tionscnaimh <i>Research Grants and Projects</i>				
Deontais Taighde <i>Research Grants</i>	27,685	24,239	51,924	52,277
Tionscnaimh Eile <i>Other Projects</i>	410	979	1,389	566
	28,095	25,218	53,313	52,843
5. Rannóga Acadúla <i>Academic Departments</i>				
Acadúil <i>Academic</i>	61,339		61,339	65,748
Teicniúil <i>Technical</i>	5,923		5,923	6,844
Riarachán agus Rúnaíocht <i>Administration and Secretarial</i>	5,219		5,219	6,302
Deontais Rannóga Acadúla <i>Academic Department Grants</i>		12,649	12,649	13,715
Ilchostais <i>Miscellaneous</i>		315	315	367
	72,481	12,964	85,445	92,976
6. Seirbhísí Acadúla <i>Academic Services</i>				
An Leabharlann <i>Library</i>	3,700	2,782	6,482	6,656
Seirbhísí Ríomhaireachta <i>Computer Services</i>	3,433	2,154	5,587	4,695
An Teanglann <i>Language Centre</i>	44	94	138	170
Acraí Teagaisc <i>Audio Visual Centre</i>	2	90	92	86
Míocrascóp Leictreon <i>Electron Microscopy Unit</i>	-	25	25	28
Gaeilge Labhartha <i>Spoken Irish</i>	5,326	1,304	6,630	7,615
Staidéar Iarchéime <i>Graduate Studies</i>	141	105	246	232
Ceangail na Tionscclaíocht <i>Technology Transfer</i>	435	528	963	1,505
Eolaíocht Mhara <i>Marine Science</i>	-	61	61	62
An tIonad un Fheabhas Foghlama agus Teagaisc <i>Centre for Excellence in Learning & Teaching</i>	950	221	1,171	1,393
Oifig Feabhais <i>Quality Office</i>	260	149	409	426
	14,291	7,513	21,804	22,868
7. Foirgnimh <i>Premises</i>				
Cúram Foirgneamh <i>Premises Maintenance</i>	4,392	7,557	11,949	11,834
Seirbhísí Ginearálta <i>General Services</i>	2,127	2,775	4,902	4,405
Mion Oibreacha <i>Minor Works</i>		100	100	100
Cíos agus Rátaí <i>Rent and Rates</i>		882	882	1,029
Árachas <i>Insurance</i>		1,117	1,117	961
Costas Fuinnimh <i>Energy Costs</i>		2,845	2,845	3,068
	6,519	15,276	21,795	21,397

HEA FINANCIAL STATEMENTS

Nótaí faoi na cuntais, ar lean | Notes to the Accounts cont'd

	Pá Pay €'000	N/Phá Non Pay €'000	2010 Iomlán Total €'000	2009 €'000
8. Tograí Foirgníochta agus Trealaimh <i>Building and Equipping Projects</i>				
Foirgníocht <i>Building</i>		13,890	13,890	4,065
Trealamh <i>Equipment</i>		1,468	1,468	3,710
		15,358	15,358	7,775
9. Riarachán <i>Administration</i>				
Seirbhísí Riarachán <i>Administrative Services</i>	9,425	1,926	11,351	12,905
Táillí Gairmiúla <i>Professional Fees</i>		307	307	224
Ilchostais <i>Miscellaneous</i>		1,874	1,874	1,988
	9,425	4,107	13,532	15,117
10. Costais Eile Oideachais <i>General Educational Expenditure</i>				
Scrúduithe <i>Examinations</i>	1,402	366	1,768	1,980
Bronnadh na gCéim <i>Conferring</i>	7	340	347	363
Scoláireachtaí/Comhaltaí Iarchéime <i>Scholarships/ Postgraduate Fellowships</i>	1,409	3,181	3,181	3,049
Tobhach Ollscoil na hÉireann <i>NUI Levy</i>		409	409	523
	1,409	4,296	5,705	5,915
11. Áiseanna agus Conláistí <i>Facilities and Amenities</i>				
Deontas Ceannsráithe agus Eile <i>Capitation and Other Grants</i>		754	754	645
Seirbhísí na Mac Léinn <i>Student Services</i>	977	2,192	3,169	2,245
Oifig na gCeapachán <i>Careers Office</i>	639	109	748	809
Cláracha Insroictheach <i>Access Programmes</i>	1,053	216	1,269	1,490
Spórt agus Caitheamh Aimsire <i>Sport and Recreation</i>	159	57	216	362
Sláinte agus Comhairleoireacht <i>Health and Counselling</i>	503	168	671	667
	3,331	3,496	6,827	6,218
12. Costais Ilghnéitheacha <i>Miscellaneous Expenditure</i>				
Pinsin Bhreise <i>Additional Pensions</i>	3,952		3,952	4,118
Difríocht Malairte <i>Exchange Differences</i>		34	34	(102)
	3,952	34	3,986	4,016

