

University College Dublin  
National University of Ireland,  
Dublin

Annual report, consolidated financial statements  
and funding statement

**Year ended 30 September 2011**

# University College Dublin National University of Ireland, Dublin

## President's report and financial statements

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# University College Dublin

## National University of Ireland, Dublin

### President's Report

#### **Scope of the Financial Statements**

The financial statements consolidate the results of the University and its wholly owned subsidiary companies.

The financial statements of UCD Foundation, Pension Fund and Trust Funds, and Students Union are prepared separately and are not included in the consolidated results for the year as they are not controlled by the University.

The financial statements as set out on pages 9 to 44 have been prepared in accordance with generally accepted accounting standards.

The Funding Statement as set out on pages 46 to 63 is prepared in a format as agreed with the Higher Education Authority arising from a "Harmonisation of Accounts" agreement as adopted by all Irish universities. The Funding Statement permits continued comparison across the university sector.

A reconciliation of the outturn in the Funding Statement to the outturn in the consolidated financial statements is shown on page 64.

#### **Results for the Year**

The University's consolidated income and expenditure account and net surplus for the year to 30 September 2011 are shown on page 14 of the financial statements. Total income decreased by 6% during the year from €436.8m to €411.2m. Student fees showed an increase of €2.1m to €163.0m. State grant funding decreased during the year by 20% to €94m as a result of the worsening economic climate.

Total expenditure decreased by €29.3m to €403m (6%) in comparison to the expenditure before exceptional item in 2010.

The overall result reported is a surplus after taxation of €8.1m for the year compared to a surplus position in the previous year of €46.0m.

#### **Treasury Management**

The University's bank and cash balances decreased during the year from €116.4m to €104.6m. In accordance with the University's Treasury Management policy, the University's investment objective is to achieve the best possible return while minimising risk. Long term borrowing decreased from €16.1m to €12.9m during the year.

#### **Strategic Plan**

This is the second year of UCD's strategic plan to 2014, Forming Global Minds. The strategic plan is an opportunity to advance our university, further build our reputation and contribute to Ireland's recovery. We are building on our excellence in teaching and research, and placing greater emphasis on the impact which these have on the economic, environmental, social and political life of the nation. We are striving increasingly through our innovation agenda to translate our knowledge and expertise for the benefit of Ireland's economy, culture and society. UCD's mission is to support and facilitate the Government's goal for sustainable economic renewal and help build Ireland's smart economy.

# University College Dublin

## National University of Ireland, Dublin

### President's Report (*continued*)

#### **Key Initiatives and Successes**

The prestigious Times Higher Education Rankings positioned UCD within the top 1% of higher education institutions in the world. Retaining this position is a considerable achievement for UCD given the well-documented strains on the higher education system. Once again our staff have shown that UCD can complete with the top universities in the world.

#### **Capital Expenditure**

The University including its subsidiary companies incurred expenditure of €60.5m on land and buildings and a further €4.3m on equipment and fittings, bringing total capital expenditure to €64.8m for 2010/11.

Several strategic infrastructure projects began or continued in 2010/11. Phase one of the UCD Science Centre officially opened in September 2011. Already €20 million has been raised in non-exchequer funds for phase two, which will comprise new and refurbished scientific facilities for 2,500 undergraduate and postgraduate science students, and 2,000 scientific investigators. When all three phases of the UCD Science Centre are complete, it will be the largest capital investment in science in the history of the Irish State. Other key projects include the UCD Sutherland School of Law, construction of which will commence in early 2012. This will create modern and dynamic accommodation for the learning and practice of legal skills and will benefit students, academics and the wider legal profession. By summer 2012, the Student Learning, Leisure and Sports Complex should be complete. This mostly student funded state of the art facility will cater for a diverse range of student learning and leisure activities and form an integral part of UCD's mission to deliver a holistic educational experience.

#### **Student Population**

Despite the economic turmoil I am delighted to report that UCD's student population has increased by 2% to 22,663 students. The increased number of graduate and international students is particularly welcome; these now represent 29% and 19% of UCD student population respectively.

#### **Internationalisation**

An international student mix brings multiple benefits for UCD and Ireland. Our University enjoys a vibrant combination of nationalities and cultures, where students from around the world exchange ideas and learn from each other. On a broader scale, communities and the economy also benefit from this student body in terms of research, job creation and economic ties, both nationally and internationally. International students are also an important source of non-exchequer income. Our objective is to increase our international student population to 25% of the student body, to include a non-EU student population of 15%. UCD's Irish students also have opportunities to study overseas, and our exchange programmes with other universities have continued to grow, with an increase of 10% in the numbers benefiting from the European Erasmus programme in 2010/11.

# University College Dublin National University of Ireland, Dublin

## President's Report *(continued)*

### **Innovation**

The Innovation Academy was formally opened in November 2010. This is the educational centrepiece of the TCD/UCD Innovation Alliance, and it has responsibility for providing an environment which fosters creativity, innovation and entrepreneurial thinking. September 2011 will see a major scale up of the Academy's programmes as over 200 UCD and TCD students enter the Academy through the Programme for Research in Third Level Institutions (PRTL).

### **Conclusion**

UCD has benefited greatly from the guidance and experience of the Governing Authority under the chairmanship of Dermot Gallagher. I am indebted to them for their hard work, advice and commitment which has played a major role in helping us work towards the realisation of UCD's strategic vision. Despite its difficulties, the academic year for UCD was another highly successful year for UCD in its mission of advancing knowledge, pursuing truth and fostering learning. As set out in *Forming Global Minds*, we are committed to service through excellence in education, research and innovation.

  
Hugh Brady  
President

9/10/ 2012

# University College Dublin National University of Ireland, Dublin

## Statement of Governing Authority's Responsibilities

The Governing Authority 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. The Governing Authority is also responsible for preparing the President's report and the financial statements for each financial year which give a true and fair view of the state of affairs of the University and the University group and the surplus or deficit of the University group for that period. The Governing Authority is also responsible for preparing the HEA Funding Statement in accordance with the most recent Harmonisation of Accounts Agreement.

In preparing the financial statements, the Governing Authority 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.

The Governing Authority 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 and the Statement of Recommended Practice – Accounting for Further and Higher 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).

The Governing Authority 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 the Governing Authority,



Hugh Brady  
*President*



Gerry O'Brien  
*Vice-President for Finance*

*Date: 9 October 2012*

# University College Dublin National University of Ireland, Dublin

## Statement on the System of Internal Control *for the financial year ended 30 September 2011*

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

The system of internal control is designed to manage rather than eliminate the risk of failure to achieve aims and objectives or to conduct university affairs in an orderly and legitimate manner. To that extent, such a system can only provide reasonable, but not absolute, assurance against material error or loss.

The **Governing Authority** is the principal university governance and decision-making body in accordance with the Universities Act, 1997. The Governing Authority is responsible for guiding the strategic direction of the University with particular emphasis on overseeing policy, monitoring the performance of senior management and working with the President to set the University's strategic aims. There are two permanently constituted standing committees of the Governing Authority: the Finance, Remuneration and Asset Management Committee, and the Audit and Risk Management Committee. The Governing Authority and its standing committees are chaired by independent Chairs.

The **Finance, Remuneration and Asset Management Committee** is responsible for supervising the financial affairs of the University and for advising the Governing Authority on matters relating to the financial management of the University. The committee consists of members of the Governing Authority and external members. The **Audit and Risk Management Committee** is responsible for advising the Governing Authority on audit and risk management matters in the University. The committee consists of members of the Governing Authority and external members. The **Academic Council** is responsible, subject to the financial constraints determined by the Governing Authority and to review by the Governing Authority, and subject to the traditional principles of academic freedom, for controlling the academic affairs of the University including the curriculum of, and instruction and education provided by, the University.