HEA FINANCIAL STATEMENTS

Nótaí faoi na cuntais, ar lean | Notes to the Accounts cont'd

	Pá Pay €'000	N/Phá Non Pay €'000	2010 Iomlán Total €'000	2009 €'000
13. Caiteachas Iomlán Total Expenditure				
Seirbhísí Acadúla agus Seirbhísí Gaolmhara <i>Academic and Related Services</i>	111,408	63,044	174,452	176,282
Deontais Taighde agus Tionscainh <i>Research Grants and Projects</i>	28,095	25,218	53,313	58,685
	139,503	88,262	227,765	234,967
14. Seirbhísí Coimhdheacha - Athchoimre Ancillary Services - Summary				
	Ioncam Income €'000	Caiteachas/ Leithdháileadh Expenditure/ Allocation €'000	2010 Breis Surplus €'000	2009 €'000
Seirbhísí Cóipeála <i>Copying Services</i>	376	376	-	-
Cuntas Forbartha <i>Development Fund</i>			3,092	1,891
Ioncam infheistíochta ar Chiste Forbartha <i>Investment Income on Development Fund</i>			178	276
			3,270	2,167
15. Dímheas ar Sócmhainní Dochta Depreciation of Fixed Assets				
			2010 €'000	2009 €'000
Foirgneamh <i>Buildings</i>			10,025	11,039
Trealamh <i>Equipment</i>			7,391	8,189
			17,416	19,228
16. Gluaiseacht sa Chúlchiste Ginearálta (Nóta 20) General Reserve Movement				
Amhúchadh i gcomhréir le dímheas <i>Amortisation in line with depreciation</i>			(17,416)	(19,228)
Breis ar Sheirbhísí Coimhdheacha ó Ioncam agus Caiteachas go Cúlchiste Ginearálta <i>Surplus of Ancillary Services from Income and Expenditure to General Reserve Account</i>			3,270	2,167
			(14,146)	(17,061)

HEA FINANCIAL STATEMENTS

Nótaí faoi na cuntais, ar lean | Notes to the Accounts cont'd

17. Sócmhainní Dochta Fixed Assets

	Talamh agus Foirgnimh <i>Land & Buildings</i> €'000	Obair chaipitil atá ar súil <i>Capital WIP</i> €'000	Trealamh <i>Equipment</i> €'000	2010 Iomlán Total €'000	2009 €'000
Costas/Luacháil ag tús na bliana Cost/Valuation at start of year					
Costas <i>Cost</i>	232,085	11,269	106,854	350,208	315,419
Luacháil <i>Valuation</i>	189,709	-	-	189,709	189,709
Iomlán <i>Total</i>	421,794	11,269	106,854	539,917	505,128
Breiseanna ag Costas <i>Additions at Cost</i>					
Athluacháil sa Bhliain <i>Revaluation in year</i>	6,015	23,473	6,403	35,891	34,789
Diúscairtí sa Bhliain <i>Disposals in year</i>	-	-	-	-	-
Athchatagóiriú <i>Recategorisation</i>	-	-	(30)	(30)	-
	202	(202)	-	-	-
Costas/Luacháil ag Deireadh Cost/Valuation at End					
Costas <i>Cost</i>	238,302	34,540	113,227	386,069	350,208
Luacháil <i>Valuation</i>	189,709	-	-	189,709	189,709
Iomlán <i>Total</i>	428,011	34,540	113,227	575,778	539,917
Dímheas Depreciation					
Ag tús na bliana <i>At start of year</i>	116,367	-	87,359	203,726	184,498
Dímheas Charntha Díscríofa <i>Accumulated depreciation written off</i>	-	-	(13)	(13)	-
Dímheas don bhliain <i>Depreciation for year</i>	10,025	-	7,391	17,416	19,228
Dímheas ar Dhiúscairtí <i>Depreciation on Disposals</i>	-	-	-	-	-
Ag deireadh na bliana <i>At end of year</i>	126,392	-	94,737	221,129	203,726
Luacháil glan leabhair ag tús Net book value at start	305,427	11,269	19,495	336,191	320,630
Luacháil glan leabhair ag deireadh Net book value at end	301,619	34,540	18,490	354,649	336,191

HEA FINANCIAL STATEMENTS

Nótaí faoi na cuntais, ar lean | Notes to the Accounts cont'd

	2010 €'000	2009 €'000	
18. Féichiúnaithe agus Réamhíocaíochtaí Debtors and Prepayments			
Caiteachas Taighde <i>Research Expenditure</i>	25,470	26,087	
Iasachtaí Tithíochta na Foirne <i>Staff Housing Loans</i>	134	194	
Ilfhéichiúnaithe agus Réamhíocaíochtaí <i>Debtors and Prepayments</i>	10,291	18,247	
Fuilligh idir Chuideachtaí <i>Inter Company Balances</i>	859	206	
	36,754	44,734	
19. Creidiúnaithe Creditors			
19a. Níos lú ná bliain amháin/Less than one year			
Deontais Taighde Neamhchaite <i>Research Grants Unexpended</i>	55,810	55,698	
Deontais Rialtais Faighte Roimhré <i>State Grants received in advance</i>	12,255	9,944	
Taillí Acadúla Faighte Roimhré <i>Academic Fees received in advance</i>	12,625	16,728	
Fuilligh Inmheánacha <i>Internal Balances</i>	2,485	2,699	
Creidiúnaithe Eile agus Costais Dlite <i>Other Creditors and Accruals</i>	41,164	69,457	
Fuilligh idir Chuideachtaí <i>Inter Company Balances</i>	451	120	
Ceannach Maoine ar ais (Alt 843) <i>Buy-back of property (Section 843)</i>	24,758	-	
	149,548	154,646	
19b. Níos mó ná bliain amháin/More than one year			
Ceannach Maoine ar ais (Alt 843) <i>Buy-back of property (Section 843)</i>	-	24,823	
20. Cúlchistí Ginearálta General Reserve			
	Fuilleach ag tús Opening Balance €'000	Athrú sa Bhliain Current Year Movement €'000	Fuilleach ag Deireadh Closing Balance €'000
Luacháil - Talamh agus Foirgnimh <i>Valuation – Land and Buildings</i>	189,709	-	189,709
Deontas Caipitil on ÚAO <i>Capital Grant from HEA</i>	118,389	21,701	140,090
Cuntas Ioncam agus Caiteachas <i>Income and Expenditure Account</i>	61,061	15,358	76,419
Deontais Caipitil Neamhspléach <i>Independent Capital Grants</i>	148,173	14,988	163,161
Eile (Aistriú faoi Seirbhísí Coimhdheacha san áireamh) <i>Other (Transfer from Ancillary Services included)</i>	12,111	3,029	15,140
Amúchadh go Cuntas Ioncam agus Caiteachas <i>Amortisation to Income and Expenditure Account</i>	(203,772)	(17,416)	(221,188)
Amúchadh Carntha ar Dhiúscairtí <i>Accumulated amortisation on disposals</i>	46	13	59
	325,717	37,673	363,390

HEA FINANCIAL STATEMENTS

Nótaí faoi na cuntais, ar lean | Notes to the Accounts cont'd

	2010 €'000	2009 €'000
21. Cúlchiste Easnamh Revenue Deficit		
Fúilleach ag tús de réir na gcuntas deiridh <i>Opening Balance</i>	(41,684)	(38,756)
Breis/Easnamh don Bhliain <i>Surplus/Deficit for year</i>	2,780	(2,928)
Glanfhreaschur na bhfabhrúithe pinsin <i>Net reversal of pension accruals</i>	48,748	-
Fúilleach Deiridh <i>Closing Balance</i>	9,844	(41,684)

Ar scór Treorach ón AE, leathnaigh na hAchtanna um Chosaint Fostaithe 2001 agus 2003 sochair phinsin le hoibríthe páirtaimseartha agus le hoibríthe ar théarma seasta a chumhdach agus d'fhéadfadh go mbeadh méadú mór ar chostais dá bharr sin. Ag fanacht di le réiteach ar an gceist mhaoinithe ghaolmhar seo, rinne an Ollscoil meastachán ar na huaschostais a d'fhéadfadh a bheith i gceist agus rinne sí foráil ina leith do gach bliain go dtí 2009. Easnaimh mhóra charnacha agus ciorrú ar sheirbhísí an toradh a bhí ar na forálacha sin.

De bharr caibidlí a bhí ann ina dhiaidh sin idir Earnáil na hOllscoile agus Ranna Rialtais iomchuí maidir le maoiniú na ndlíteanas reachtúil sin, bunaíodh scéimeanna nua pinsean 'Íoctar mar a Théitear'. Bhí tuilleadh plé ann in 2009 agus ba é an toradh a bhí air gur tugadh isteach athruithe suntasacha reachtaíochta leis an Acht um Bearta Airgeadais (Forálacha Ilghnéitheacha) 2009. Faoin Acht sin, thóg an stát ciste pinsean na hOllscoile faoina chúram agus tá íocaíochtaí pinsean faoin scéim á ráthú ag an Stát agus déanfar na hiocaíochtaí sin ar bhonn 'Íoctar mar a Théitear'. Dá réir sin, d'fhreaschuir an Ollscoil na forálacha sin a bhí ann roimhe seo.

Léirítear na gluaiseachtaí caipitil sin i gcúlchistí tosaigh sna ráitis airgeadais do 2010 agus díchuireadh easnaimh charnacha dá chionn sin.

On foot of an EU Directive, the Protection of Employee Acts 2001 and 2003 extended pension benefits to part-time and fixed term workers resulting in significant potential pension cost increases. While awaiting resolution of the related funding issue, the University estimated the potential maximum costs arising and provided for same in each of the years to 2009.