The **President** is the Chief Officer of the University and is appointed by the Governing Authority. The President is responsible for managing and directing the academic, administrative, financial, personnel and other activities of the University.

The **Senior Management Team** (SMT) was re-titled the **University Management Team** (UMT) in September 2011 and comprises the President and other officers and senior managers in the University. The University Management Team structure includes an Executive and a number of UMT Groups (Plenary; Academic; Finance and Operations; and Communications, Marketing and Student Recruitment).

The key elements of the system of internal control include:

- Clearly defined management responsibilities and delegated authorities;
- Policies, procedures and regulations;
- Strategic planning processes;

# University College Dublin National University of Ireland, Dublin

## Statement on the System of Internal Control *(continued)* *for the financial year ended 30 September 2011*

- Planning, resource allocation and budgetary control systems which are monitored through regular management reporting including the issuing of monthly reports to budget-holders and review by senior management throughout the year;
- Information systems to ensure timely management reporting;
- A risk management system which identifies and reports key risks and the management actions taken to address these risks.

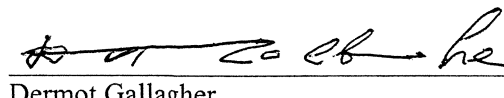
Monitoring of the system of internal control is informed by the following processes:

- (i) Ongoing review by the University Management Team and the provision of annual assurance statements by senior managers;
- (ii) The Annual Report of the President to the Governing Authority;
- (iii) The President's Routine Reports presented at each meeting of the Governing Authority;
- (iv) Reports from the Finance, Remuneration and Asset Management Committee meetings relating to personnel, finance and capital matters which are placed before meetings of the Governing Authority;
- (v) Reports from Academic Council meetings which are placed before meetings of the Governing Authority;
- (vi) The annual report of the Audit and Risk Management Committee to the Governing Authority and Finance, Remuneration and Asset Management Committee which includes a summary of the work performed by the Internal Audit function during the year and comments arising from the committee's review of risk management and corporate governance arrangements;
- (vii) Management letters and reports from the university's external auditors and the Comptroller and Auditor General which are reviewed by the Audit and Risk Management Committee;
- (viii) Quality Assurance reports;
- (ix) Communication of the results of other periodic reviews.

These monitoring processes have been in place in relation to the financial year ended 30 September 2011 and no issues have been identified which may require disclosure in this statement.

On behalf of the Governing Authority,

  
\_\_\_\_\_  
Hugh Brady,  
President

  
\_\_\_\_\_  
Dermot Gallagher,  
Chairman of the Governing Authority

Date : 9 October 2012



## Independent auditor's report to the Governing Authority of University College Dublin, National University of Ireland, Dublin

We have audited the financial statements on pages 9 to 44. The financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the members of the Governing Authority of University College Dublin, National University of Ireland, Dublin, as a body. Our audit has been undertaken so that we might state to the members of the Governing Authority 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 the Governing Authority, as a body, for our audit work, for this report or for the opinions we have formed.

### **Respective responsibilities of the Governing Authority and auditor**

The Governing Authority's responsibility for preparing the President'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 the Governing Authority's Responsibilities.

It is the Governing Authority's responsibility for ensuring that the HEA Funding Statement is prepared in accordance with the most recent Harmonisation of Accounts Agreement.

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 accounts 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 report to you whether, in our opinion, the HEA Funding Statement has been prepared in accordance with the most recent Harmonisation of Accounts Agreement.

We read the President'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 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 financial statements. It also includes an assessment of the significant estimates and judgements made by the members of the Governing Authority 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 we 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.

Independent auditor's report to the Governing Authority of University College  
Dublin, National University of Ireland, Dublin *(continued)*

**Qualified opinion arising from disagreement**

As more fully explained in Note 32 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 the Governing Authority consider these pension liabilities to have always been guaranteed by the State. In addition, losses matching the decrease in these pension liabilities during the year have been recorded in the profit and loss account and statement of total recognised gains and losses for the year.

In our opinion, while the enactment in June 2009 of the Financial Measures (Miscellaneous Provisions) Act, 2009 and the resulting Transfer Order dated 31 March 2010, provides a mechanism for the State to assume responsibility for any shortfall in funding arising in the UCD 1995 Contributory pension scheme operated by the University, 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, it is not appropriate to recognise the pension receivable pertaining to these deficits on the University's balance sheet at 30 September 2011.

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 2011 should be reduced by €358 million (ii) the pension receivable asset, net assets and revenue reserves at 30 September 2010 should be reduced by €393 million. The opening net assets as at 30 September 2009 should be reduced by €290 million.

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 44 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 2011 and of the surplus of the University Group for the year then ended.

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 HEA funding statement on pages 47 to 64, which has been prepared in accordance with the most recent Harmonisation of Accounts Agreement, except for the treatment capital grants as outlined on page 47, has been properly extracted from the books and records of the University.

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



Ruaidhri Gibbons

**For and on behalf of  
KPMG**

**Chartered Accountants, Statutory Audit Firm**

*1 Stokes Place*

*St. Stephen's Green*

*Dublin 2*

9 October 2012

# University College Dublin National University of Ireland, Dublin

## Statement of accounting policies *for the year ended 30 September 2011*

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

### **Basis of preparation**

The financial statements are prepared under the historical cost convention, in accordance with Generally Accepted Accounting Practice in Ireland, comprising applicable accounting standards 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.

### **Basis of consolidation**

The financial statements consolidate the financial statements of the University and all of its subsidiary undertakings, made up to 30 September 2011.

The results of the subsidiary undertakings acquired or disposed of in the year are included in the consolidated income and expenditure account from the date of acquisition or up to the date of disposal.

In accordance with FRS 2 – Accounting for Subsidiary Undertakings, the activities of the Students' Union of University College Dublin have not been consolidated because the University does not control those activities. The financial statements of UCD Foundation and Trust Fund are also excluded as they are not controlled by the University. Other undertakings in which the University has an interest have not been consolidated on the grounds that they are not material.

### **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 assets.

Income from research grants, contracts 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.

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

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

# University College Dublin

## National University of Ireland, Dublin

Statement of accounting policies *(continued)*  
*for the year ended 30 September 2011*

### **Foreign currency translation**

Transactions in foreign currencies are recorded at the rate ruling at the date of the transactions or at a contracted rate. The resulting monetary assets and liabilities are translated at the balance sheet rate or the contracted rate and the exchange differences are dealt with in the income and expenditure account.

### **Exceptional items**

The University adopted an income and expenditure account format that seeks to highlight significant items within the University's results. In 2012, this included the impact of an arrangement reached by the University with the HEA in the context of Fixed Term Worker Act obligations. Judgement is used by the University in assessing particular significant items, which by virtue of their scale and nature, should be presented in the consolidated income and expenditure account and disclosed in the related notes as exceptional items.

### **Tangible fixed assets**

#### **(a) Land and buildings**

The University's buildings are stated at cost less accumulated depreciation. Freehold buildings are depreciated over their expected useful economic life to the University of 50 years. Leasehold buildings are included in the balance sheet at cost and depreciated over the term of the lease. Freehold land is not depreciated.

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.

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 FRS 5 "Reporting the Substance of Transactions" with regard to certain assets used by the University where the legal form of all 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.

# University College Dublin National University of Ireland, Dublin

Statement of accounting policies *(continued)*  
*for the year ended 30 September 2011*

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

### **(b) Equipment and minor works**

Equipment costing less than €5,000 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:

Leased assets	20 years or primary lease period, if shorter
Computer equipment	3 years
Equipment, fixtures and fittings	5 years
Minor works	10 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.