Subsequent negotiations between the University Sector and relevant Government Departments in relation to the funding of these liabilities led to the establishment of new 'Pay As You Go' pension schemes and further discussions concluded in 2009 with significant legislative changes being introduced in the form of the Financial Measures (Miscellaneous Provisions) Act 2009. Under this Act, the University's pension fund was taken over by the state and the payments of pension obligations of the scheme are guaranteed by the State to be paid on a "Pay As You Go" basis. Accordingly, the University has reversed these previous provisions.

These movements are reflected in opening reserves in the financial statements for 2010.

22. Réiteach ar Easnamh ar an Chuntas Ioncam agus Caiteachas leis an breis glan insreabhadh/(eis-sreabhadh) airgid ó ghníomhaíochtaí oibríthe
Reconciliation of Income and Expenditure Account deficit to net cast inflow/(outflow) from operating activities

Breis/Easnamh don Bhliain <i>Surplus/Deficit for year</i>	2,780	(2,928)
Lúide Ús Faighte Glan <i>Less Net Interest Received</i>	(2,469)	(3,101)
Glanfhreaschur na bhfabhrúithe pinsin <i>Net reversal of pension accruals</i>	48,748	-
Caillteanas ar dhíol sócmhainní seasta <i>Loss on sale of fixed assets</i>	22	-
Dímheas <i>Depreciation</i>	17,416	19,228
Amúchadh ar Chúlchistí Ginearálta <i>Amortisation of General Reserves</i>	(17,416)	(19,228)
Laghdú/(Méadú) ar Fheichiúnaithe agus Réamhíocaíochtaí <i>Decrease/(Increase) in Debtors and Prepayments</i>	7,980	(3,284)
Laghdú/(Méadú) ar Stoic <i>Decrease/(Increase) in Stock</i>	28	(82)
(Laghdú)/Méadú Chreidiúnaithe <i>(Decrease)/Increase in Creditors</i>	(29,921)	11,134
Méadú/(Laghdú) ar Chúlchiste Ginearálta (Eile) <i>Increase/(decrease) in General Reserve (Other)</i>	3,029	(8,290)
Glan insreabhadh/(eis-sreabhadh) Airgid ó Ghníomhaíochtaí Oibríthe <i>Net Cash Inflow/(outflow) from Operating Activities</i>	30,197	(6,551)

HEA FINANCIAL STATEMENTS

Nótaí faoi na cuntais, *ar lean* | *Notes to the Accounts cont'd*

	2010 €'000	2009 €'000
23. Anailís ar athrú in Airgead agus a Chomhionann <i>Analysis of Change in Cash and Cash Equivalent</i>		
Fuilleach ag 1 Deireadh Fómhair <i>Balance at 1st October</i>	37,033	28,495
Glan insreabhadh <i>Net Cash inflow</i>	46,240	8,538
Fuilleach ag 30 Meán Fómhair <i>Balance at 30 September</i>	83,273	37,033
24. Infheistíochtaí <i>Investments</i>		
Stoc rialtais srl. <i>Government stocks etc.</i>	23,487	21,194
Ciste Fiachmhúchta IIB <i>IIB Sinking fund</i>	24,547	24,250
	48,034	45,444
25. Ceangaltais Chaipitil <i>Capital Commitments</i>		
Ceangaltais conraithe ag 30 Meán Fómhair <i>Commitments contracted at 30 September</i>	71,957	45,677
Údaraithe ach gan a bheith conartha ag 30 Meán Fómhair <i>Authorised but not contracted at 30 September</i>	63,890	101,467
26. Faisnéisiú Páirtithe Gaolmhara <i>Related Party Disclosures</i>		

Mioneolas ar ábhair ghaolmhara páirtithe agus idirbheartaíochta na hOllscoile leo mar seo a leanas:

Details of material related parties and the University's transactions therewith are as follows:

Maoin Champais Teo Fochuideachta ar leis an Ollscoil é ina hiomláine, a chuireann foirgnimh ar fáil faoi thearmaí léasa, le haghaidh oideachais na mac léinn. Tá an Ollscoil ag leanacht lena tacaíocht ó thaobh riachtanas caipiteal oibre an chomhlachta agus ar ó 30 Meán Fómhair, 2010 bhí €48,493 dlite di (2009: €74,331).

Maoin Champais Teo is a wholly owned subsidiary company that provides property under lease terms for the provision of education to students. The University continues to support the working capital requirements of the Company and as of 30th September, 2010 was owed €48,493 (2009: €74,331).

Endenline Limited Fochuideachta ar leis an Ollscoil é ina hiomláine agus is í an phríomhghníomhaíocht atá aige ná maoine Ollscoile a thógáil. I rith na bliana, rinne an Ollscoil íocaíochtaí a bhain le hobair forbartha atá déanta agus, amhail an 30 Meán Fómhair 2010 bhí fiacha €326,883 dlite di (2009: bhí fiacha €474,123 dlite di).

Endenline Limited is a wholly owned subsidiary company and its principal activity is the construction of University properties. During the year, the University made payments in respect of development work done and, as of 30 September 2010 owed €326,883 (2009: was owed € 474,123).

HEA FINANCIAL STATEMENTS

Nótaí faoi na cuntais, *ar lean* | *Notes to the Accounts cont'd*

Tionól Teo Fochuideachta ar leis an Ollscoil é ina hiomláine, agus is í an príomhghníomhaíocht atá aici ná gníomhaíochtaí comhdhálacha na hOllscoile a láimhseáil. Tá iasacht de €62,775 tugtha ag an Ollscoil don chomhlacht, ar a bhfuil soláthar iomlán déanta dó. Ní raibh aon athrú ar an iasacht seo ag 30 Meán Fómhair 2010 agus 2009.

Tionól Teo is a wholly owned subsidiary company and its principal function is to operate the University conferencing activities. The University has loaned €62,775 to it, which is fully provided for. There has been no change to this loan balance as of 30th September 2010 and 2009.

UCG Research Applications Ltd: Fochuideachta ar lánúinéireacht atá arna corprú mar eintiteas sealbhaíochta d'infheistíochtaí na hOllscoile i gcuideachtaí maoine intleachtúla (IP), go príomha, a bhfuil baint ghníomhach éigin ag an Ollscoil leo. Bhí €86,517 ag an gcuideachta ar an Ollscoil amhail an 30 Meán Fómhair, 2010 (2009: €87,849).

UCG Research Applications Limited is a wholly owned subsidiary company incorporated as a holding entity for the University's investments in, predominantly, intellectual property (IP) companies in which it has some active involvement. The University owed €86,517 to the company as at 30 September, 2010 (2009: € 87,849).

Galway University Press Limited: Is fochuideachta ar lánúinéireacht é atá arna corprú le cuidiú le comhaltaí foirne acadúla na hOllscoile i ndáil lena saothar a chur i gcló agus a fhoilsiú. Leanann an Ollscoil de bheith ag tacú le riachtanais chaipitil oibre na Cuideachta agus amhail an 30 Meán Fómhair, 2010, bhí fiacha €12,447 (2009: €10,535) dlite di.

Galway University Press Limited is a wholly owned subsidiary company incorporated to assist academic staff of the University in printing and publishing their work. The University continues to support the working capital requirements of the Company and as of 30th September, 2010 was owed €12,447 (2009: €10,535).

Atalia Student Residences Limited: Is fochuideachta ar lánúinéireacht é atá arna corprú leis na hártais chónaithe do mhic léinn, Galway Student Residences agus Baile na Coiribe, a chur á bhfeidhmiú thar ceann na hOllscoile. Leanann an Ollscoil de bheith ag tacú le riachtanais chaipitil oibre na Cuideachta agus amhail an 30 Meán Fómhair, 2010, bhí €15 (2009: €15) dlite di.

Atalia Student Residences Limited is a wholly owned subsidiary company incorporated to operate the student residences of Galway Student Residences and Corrib Village on behalf of the University. The University continues to support the working capital requirements of the Company and as of 30th September, 2010 was owed €15 (2009: €15).

Athrutech Limited: Is fochuideachta ar lánúinéireacht é atá arna corprú le feidhmiú mar chuideachta shealbhaíochta paitinne. Is iad na cuspóirí atá aici a teicneolaíochtaí, IP agus punann paitinní a cheadúnú/a dhíol le tionscal nó le páirtithe leasmhara eile. Leanann an Ollscoil de bheith ag tacú le riachtanais chaipitil oibre na Cuideachta agus amhail an 30 Meán Fómhair, 2010, bhí fiacha €845,732 (2009: €651,818) dlite di.

Athrutech Limited is a wholly owned subsidiary company incorporated to operate as a patent holding company. Its objectives are to license/sell its technologies, IP and patent portfolio to industry and other third parties. The University supports the working capital requirements of the Company and as of 30th September, 2010 was owed €845,732 (2009: €651,818).

CCG Aonad Sláinte do Mhic Léinn Teoranta: Is cuideachta faoi theorainn ráthaíochta é nach bhfuil scairchaipiteal aici. Is é príomhghníomhaíocht na cuideachta feidhmiú an ionaid sláinte in OÉG. Amhail an 30 Meán Fómhair, 2010 tá fiacha €99,137 (2009: €nil) ar an Ollscoil.

CCG Aonad Sláinte do Mhic Léinn Teoranta is a company limited by guarantee and not having a share capital. Its principal activity is the operation of the health centre in NUIG. The University as of 30th September, 2010 owes €99,137 (2009: €nil).

HEA FINANCIAL STATEMENTS

Nótaí faoi na cuntais, *ar lean* | *Notes to the Accounts cont'd*

Bimini Limited: Is cuideachta chomhlachaithe de chuid na hOllscoile é. Tá sealúchas 28% ag an Ollscoil. Tá paitinn i seilbh na cuideachta. Tugann sí cuntas faoi ioncam agus faoi chaiteachais ghaolmhara na paitinne seo tríd an gcuideachta. Ní raibh aon chomharduithe idirchuideachta ann amhail an 30 Meán Fómhair 2010 ná 2009.