### **(c) Donations**

The University receives on occasion benefits in kind such as gifts of equipment. Items of a significant value donated to the University, which if purchased, the University Group would treat as tangible fixed assets, are capitalised at their current value and depreciated in accordance with the policy set out above. The value of the donation is treated as a deferred capital grant.

### **Leased assets**

Tangible fixed assets acquired under finance leases are included in the balance sheet at their equivalent capital value and are depreciated over the shorter of the lease term and their useful lives. The corresponding liabilities are recorded as a creditor and the interest element of the finance lease rentals is charged to the profit and loss account on an annuity basis. Operating lease rentals are charged to the profit and loss account on a straight line basis over the lease term.

### **Financial assets**

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.

# University College Dublin

## National University of Ireland, Dublin

Statement of accounting policies *(continued)*  
*for the year ended 30 September 2011*

### **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. Certain research and commercial activities within the University falls into the VAT net, any input or output tax relating to these activities is returned to the Revenue by the University.

Certain trading activities undertaken by the University are administered through a number of its subsidiary companies, which as commercial organisations are liable to corporation tax.

### **Deferred taxation**

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

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

### **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.

### **Pensions**

The University operates defined benefit pension schemes for all eligible employees.

For defined benefit schemes the amount charged to the income and expenditure account is the actuarially determined cost of pension benefits promised to employees during the year plus any benefit improvements granted to members by the University during the year.

In 2010, other finance charges/income in the income and expenditure account includes a credit equivalent to the company's expected return on the pension schemes' assets (where relevant) over the year, offset by a charge equal to the expected interest in the schemes' liabilities over the year. The difference between the market value of the schemes' assets (where relevant) and the present value of the schemes' liabilities is disclosed as an asset/liability on the balance sheet. In 2010, the difference between the expected return on assets and that actually achieved, and any changes in the liabilities over the year due to changes in assumptions or experience within the schemes, was recognised in the statement of total recognised gains and losses.

# University College Dublin National University of Ireland, Dublin

Statement of accounting policies *(continued)*  
*for the year ended 30 September 2011*

## **Pensions** *(continued)*

### *Pension Asset Receivable*

As more fully referred to in note 32, the University considers that its pension liabilities are guaranteed by the State. As a consequence, the liability of the pension schemes is matched by an equivalent amount receivable by the University from the State.

Movements on this pension receivable are included in the income and expenditure account or statement of total recognised gains and losses in order to equal the underlying movement in the pension liability. The financial statements reflect the actual pension costs to the University.

## **Government grants**

Non-capital government grants are credited to the income and expenditure account to offset the matching expenditure.

University College Dublin  
National University of Ireland, Dublin


Consolidated income and expenditure account  
for the year ended 30 September 2011

	Note	2011 €'000	2010 Before Exceptional item €'000	2010 Exceptional item (note 3) €'000	Total €'000
<b>Income</b>					
State grants	1	94,075	117,566	-	117,566
Academic fees	2	163,013	160,925	-	160,925
Research grants and contracts	4	76,979	95,141	(7,956)	87,185
Amortisation of deferred capital grants	21	14,747	14,730	-	14,730
Other income	5	61,500	55,205	-	55,205
Interest income	6	915	1,201	-	1,201
<b>Total income</b>		<b>411,229</b>	<b>444,768</b>	<b>(7,956)</b>	<b>436,812</b>
<b>Expenditure</b>					
Staff costs	7	269,419	294,524	(41,583)	252,941
Other operating expenses	8	104,695	108,727	-	108,727
Interest payable	9	1,195	1,399	-	1,399
Other finance expense	10	-	-	-	-
Depreciation	13	27,807	27,713	-	27,713
<b>Total expenditure</b>		<b>403,116</b>	<b>432,363</b>	<b>(41,583)</b>	<b>390,780</b>
<b>Surplus on continuing operations after depreciation of fixed assets and before taxation</b>		<b>8,113</b>	<b>12,405</b>	<b>33,627</b>	<b>46,032</b>
Taxation	11	(2)	4	-	4
<b>Surplus for the financial year</b>	12	<b>8,111</b>	<b>12,409</b>	<b>33,627</b>	<b>46,036</b>

The financial statements on pages 14 to 44 and the accounting policies on pages 9 to 13 were approved by the Governing Authority and were signed on its behalf by:

  
Hugh Brady  
President

9/10/12

  
Gerry O'Brien  
Vice-President for Finance



University College Dublin  
National University of Ireland, Dublin

Statement of total recognised gains and losses  
for the year ended 30 September 2011

	<i>Note</i>	<b>2011</b> €'000	2010 €'000
<b>Surplus for the financial year</b>		<b>8,111</b>	46,036
Actual return less expected return on assets	32	-	1,376
Experience gains and losses on liabilities	32	<b>36,920</b>	(15,910)
Changes in actuarial assumptions	32	<b>111,896</b>	(254,848)
Movement on pension receivable	32	<b>(148,816)</b>	269,382
<b>Total recognised gains and losses in the financial year</b>		<b>8,111</b>	46,036

Reconciliation of movement in revenue reserves  
for the year ended 30 September 2011

	<b>2011</b> €'000	2010 €'000
Total recognised gains and losses in the financial year	<b>8,111</b>	46,036
Opening revenue reserves	<b>165,007</b>	118,971
Closing revenue reserves	<b>173,118</b>	165,007


University College Dublin  
National University of Ireland, Dublin

Consolidated and University balance sheet  
at 30 September 2011

	Note	Consolidated		University	
		2011 €'000	2010 €'000	2011 €'000	2010 €'000
<b>Fixed assets</b>					
Tangible assets	13	632,739	595,811	616,922	574,969
Financial assets	14	1,065	861	8,065	7,861
		<u>633,804</u>	<u>596,672</u>	<u>624,987</u>	<u>582,830</u>
<b>Current assets</b>					
Stocks	15	2,389	1,993	2,389	1,993
Debtors	16	95,541	79,113	104,983	91,984
Cash at bank and in hand	17	104,583	116,394	104,520	114,671
		<u>202,513</u>	<u>197,500</u>	<u>211,892</u>	<u>208,648</u>
<b>Creditors: amounts falling due within one year</b>	18	<u>(294,222)</u>	<u>(271,451)</u>	<u>(291,256)</u>	<u>(265,332)</u>
<b>Net current liabilities</b>		<u>(91,709)</u>	<u>(73,951)</u>	<u>(79,364)</u>	<u>(56,684)</u>
<b>Total assets less current liabilities</b>		<u>542,095</u>	<u>522,721</u>	<u>545,623</u>	<u>526,146</u>
<b>Creditors: amounts falling due after more than one year</b>	19	<u>(52,237)</u>	<u>(57,000)</u>	<u>(52,237)</u>	<u>(57,000)</u>
<b>Provisions for liabilities and charges</b>	22	<u>(2,639)</u>	<u>(2,249)</u>	<u>(2,639)</u>	<u>(2,249)</u>
<b>Net assets excl. pension (liability)/receivable</b>		<u>487,219</u>	<u>463,472</u>	<u>490,747</u>	<u>466,897</u>
<b>Pension liability</b>	32	<u>(1,163,779)</u>	<u>(1,253,233)</u>	<u>(1,163,779)</u>	<u>(1,253,233)</u>
<b>Pension receivable</b>	32	<u>1,163,779</u>	<u>1,253,233</u>	<u>1,163,779</u>	<u>1,253,233</u>
<b>Net assets including pension (liability)/asset</b>		<u>487,219</u>	<u>463,472</u>	<u>490,747</u>	<u>466,897</u>
Deferred capital grants	21	314,101	298,465	330,408	313,109
Revenue reserves	23	173,118	165,007	160,339	153,788
<b>Total</b>		<u>487,219</u>	<u>463,472</u>	<u>490,747</u>	<u>466,897</u>