Bimini Limited is an associate company of the University. The University has a 28% holding. The company holds a patent. It accounts for the income and related expenses of this patent through the company. There were no intercompany balances as at 30 September 2010 or 2009.

Campus Radio Limited: Is cuideachta chomhlachaithe de chuid na hOllscoile é. Tá sealúchas 45% ag an Ollscoil. Thosaigh an chuideachta ag craoladh i mí na Samhna, 1995. Leanann sí de bheith ag freastal ar riachtanais siamsaíochta raidió na mac léinn tríú leibhéal, go príomha, i gceantar Chathair na Gaillimhe. Ní raibh aon chomharduithe idirchuideachta ann amhail an 30 Meán Fómhair 2010 ná 2009.

Campus Radio Limited is an associate company of the University. The University has a 45% holding. The company commenced broadcasting in November 1995. It continues to meet, primarily, the radio entertainment needs of third-level students in the Galway City area. There were no intercompany balances as at 30 September 2010 or 2009.

Tá na cuideachtaí **Áras na Mac Léinn Teo, Gaelstór Teo (Líonta Teo)** agus **An Fhiontarlann Teo** díomhaoin le tamall anuas. Tá céimeanna glactha (agus dul chun cinn mór déanta) i ndáil le hiarratas a dhéanamh ar an Oifig um Chlárú Cuideachtaí maidir le fógraí a eisiúint leis na cuideachtaí sin a bhaint den liosta (go deonach). Táthar ag súil go mbeidh deireadh leis an bpróiseas in Earrach 2011.

The companies **Áras na Mac Léinn Teo, Gaelstór Teo (Líonta Teo)** and **An Fhiontarlann Teo** have all been dormant for some time. Steps have been taken (and progress is well advanced) in requesting the Companies Registration Office to issue strike-off (voluntary) notices. We expect the process to be concluded in Spring 2011.

HEA FINANCIAL STATEMENTS**Statement of Responsibility**

The University is required to comply with the Universities Act 1997 and to keep in such form as may be required by the Harmonisation of Financial Accounts agreement as adopted by all Irish Universities all proper and usual accounts of money received and expended by it. In preparing those accounts, the University is required to:

- Select suitable accounting policies that are in accordance with the Harmonisation of Financial Accounts agreement and apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on a going concern basis unless that basis is inappropriate.

The University is responsible for keeping proper books of account which disclose at any time the financial position of the University and which enables it to ensure that its financial statements are prepared in accordance with the Harmonisation of Financial Accounts agreement and comply with the Universities Act 1997. The University is also responsible for safeguarding all assets under its operational control and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

A separate set of financial statements will be prepared to comply and in accordance with generally accepted accounting practice in Ireland and the UK whereas these financial statements prepared for the Higher Education Authority are prepared in accordance with the Harmonisation of Financial Accounts Agreement.

The financial statements have been prepared in accordance with the terms of the foregoing statement of responsibilities and have been audited by KPMG, the management auditors of the University.

It should be noted that the Comptroller and Auditor General is the statutory auditor of the University.

On behalf of the University Authority

President

25 February, 2011

HEA FINANCIAL STATEMENTS***Bursar's Report*****Introduction**

The attached financial statements are prepared under the Historical Cost convention and in accordance with the accounting policies agreed at University sector level in 1998 and set out in the notes on pages 63 to 65.

The financial year ended 30th September 2010 has in many ways been extraordinary. The deteriorating national economic environment prompted a cut in State Grant of over 20% and shifted much of the burden of this adjustment to University staff and students. At the start of the academic year students suffered an increase of 67% (i.e. from €900 to €1,500) in the long-standing non-tuition charge. Staff pay rates were cut by an average of 7% in January 2010 (ranging from 5% to 15%). These pay cuts were in addition to a Pension Levy of similar proportion which was suffered the previous year.

Students and staff were also impacted significantly by the Employment Control Framework which replaced the recruitment moratorium introduced the previous year. In the two years ended September 2010, total student numbers increased by 8% and staff numbers reduced by 5%. The resulting pressures on the University community are obvious, and both groups are to be commended for accommodating a “productivity gain” of circa 15% over that period.

Efficiency Initiatives

In seeking to “do more with less”, a number of initiatives have been undertaken in both academic and support areas with a view to improving performance and service. In the support services areas a number of reviews by external consultants examined “shared service” models as a means of improving service and reducing costs. It is of note that a number of these studies failed to demonstrate a clear business case for such developments in the particular scenarios investigated. This may be due to the fact that the University, as a large and progressive organisation, has over many years invested significantly in the standardisation and automation of its core business processes, and has already achieved the bulk of efficiencies available. Notwithstanding this outcome, further reviews and, in particular, the development of further standardisation and automation, are now key elements of the University’s resourcing strategy.

Other Significant Achievements

Award of almost €60m in PRTLI Cycle 5 grants for research facilities and programmes

This funding, from both the State and Philanthropic donors, was achieved in face of considerable National competition.