The financial statements on pages 14 to 44 and the accounting policies on pages 9 to 13 were approved by the Governing Authority on and were signed on its behalf by:

  
Hugh Brady  
President

  
Gerry O'Brien  
Vice-President for Finance

21/10/12

University College Dublin  
National University of Ireland, Dublin

Consolidated cash flow statement  
for the year ended 30 September 2011

	<i>Note</i>	<b>2011</b> €'000	2010 €'000
<b>Net cash inflow from operating activities</b>	25	<b>22,882</b>	48,617
Returns on investments and servicing of finance	26	<b>(280)</b>	(198)
Taxation paid		<b>(2)</b>	4
Capital expenditure and financial investment	27	<b>(30,911)</b>	(38,917)
		<hr/>	<hr/>
<b>Net cash (outflow)/inflow before use of liquid resources and financing</b>		<b>(8,311)</b>	9,506
Net cash outflow from financing activities	28	<b>(3,793)</b>	(3,673)
		<hr/>	<hr/>
<b>(Decrease)/increase in cash in the year</b>		<b>(12,104)</b>	5,833
		<hr/> <hr/>	<hr/> <hr/>

Reconciliation of net cash flow to movement in net funds  
for the year ended 30 September 2011

	<i>Note</i>	<b>2011</b> €'000	2010 €'000
(Decrease)/increase in cash in the year		<b>(12,104)</b>	5,833
Cash outflow from decrease in debt and lease financing		<b>3,793</b>	3,673
		<hr/>	<hr/>
Movement in net funds in year	29	<b>(8,311)</b>	9,506
Net funds at 1 October	29	<b>89,762</b>	80,256
		<hr/>	<hr/>
<b>Net funds at 30 September</b>	29	<b>81,451</b>	89,762
		<hr/> <hr/>	<hr/> <hr/>

# University College Dublin

## National University of Ireland, Dublin

### Notes

*forming part of the financial statements*

#### 1 State grants

	2011 €'000	2010 €'000
State grants allocated for recurrent purposes	94,075	117,566

Grant income of €3,616,367 (2010:€4,620,501) was received from the Health Service Executive in 2011. All other grant income was received from the Higher Education Authority (HEA).

#### 2 Academic fees

	2011 €'000	2010 €'000
Academic fee income	163,013	160,925

A total of €57,606,576 (2010:€57,176,765) included in academic fee income was paid directly by the HEA.

#### 3 Exceptional item

	2011 €'000	2010 €'000
Write back of provision/accrual for fixed term workers' benefits (note 7)	-	41,583
Write off of pension research receivable (note 4)	-	(7,956)
	-	33,627

#### 4 Research grants and contracts

	2011 €'000	2010 €'000
State and semi-state*	46,658	51,970
European Union	10,092	9,563
Industry	3,675	5,884
SFI Overheads grant	5,309	4,385
Other	11,245	15,383
	76,979	87,185

# University College Dublin

## National University of Ireland, Dublin

Notes (continued)

### 4 Research grants and contracts (continued)

\*Included in State and semi-state research income in 2010 is the write off of an amount of €7.956 million which had been accrued as due from the funding agencies to recover certain obligations arising under the Fixed Term Workers Act, as it is no longer recoverable following an agreement reached with the HEA in the context of Fixed Term Worker funding. An offsetting liability was included within the pension provision and was released as a credit to income during the year.

### 5 Other income

	2011 €'000	2010 €'000
Catering and conferences	2,279	2,275
Residences	14,544	9,416
Other rental income	2,667	2,722
Medical testing income	12,914	12,480
Academic facilities and departments	22,055	22,584
Other operating income	7,041	5,728
	<hr/>	<hr/>
	<b>61,500</b>	<b>55,205</b>
	<hr/> <hr/>	<hr/> <hr/>

### 6 Interest income

	2011 €'000	2010 €'000
Interest income	915	1,201
	<hr/>	<hr/>

### 7 Staff costs

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

	2011 No. of employees	2010 No. of employees
Teaching and Research	2,461	2,506
Technical	365	383
Central administration and services	1,186	1,192
Other	289	309
	<hr/>	<hr/>
	<b>4,301</b>	<b>4,390</b>
	<hr/> <hr/>	<hr/> <hr/>

University College Dublin  
National University of Ireland, Dublin

Notes (continued)

7 Staff costs (continued)

	2011 €'000	2010 €'000
Salaries and wages	227,736	247,843
Social welfare costs	16,314	16,771
Employer pension costs (a)	25,369	29,910
	<hr/>	<hr/>
	269,419	294,524
Write back of provision/accrual for fixed term workers' benefits (see below)	-	(41,583)
	<hr/>	<hr/>
	269,419	252,941
	<hr/> <hr/>	<hr/> <hr/>

An EU Directive, the Protection of Employee Acts 2001 and 2003, extended pension benefits to part-time and fixed term workers and was incorporated into local legislation in 2003. The Act resulted in additional obligations for the University in terms of the provision of pension and other benefits to certain categories of employees. While awaiting resolution of the related funding issue, the University estimated the potential maximum costs arising under this legislation and provided for these obligations as they arose from 2003 to 2009.

Subsequent sectoral discussions in the context of broader pension scheme cash funding discussions, led to an agreement that UCD would release certain provisions relating to Fixed Term Workers obligations. Accordingly, the University released €41.5 million back to the Income and Expenditure Statement in 2010.

(a) Pension costs	2011 €'000	2010 €'000
Current service cost (note 32)	33,368	30,790
Movement on pension receivable (note 32)	(7,999)	(880)
	<hr/>	<hr/>
	25,369	29,910
	<hr/> <hr/>	<hr/> <hr/>

# University College Dublin

## National University of Ireland, Dublin

Notes (continued)

### 8 Other operating expenses

	2011 €'000	2010 €'000
Research (non-pay)	19,746	23,902
Maintenance and security	13,634	15,579
Lab supplies	7,907	8,154
Professional fees	3,780	3,756
External contract costs	7,453	7,690
Travel and hospitality	7,517	6,869
Computer supplies	3,628	3,659
Printing, stationery and audio visual	3,063	3,000
Books and periodicals	3,135	4,792
Light and heat	5,038	4,955
Student facilities	3,411	3,885
Rates and insurance	5,106	2,375
Equipment	3,259	5,013
Training and development	4,047	4,617
Communications	1,145	1,390
Advertising and promotions	1,858	1,875
Other expenses	10,968	7,216
	<u>104,695</u>	<u>108,727</u>
	2011 €'000	2010 €'000

Other operating expenses include:

Auditors' remuneration:

- External audit of University Group	178	220
- External audit of Pension Funds	41	40
- Taxation and secretarial	11	6
- Other services	3	38

The University has an Internal Audit function and the associated payroll costs have been included as part of staff costs for the year.

### 9 Interest payable

	2011 €'000	2010 €'000
On bank loans, overdrafts and other loans repayable wholly or partly in more than 5 years	1,195	1,399

Interest is payable on loans drawn down to fund residential accommodation for students. This activity is carried out by the University's subsidiary undertakings.

# University College Dublin

## National University of Ireland, Dublin

Notes *(continued)*

<b>10 Other finance (expense)/income</b>	<b>2011</b>	<b>2010</b>
	<b>€'000</b>	<b>€'000</b>
Expected return on pension assets (note 32)	-	16,061
Interest on pension liabilities (note 32)	<b>(59,835)</b>	<b>(56,887)</b>
	<hr/>	<hr/>
	<b>(59,835)</b>	<b>(40,826)</b>
 Movement on pension receivable to offset pension expense (note 32)	 <b>59,835</b>	 <b>40,826</b>
	<hr/>	<hr/>
	-	-
	<hr/> <hr/>	<hr/> <hr/>
 <b>11 Taxation</b>	 <b>2011</b>	 <b>2010</b>
	<b>€'000</b>	<b>€'000</b>
Current taxation:		
Irish corporation tax on subsidiaries profits for the year	<b>2</b>	<b>(4)</b>
	<hr/>	<hr/>
Current tax charge/(credit) for the year	<b>2</b>	<b>(4)</b>
	<hr/>	<hr/>
Deferred tax:		
Origination and reversal of timing differences	-	-
	<hr/>	<hr/>
	<b>2</b>	<b>(4)</b>
	<hr/> <hr/>	<hr/> <hr/>

Corporation tax arises in the current year on profits earned by a number of the University's subsidiaries.

The current tax charge for the year is lower than the current charge that would result from applying the standard rate of Irish corporation tax to the surplus for the year. The differences are explained below:



University College Dublin  
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Notes (continued)

**11 Taxation (continued)**

	<b>2011</b>	2010
	<b>€'000</b>	€'000
Surplus for year before taxation	<b>8,113</b>	46,032
Surplus before taxation at the corporation tax rate for the year of 12.5%	<b>1,014</b>	5,754
<i>Effects of:</i>		
Amounts not subject to Irish corporation tax	<b>(1,012)</b>	(5,764)
Capital allowances in excess of depreciation	-	1
Other amounts	-	5
<b>Current tax charge/(credit) for the year</b>	<b>2</b>	<b>(4)</b>

**12 Surplus on continuing operations for the year**

	<b>2011</b>	2010
	<b>€'000</b>	€'000
The surplus for the year on continuing operations is made up as follows:		
University's surplus for the year	<b>6,551</b>	44,895
Surplus generated by subsidiary undertakings	<b>1,560</b>	1,141
<b>Surplus on continuing operations for the year</b>	<b>8,111</b>	46,036

# University College Dublin National University of Ireland, Dublin

## 13 Tangible fixed assets

	Land and buildings €'000	Assets in course of construction €'000	Minor works €'000	Computer equipment €'000	Equipment €'000	Fixtures and fittings €'000	Total €'000
<b>Consolidated</b>							
<b>Cost</b>							
At 1 October 2010	634,884	60,728	5,680	18,313	130,933	1,062	851,600
Additions in year	17,417	43,082	-	686	3,564	46	64,795
Transfers from assets in course of construction	38,836	(38,836)	-	-	-	-	-
Disposals in year	-	-	-	(11)	(92)	-	(103)
<b>At 30 September 2011</b>	<b>691,137</b>	<b>64,974</b>	<b>5,680</b>	<b>18,988</b>	<b>134,405</b>	<b>1,108</b>	<b>916,292</b>
<b>Depreciation</b>							
At 1 October 2010	129,837	-	5,680	17,440	101,996	836	255,789
Charge for year	13,502	-	-	820	13,364	121	27,807
Eliminated on disposals	-	-	-	(11)	(32)	-	(43)
<b>At 30 September 2011</b>	<b>143,339</b>	<b>-</b>	<b>5,680</b>	<b>18,249</b>	<b>115,328</b>	<b>957</b>	<b>283,553</b>
<b>Net book value</b>							
<b>At 30 September 2011</b>	<b>547,798</b>	<b>64,974</b>	<b>-</b>	<b>739</b>	<b>19,077</b>	<b>151</b>	<b>632,739</b>
At 30 September 2010	505,047	60,728	-	873	28,937	226	595,811

Details of capital grant funding received in respect of tangible fixed assets are detailed in note 21.

Land and buildings includes €11.6 million in respect of freehold land which is not depreciated. This category also includes €87 million (2010: €91 million) in relation to land and buildings which have been accounted for in accordance with the Financial Reporting Standard 5 - Reporting the Substance of Transactions, issued by the Accounting Standards Board. These land and buildings are legally owned by special purpose finance companies/private investors. The commercial effect of the transactions associated with the sale and ultimate repurchase of these buildings is that the University continues to bear all significant benefits and risks relating to these land and buildings. Further details of these arrangements are provided below.

**University College Dublin  
National University of Ireland, Dublin**

**13 Tangible fixed assets (continued)**

University	Land and buildings €'000	Assets in course of construction €'000	Minor works €'000	Computer equipment €'000	Equipment and fittings €'000	Total €'000
<b>Cost</b>						
At 1 October 2010	631,167	42,943	5,680	18,288	130,827	828,905
Additions in year	17,417	47,914	-	686	3,564	69,581
Transfers from assets in course of construction	38,836	(38,836)	-	-	-	-
Disposals in year	-	-	-	(11)	(92)	(103)
<b>At 30 September 2011</b>	<b>687,420</b>	<b>52,021</b>	<b>5,680</b>	<b>18,963</b>	<b>134,299</b>	<b>898,383</b>
<b>Depreciation</b>						
At 1 October 2010	128,811	-	5,680	17,413	102,032	253,936
Charge for year	13,385	-	-	820	13,363	27,568
Eliminated on disposals	-	-	-	(11)	(32)	(43)
<b>At 30 September 2011</b>	<b>142,196</b>	<b>-</b>	<b>5,680</b>	<b>18,222</b>	<b>115,363</b>	<b>281,461</b>
<b>Net book value</b>						
<b>At 30 September 2011</b>	<b>545,224</b>	<b>52,021</b>	<b>-</b>	<b>741</b>	<b>18,936</b>	<b>616,922</b>
At 30 September 2010	502,356	42,943	-	875	28,795	574,969

# University College Dublin

## National University of Ireland, Dublin

Notes (continued)

### 13 Tangible fixed assets (continued)

#### Tax based property schemes

The University has entered into arrangements with various investors whereby the investors obtain tax relief arising on qualifying construction costs of buildings and share the benefit of this relief with the University.

Transactions associated with all relevant tax based property schemes where legal title to the relevant property has not yet passed to the University have been included in the financial statements at historical cost in accordance with Financial Reporting Standard No. 5 – Reporting the Substance of Transactions, as issued by the Accounting Standards Board.

The principal reliefs availed of in relation to the University group's properties are as follows:

- a) "Section 50" relief which was availed of in relation to the Proby student residences, Roebuck Hall and Glenomena 3. Full legal ownership of Proby student residences, Roebuck Hall and Glenomena 3 is expected to pass to the University under option agreements in the years 2013, 2014 and 2016 respectively. These properties have been reflected in the balance sheet at 30 September 2011 in accordance with Financial Reporting Standard No. 5 – Reporting the Substance of Transactions, reflecting the commercial substance of the arrangement rather than the legal form, as the risks and rewards of ownership accrue to the University over these periods. The relevant liability included in the balance sheet relating to the obligations associated with these residences is included in note 19 to the financial statements.
- b) "Section 843" relief which was availed of in relation to the Conway Institute of Biomedical and Biomolecular Research which includes the Dublin Molecular Medicine Centre. Full legal ownership of these properties is expected to pass to the University under option agreements in the 2012 financial year. This property have been reflected in the balance sheet at 30 September 2011, in accordance with Financial Reporting Standard No. 5 – Reporting the Substance of Transactions, reflecting the commercial substance of the arrangement rather than the legal form, as the risks and rewards of ownership accrue to the University over these periods. The related lease liability is included in note 18 to the financial statements.