Achievement of all financial targets in very difficult economic circumstances

After almost 7 years of negotiation, a resolution was found to the issue of funding the pension rights of part-time and contract staff on foot of the Protection of Employee Legislation of 2001 and 2003. Pensionable staff increased from under 1,000 in 2003 to over 2,500 in 2010. In March 2010, the University’s Joint Pension Fund, valued at €275m at September 2007, was transferred to the State, which is now responsible for related pension benefits.

HEA FINANCIAL STATEMENTS

Bursar's Report cont'd

The Infrastructural Development Programme 2005-2015 was increased by €36m, on foot of State and private funding for projects including Life Cycle, Psychology, Bialann, Library Special Collections, academic equipment and backlog maintenance.

While sales at on-campus restaurant are down on previous year by between 2% and 26%, conferencing business has increased by approximately 10% on previous year.

The Future

The position outlined above demonstrates how much the University community can achieve when working together and with Regional, National and International partners. It is this capacity to face and overcome significant challenges, which represents our greatest asset in facing an uncertain future over the next few years.

A deficit in State funding of €20bn was identified in 2009 (expenditure €50bn, less income €30bn). Despite the implementation of expenditure cuts and increased taxes totalling €15bn to date, (50% of which was accounted for by the Pension Levy and Public Sector pay cuts) the deficit remains virtually unaltered. In order to address this situation, the Government proposes additional adjustments of approximately €15bn over the next few years. It is anticipated that €6bn or 40% of this adjustment will be implemented in the calendar year 2011, and will consist of 67% in expenditure cuts and 33% in tax increases. This suggests an average of 8% cut in public expenditure in 2011.

It is therefore likely that contributions will be required again from many sources, including those outlined above.

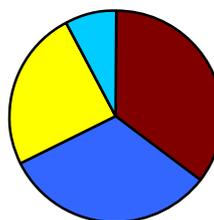
Mary C. Dooley, FCA MBA
Sparánaí / Bursar

25 February 2011

HEA FINANCIAL STATEMENTS

RECURRENT INCOME 2009-2010

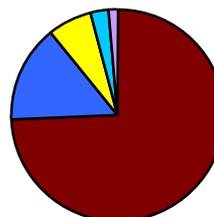
• State Grants	€65.1m	28%
• Student Fees	€91.3m	40%
• Research Grant	€53.3 m	23%
• Other Income	€20.6m	9%



The total income for the year is on a par with last year. There was an increase in student fees and a decrease in state grants as well as an increase of 1% in income from funded research grants and projects.

RECURRENT EXPENDITURE 2009-2010

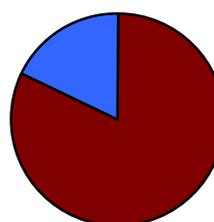
• Academic	€167.3m	73%
• Building	€37.1m	16 %
• Administration	€13.5 m	6 %
• Student Services	€5.7 m	3 %
• Other	€3.9m	2 %



Total expenditure decreased by 3%.

CAPITAL EXPENDITURE 2009-2010

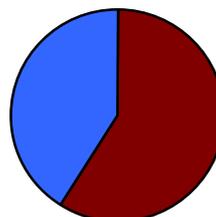
• Buildings	€29.4 m	82%
• Equipment	€6.4 m	18%



The Audited Accounts show capital expenditure during the year at €35.8m,, which is further analysed as €29.4 m building and €6.4m equipment.

CAPITAL FUNDING 2009-2010

• HEA	€21.7m	59 %
• Non-State	€14.9m	41%



Capital Funding credited during the year was €36.6m and is analysed above as to its sources.

HEA FINANCIAL STATEMENTS**Independent Auditor's Report to the Governing Authority of the National University of Ireland, Galway**

We have audited the Funding Statements of the National University of Ireland, Galway ("the University") for the year ended 30 September 2010, which comprise the Statement of Accounting Policies, Income and Expenditure Account, Balance Sheet, Cash Flow Statement and the related notes. These Funding Statements have been prepared under the accounting policies set out therein.

This report is made solely to the Governing Authority in accordance with University statute. Our audit work has been undertaken so that we might state to the Governing Authority those matters we are required to state to it in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Governing Authority, for the audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the University and Auditors

The University, as described on page 58, is responsible for preparing the Funding Statements. Our responsibilities, as independent auditor, are established by University statute, the Auditing Practices Board and our profession's ethical guidance.

Our responsibility is to audit the Funding Statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the Funding Statements have been properly prepared in accordance with the most recent Harmonisation of Accounts agreement as adopted by all Irish Universities and when read in conjunction with the accounting policies as set out on pages 63 to 65 give a true and fair view. We state whether we have obtained all the information and explanations we consider necessary for the purpose of our audit and whether the Funding Statements are in agreement with the books of account. We also report to you our opinion as to whether the University has kept proper books of account.

Basis of opinion

We conducted our audit on the Funding Statements for the year ended 30 September 2010 in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the Funding Statements. It also includes an assessment of the significant estimates and judgements made by the University in the preparation of the Funding Statements and of whether the accounting policies are appropriate to the University's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Funding Statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the Funding Statements.