Under the legal form, the University has restricted bank balances of €38.137million on deposit with a financial institution. The deposits will generate income and the total amount will enable the University to acquire the full ownership of the building, as expected under the terms of the option agreement.

#### *Belgrove student residence*

During the current financial period the legal and beneficial interest in the Belgrove residences was acquired by the University for €Nil consideration via a call option mechanism that was part of the Agreement with investors under a tax relief arrangement entered into in 1990. The property has been recorded in the University's balance sheet at a fair value of €10.475 million.

#### *Institute for the Study of Social Change*

During the financial year, the University acquired full legal ownership of the Institute for the Study of Social Change through the unwinding of the "Section 843" structure, for a consideration of €4.216 million.

# National University of Ireland, Dublin

Notes (continued)

## 14 Financial assets

	Consolidated		University	
	2011 €'000	2010 €'000	2011 €'000	2010 €'000
<i>Investments are were held as follows:</i>				
Investment in subsidiaries	-	-	7,000	7,000
Other investments	1,065	861	1,065	861
	<u>1,065</u>	<u>861</u>	<u>8,065</u>	<u>7,861</u>

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

Subsidiary undertakings	Principal activity	Interest	Registered office/ place of business
Mapleview Limited	Accommodation rental	100%	Belfield, Dublin 4
UCD O'Reilly Hall Limited	Management of O'Reilly Hall	100%	Belfield, Dublin 4
UCD Student Centre Limited	Management of Student Centre	100%	Belfield, Dublin 4
UCD Property Development Company Limited	Property Development	100%	Belfield, Dublin 4
UCD Nova Limited	Development of Nova Building	100%	Belfield, Dublin 4
Foster Residences Limited	Accommodation rental	100%	Belfield, Dublin 4
UCD Educational Services Limited	Dormant	100%	Belfield, Dublin 4
Campus Trust Limited	Dormant	100%	Belfield, Dublin 4
<b>Associated undertakings</b>			
Molecular Medicine Ireland	Research	20%	Belfield, Dublin 4
National Institute for Bioprocessing Research and Training Limited	Research and training	25%	Belfield, Dublin 4
National Digital Research Centre	Research Centre	20%	Crane St. Dublin 8
Penang Medical College	Education	20%	Penang, Malaysia

The University holds minority shareholdings in a number of campus companies. The carrying value of such investments in the University financial statements are €Nil.

## 15 Stocks

	Consolidated		University	
	2011 €'000	2010 €'000	2011 €'000	2010 €'000
Raw materials and consumables	1,593	1,329	1,593	1,329
Finished goods for resale	796	664	796	664
	<u>2,389</u>	<u>1,993</u>	<u>2,389</u>	<u>1,993</u>

There is no material difference between the carrying value of stock in the balance sheet and its replacement cost.

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Notes (continued)

**16 Debtors**

	Consolidated		University	
	2011	2010	2011	2010
	€'000	€'000	€'000	€'000
Trade debtors	9,502	4,834	9,087	4,578
Research grants and contracts receivable	54,349	48,605	54,349	48,605
State grant receivable	8,172	12,802	8,172	12,802
Other capital funding receivable	1	2,321	1	2,321
Academic fees receivable	3,538	6,261	3,538	6,261
Prepayments	186	346	159	286
Amounts due from subsidiary undertakings	-	-	10,001	12,094
Other debtors	19,793	3,944	19,676	5,037
	=====	=====	=====	=====
	<b>95,541</b>	<b>79,113</b>	<b>104,983</b>	<b>91,984</b>
	=====	=====	=====	=====

**17 Cash at bank and in hand**

	Consolidated		University	
	2011	2010	2011	2010
	€'000	€'000	€'000	€'000
Cash at bank including balances held on short term deposit	66,446	74,397	66,383	72,674
Restricted bank balances	38,137	41,997	38,137	41,997
	=====	=====	=====	=====
	<b>104,583</b>	<b>116,394</b>	<b>104,520</b>	<b>114,671</b>
	=====	=====	=====	=====

Restricted bank balances represent amounts set aside as sinking funds under the terms of the financing agreement associated with the Section 843 funding of the Conway Institute of Biomedical and Biomolecular Research including the Dublin Molecular Medicine Centre. The purpose of these sinking funds is to generate sufficient funds to acquire full ownership of these assets at future dates as detailed in note 13 to the financial statements.

University College Dublin  
National University of Ireland, Dublin

Notes (continued)

**18 Creditors:** amounts falling due within one year

	Consolidated		University	
	2011 €'000	2010 €'000	2011 €'000	2010 €'000
Trade creditors	7,493	7,571	7,211	7,176
Research grants and contracts in advance	88,261	74,289	88,261	74,289
Academic fees received in advance	44,236	44,357	44,236	44,357
State grant received in advance	27,233	19,758	27,233	19,758
Other capital funding received in advance	14,535	14,169	14,535	14,169
Accruals	14,804	14,357	13,578	12,793
Bank overdrafts (note 20)	6,940	6,647	6,940	6,647
Bank loans (note 20)	3,301	3,890	3,301	3,890
Amounts owed to subsidiary undertakings	-	-	5,196	4,513
Other taxation and social security	8,325	7,900	8,108	7,769
Other creditors	33,653	29,421	27,216	20,882
Other lease obligations – FRS 5 (note 13)	40,551	44,411	40,551	44,411
Other amounts received in advance	4,890	4,681	4,890	4,678
	<u>294,222</u>	<u>271,451</u>	<u>291,256</u>	<u>265,332</u>

**19 Creditors:** amounts falling due after one year

	Consolidated		University	
	2011 €'000	2010 €'000	2011 €'000	2010 €'000
Bank loans (note 20)	12,891	16,095	12,891	16,095
Other lease obligations – FRS 5 (note 13)	39,346	40,905	39,346	40,905
	<u>52,237</u>	<u>57,000</u>	<u>52,237</u>	<u>57,000</u>

University College Dublin  
National University of Ireland, Dublin

Notes (continued)

20 Borrowings

	Consolidated		University	
	2011 €'000	2010 €'000	2011 €'000	2010 €'000
<b>Bank loans and overdrafts</b>				
Bank loans and overdrafts are repayable as follows;				
In one year or less – Bank overdrafts	6,940	6,647	6,940	6,647
- Bank loans	3,301	3,890	3,301	3,890
	<hr/>	<hr/>	<hr/>	<hr/>
	10,241	10,537	10,241	10,537
Amounts falling due after more than one year				
Between one and two years – bank loans	3,301	3,890	3,301	3,890
Between two and five years – bank loans	6,602	7,779	6,602	7,779
In five years or more – bank loans	2,988	4,426	2,988	4,426
	<hr/>	<hr/>	<hr/>	<hr/>
	12,891	16,095	12,891	16,095
	<hr/>	<hr/>	<hr/>	<hr/>
Total	23,132	26,632	23,132	26,632
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

21 Deferred capital grants

	State €'000	Other grants and benefactors €'000	Total €'000
<b>Consolidated</b>			
<b>At 1 October 2010</b>			
Buildings	192,681	87,764	280,445
Equipment	5,733	12,287	18,020
	<hr/>	<hr/>	<hr/>
<b>Total</b>	198,414	100,051	298,465
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b>Grants received in year</b>			
Buildings	9,742	19,050	28,792
Equipment	5	1,586	1,591
	<hr/>	<hr/>	<hr/>
<b>Total</b>	9,747	20,636	30,383
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>



University College Dublin  
National University of Ireland, Dublin

Notes (continued)

21 Deferred capital grants (continued)

	State €'000	Other grants and benefactors €'000	Total €'000
<b>Released to income and expenditure in year</b>			
Buildings	4,500	2,506	7,006
Equipment	2,581	5,160	7,741
<b>Total</b>	<b>7,081</b>	<b>7,666</b>	<b>14,747</b>
<b>At September 2011</b>			
Buildings	197,923	104,308	302,231
Equipment	3,157	8,713	11,870
<b>Total</b>	<b>201,080</b>	<b>113,021</b>	<b>314,101</b>

In addition, amounts received in advance and not yet spent are included in creditors (note 18). These balances represent monies received in advance of the commencement of construction works and have not been amortised. Amounts received in advance, not amortised at 30 September 2011, are as follows:

	State €'000	Other grants and benefactors €'000	Total €'000
Buildings	10,063	14,535	24,598

University College Dublin  
National University of Ireland, Dublin

Notes (continued)

21 Deferred capital grants (continued)

	State €'000	Other grants and benefactors €'000	Total €'000
<b>University</b>			
<b>At 1 October 2010</b>			
Buildings	192,681	102,408	295,089
Equipment	5,733	12,287	18,020
	<hr/>	<hr/>	<hr/>
<b>Total</b>	<b>198,414</b>	<b>114,695</b>	<b>313,109</b>
	<hr/>	<hr/>	<hr/>
<b>Cash received in year</b>			
Buildings	9,742	21,100	30,842
Equipment	5	1,586	1,591
	<hr/>	<hr/>	<hr/>
<b>Total</b>	<b>9,747</b>	<b>22,686</b>	<b>32,433</b>
	<hr/>	<hr/>	<hr/>
<b>Released to income and expenditure in year</b>			
Buildings	4,500	2,893	7,393
Equipment	2,581	5,160	7,741
	<hr/>	<hr/>	<hr/>
<b>Total</b>	<b>7,081</b>	<b>8,053</b>	<b>15,134</b>
	<hr/>	<hr/>	<hr/>
<b>At 30 September 2011</b>			
Buildings	197,923	120,615	318,538
Equipment	3,157	8,713	11,870
	<hr/>	<hr/>	<hr/>
<b>Total</b>	<b>201,080</b>	<b>129,345</b>	<b>330,408</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

# University College Dublin

## National University of Ireland, Dublin

Notes (continued)

### 22 Provisions for liabilities and charges

	2011 €'000	2010 €'000
<b>Consolidated and University</b>		
At 1 October 2010	2,249	27,763
Provided during the year	390	-
Released during the year	-	(25,514)
	<hr/>	<hr/>
At 30 September 2011	<b>2,639</b>	2,249
	<hr/> <hr/>	<hr/> <hr/>

The provision of €2.6 million relates to amounts owed by the University in respect of pension contributions associated with employees on fixed term contracts where the University has received funding for these additional pension costs from external sources.

Since the introduction of the Protection of Employees (Fixed-Term Work) Act, 2003 (FTWA), and up until the 2010 financial year, the University has provided for the estimated pension obligation arising in respect of University employees on fixed term contracts as under the terms of the legislation the University is required to make financial provision for pension costs in respect of these employees.

It was the University's view, up to the 2010 financial year, that as no additional funding was received from the HEA to fund these liabilities, some form of reimbursement from the HEA was required. However in the absence of the acceptance of this obligation by the HEA, the University continued to make financial provision in accordance with the terms of the legislation.

During the 2010 financial year, a sectoral agreement was reached in relation to this funding position and as a consequence, the University released €25.51 million of its provision to the income statement in 2010. Further amounts totalling €16m, of which €8m related to researchers (see note 4), and previously accounted for within accruals in prior periods, were also released in 2010.

### 23 Reconciliation of movement of revenue reserves

	2011 €'000	2010 €'000
<b>Consolidated</b>		
At beginning of year	165,007	118,971
Surplus in year	8,111	46,036
	<hr/>	<hr/>
<b>At end of year</b>	<b>173,118</b>	165,007
	<hr/> <hr/>	<hr/> <hr/>

University College Dublin  
National University of Ireland, Dublin

Notes (continued)

**23 Reconciliation of movement of revenue reserves (continued)**

	<b>2011</b>	2010
	<b>€'000</b>	€'000
<b>University</b>		
At beginning of year	<b>153,788</b>	108,893
Surplus in year	<b>6,551</b>	44,895
	<hr/>	<hr/>
<b>At end of year</b>	<b>160,339</b>	153,788
	<hr/> <hr/>	<hr/> <hr/>

**24 Capital commitments**

	<b>Consolidated</b>		<b>University</b>	
	<b>2011</b>	2010	<b>2011</b>	2010
	<b>€'000</b>	€'000	<b>€'000</b>	€'000
Contracted for but not provided	<b>127,952</b>	67,077	<b>140,390</b>	83,772
Authorised but not contracted	<b>49,715</b>	47,819	<b>51,144</b>	49,469
	<hr/>	<hr/>	<hr/>	<hr/>
	<b>177,667</b>	114,896	<b>191,534</b>	133,241
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**25 Reconciliation of operating surplus to net cash inflow from operating activities**

	<b>2011</b>	2010
	<b>€'000</b>	€'000
<b>Surplus on continuing operations</b>	<b>8,113</b>	46,032
Depreciation of tangible fixed assets	<b>27,807</b>	27,713
Amortisation of deferred capital grants	<b>(14,747)</b>	(14,730)
(Increase)/decrease in stocks	<b>(396)</b>	30
(Increase)/decrease in debtors	<b>(16,472)</b>	14,323
Increase in creditors	<b>17,907</b>	7,366
Increase in provisions	<b>390</b>	1,312
Interest income	<b>(915)</b>	(1,201)
Interest payable	<b>1,195</b>	1,399
Write back of FTW provision/accruals (net)	<b>-</b>	(33,627)
	<hr/>	<hr/>
<b>Net cash inflow from operating activities</b>	<b>22,882</b>	48,617
	<hr/> <hr/>	<hr/> <hr/>

University College Dublin  
National University of Ireland, Dublin

Notes *(continued)*

**26 Returns on investments and servicing of finance**

	<b>2011</b> <b>€'000</b>	2010 €'000
Other interest received	<b>915</b>	1,201
Interest paid	<b>(1,195)</b>	(1,399)
	<hr/>	<hr/>
<b>Net cash outflow from returns on investments and servicing of finance</b>	<b>(280)</b>	(198)
	<hr/> <hr/>	<hr/> <hr/>

**27 Capital expenditure and financial investment**

	<b>2011</b> <b>€'000</b>	2010 €'000
Purchase of tangible fixed assets	<b>(50,342)</b>	(56,572)
Purchase of investments	<b>(204)</b>	(44)
Capital grants received	<b>19,635</b>	17,699
	<hr/>	<hr/>
<b>Net cash outflow from capital expenditure and financial investment</b>	<b>(30,911)</b>	(38,917)
	<hr/> <hr/>	<hr/> <hr/>

**28 Net cash flow from financing activities**

	<b>2011</b> <b>€'000</b>	2010 €'000
<i>Debt due within one year:</i>		
(Decrease)/increase in short term borrowings	<b>(589)</b>	132
<i>Debt due after one year:</i>		
Decrease in long term borrowings	<b>(3,204)</b>	(3,805)
	<hr/>	<hr/>
	<b>(3,793)</b>	(3,673)
	<hr/> <hr/>	<hr/> <hr/>

# University College Dublin National University of Ireland, Dublin

Notes (continued)

## 29 Analysis of changes in net debt

	At 1 Oct 2010 €'000	Cashflows €'000	At 30 Sept 2011 €'000
Cash at bank (including restricted cash)	116,394	(11,811)	104,583
Bank overdrafts	(6,647)	(293)	(6,940)
	<hr/>	<hr/>	<hr/>
	109,747	(12,104)	97,643
	<hr/>	<hr/>	<hr/>
Bank debt due within 1 year	(3,890)	589	(3,301)
Bank debt due after 1 year	(16,095)	3,204	(12,891)
	<hr/>	<hr/>	<hr/>
<b>Net funds (including restricted cash)</b>	<b>89,762</b>	<b>(8,311)</b>	<b>81,451</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

## 30 Related parties

Transactions with subsidiaries of the University have been eliminated on consolidation and no disclosure of these transactions has therefore been given.