Opinion

In our opinion the Funding Statements have been properly prepared in accordance with the most recent Harmonisation of Accounts agreement and, when read in conjunction with the accounting policies, give a true and fair view of the state of the University's affairs as at 30 September 2010 and of its surplus and cash flows for the year then ended.

We have obtained all the information and explanations which we consider necessary for the purpose of our audit. In our opinion proper books of account have been kept by the University. The Funding Statements are in agreement with the books of account.

HEA FINANCIAL STATEMENTS**Statement of Accounting Policies****A Financial Statements**

The Financial Statements reflect the teaching, research and related service activities of the University. The Financial Statements of the University's pension schemes and of the University's financially independent ancillary activities are prepared annually and audited separately.

B Accounting Convention

The Financial Statements are prepared under the historical cost convention modified to include the revaluation of land and buildings. They are presented in accordance with the existing Harmonisation of Financial Statements agreement as adopted for all Irish Universities.

The harmonisation of financial statements agreement does not comply with generally-accepted accounting practice (GAAP). Consolidated financial statements that comply with GAAP are prepared separately.

C State Grants for Recurrent Expenditure

Recurrent Grants have been recognised on an accruals basis. Recurrent Grant which has been used for the purchase of fixed assets is transferred to the General Reserve.

D State Grants for Capital Expenditure

State Grants approved by the Higher Education Authority for capital expenditure are included in the Financial Statements of the period to the extent of cash received.

E Fee Income

Fee Income is accounted for on an accruals basis and reported at an EU fee level. Non EU fee income is included up to the EU level with any excess being reported under other income. Any further excess over the related unit cost is included in Ancillary Services.

F Approved Allocations

The Income and Expenditure Account is prepared on an accruals basis with the following exceptions:

- (i) non-pay expenditure of academic departments and certain service departments;
- (ii) departmental equipment and minor works.

In these cases, expenditure is included on the basis of approved budgets and internal balances are carried forward in the Balance Sheet under Current Assets or Liabilities, as appropriate.

HEA FINANCIAL STATEMENTS

Statement of Accounting Policies *cont'd***G Fixed Assets and Depreciation**

All fixed assets are stated at historical cost with the exception of Land and Buildings. Buildings that were completed at 30 September 1998 were revalued internally, on an individual basis, at the current replacement value at that date less the related depreciation charge. Buildings constructed during the year are stated at their historical cost and are assumed to have a useful life of 50 years. Land was also revalued at current use value at 30 September 1998.

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

Equipment costing less than €10,000 per individual item is written off to the income and expenditure account in the year of acquisition.

The estimate useful lives of fixed assets by reference to which depreciation has been calculated on a straight-line basis is as follows: -

Buildings	50 years
Computer Equipment	3 years
Furniture and Equipment	5 years
Land is not depreciated	

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable.

H General Reserve

The general reserve represents the value of funding, after amortisation, applied for capital purposes, together with the results from Ancillary Services.

I Research Grants and Projects

Contract research expenditure is shown net of contributions to indirect costs. Income from contract research grants is included in the Income and Expenditure account to the extent that the related expenditure has been incurred. Contract research contribution to the University's indirect costs is included in 'other income'. Fixed Assets financed from contract research grants are capitalised in the balance sheet.

J Foreign Currencies

Costs denominated in foreign currencies are translated at the exchange rates ruling at the dates of the transactions. Assets and liabilities denominated in foreign currencies are translated into Euro at the rates of exchange ruling at the Balance Sheet date. The resulting profits or losses are dealt with in the Income and Expenditure account.

HEA FINANCIAL STATEMENTS**Statement of Accounting Policies *cont'd*****K Taxation**

No provision has been made for taxation, as the University holds tax exempt status.

L Ancillary Services

Ancillary Services are services provided on campus on a cost recovery basis, and are planned to breakeven in the medium term. Investment income on the infrastructural Development fund is included under this heading. The net outturn on such activities is transferred to the General Reserve account.

M Pensions

The University operates defined-benefit schemes with assets held in separately administered funds. A PRSA pension scheme is available for staff not eligible for enrolment in the defined-benefits schemes.

In the case of the defined benefit schemes, the basic retirement pensions of University staff are funded by contributions to the University Pension Funds ("the pension funds") at a pre-determined rate of pensionable pay. Increases in basic retirement pensions are charged to the Income and Expenditure account of the University. Employer contributions to the defined benefit scheme are also charged to the income and expenditure account of the University in tandem with the employees' salary and wage costs.

Separate financial statements were prepared for the defined benefit Pension Fund to 31 March 2010. The fund was transferred to the state effective 31 March 2010. As a result the schemes operate on a pay as you go basis effective this date.

N Stock

Stocks - the majority of which are laboratory consumables, stationery and building materials - are stated at the lower of cost and net realisable value.

O Investments

Investments are stated at their historical cost.