UCD have identified the parties outlined below as related parties under the definition in FRS 8 "Related Party Disclosures", by virtue of the UCD Vice President of Research, being a representative on the governing boards of these entities.

The following entities are considered to be related parties:

### **Molecular Medicine Ireland (MMI) (formerly DMMC)**

During the period, €0.104m was contributed by UCD for research projects being undertaken by MMI, and €0.093m was received by the University from MMI for rental of premises. At 30 September 2011, €0.093m was due from MMI to the University.

### **National Institute for Bioprocessing Research and Training (NIBRT)**

During the period, the University provided facilities to NIBRT for research purposes for which it received a rent of €0.026m. In addition, NIBRT utilised University resources during the period, and at 30 September 2011, €0.026m was due to the University. Furthermore, the University carried out research projects which were funded by NIBRT for which €0.067m was recognised as research income and €0.133m was recognised as research expenditure for the year. At 30 September 2011, €0.066m was due to the University by NIBRT in relation to these research projects.

### **National Digital Research Centre (NDRC)**

During the period, the University carried out research projects which were funded by the NDRC for which €0.226m was recognised as research income and €0.131m was recognised as research expenditure for the year. At 30 September 2011, €0.047m was due to the University by NDRC.

# University College Dublin National University of Ireland, Dublin

Notes (*continued*)

## **31 Contingent liabilities**

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

## **32 Retirement benefits**

### *Background*

The University operates two defined benefit pension schemes, the University College Dublin, National University of Ireland, Dublin (Closed) Pension Scheme 2011, formerly the UCD 1995 Contributory Pension Scheme and the Pay-as-you-go UCD Model Pension Scheme (February 2005).

The University's 1995 scheme was a separately administered defined benefit pension scheme which was established under Statute XCVI and amended by Statute 4, and was administrated as an Exempt Approved Scheme in the terms of Chapter II of Part 1 of the Finance Act 1972.

Ongoing discussions over a number of years between the University sector, the HEA and the government in relation to a long term permanent revision to the 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 and covers only the UCD 1995 Contributory Pension Scheme (and not other defined benefit related obligations that the University has). It makes legal provision for the State to underwrite the net pension liabilities of the University's Pension Scheme and enabled the scheme's assets to be transferred to the State (National Pension Reserve Fund). It also includes provision for the continued payment of benefits formally payable by the UCD 1995 Contributory Pension Scheme. Following the passing of a Transfer Order, Statute 123/2010, on 31 March 2010, the scheme's assets were transferred to the State.

The Transfer Order for the UCD 1995 Contributory Pension Scheme 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 on that date;
- the pension scheme ceased to exist and was replaced by the University College Dublin, National University of Ireland, Dublin (Closed) Pension Scheme 2010;
- the University and each member continues to contribute at the same rate as previously, and these contributions are made for the benefit of the Exchequer;
- the obligation to pay benefits in accordance with the pension scheme rules remains an obligation of the University in relation to the scheme; and
- 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. Hence the payments of pension obligations of the UCD 1995 Contributory Pension Scheme are guaranteed by the State and they will be paid on a pay-as-you-go basis.

# University College Dublin National University of Ireland, Dublin

Notes *(continued)*

## 32 Retirement benefits *(continued)*

Further to the above, the Governing Authority is of the opinion that the discussions between the sector, the HEA and the government in advance of the enabling legislation being introduced represented assurances that the State would guarantee all pension liabilities of the University (those liabilities associated with the former UCD 1995 Contributory Pension Scheme and other defined benefit pension arrangements that the University has in place), and accordingly the University has booked a pension receivable in the financial statements for the year ended 30 September 2009, and years prior to that, matching the pension liability reported

Although the legislation relates specifically to the UCD 1995 Contributory Pension Scheme, the University has been advised by the Department of Finance and the HEA that the State would be meeting all future pension liabilities of all defined benefit schemes and arrangements on a pay-as-you-go basis for all categories of staff. Accordingly the University has recognised a matching pension receivable referred to above in the balance sheet at an amount equivalent to the full pension liability associated with all its defined benefit pension arrangements for each reporting period. The University is continuing its discussions with the Department of Finance and the HEA in relation to formalising guarantee arrangements associated with its remaining defined benefit pension arrangements.

The University's other defined benefit pension arrangements comprise the obligations associated with pension supplementation and obligations arising from the pay-as-you-go UCD Model Pension Scheme. The liability associated with these pension benefits, and calculated on the basis of the requirements of FRS 17, Retirement Benefits, is estimated by the University to be €358 million (2010: €393 million).

The UCD Model Pension Scheme was set up in 2005, following approval from the Department of Finance and the Department of Education and Skills. Although the scheme operates under an agreed set of rules, its establishment was never formalised under statute or under the terms of a Trust Deed, however the University is obliged by the HEA to provide pension benefits under the rules of the scheme to new staff appointed from 1 January 2005. This scheme is an unfunded defined benefit pension arrangement which operates on a pay-as-you-go basis from the University's core funding.

### ***FRS 17 Valuation - UCD Dublin (Closed) Pension Scheme 2010 and UCD Model Pension Scheme***

The University operates two pension schemes providing benefits based on final pensionable pay. FRS 17 valuation was prepared by a qualified independent actuary in order to assess the liabilities as at 30 September 2011 for both schemes.



University College Dublin  
National University of Ireland, Dublin

Notes (continued)

**32 Retirement benefits (continued)**

	2011 €'000	2010 €'000
Present value of scheme liabilities	(1,163,779)	(1,253,233)
Total market value of assets	-	-
	<hr/>	<hr/>
Pension liability	(1,163,779)	(1,253,233)
	<hr/> <hr/>	<hr/> <hr/>

The pension receivable and net deficit at  
30 September 2011 and 2010 is as follows:

	2011 €'000	2010 €'000
Pension receivable	1,163,779	1,253,233
	<hr/>	<hr/>
Net pension deficit	-	-
	<hr/> <hr/>	<hr/> <hr/>

*Movement in present value of defined benefit obligation*

	2011 €'000	2010 €'000
At 1 October	1,253,233	930,605
Current service cost	33,368	30,790
Interest cost	59,835	56,887
Plan members' contributions	7,162	9,237
Actuarial (gain)/loss	(148,816)	270,758
Benefits paid	(41,003)	(45,044)
	<hr/>	<hr/>
At 30 September	1,163,779	1,253,233
	<hr/> <hr/>	<hr/> <hr/>

University College Dublin  
National University of Ireland, Dublin

Notes (*continued*)

**32 Retirement benefits** (*continued*)

*Movement in fair value of plan assets*

	<b>2011</b>	2010
	<b>€'000</b>	€'000
At 1 October	-	488,192
Expected return on plan assets	-	16,061
Actual return less expected return on assets	-	1,376
Employer contributions	-	15,244
Member contributions	-	4,774
Benefits paid from plan	-	(24,471)
Transfer to National Pension Reserve Fund at 31 March 2010	-	(501,176)
	-----	-----
<b>At 30 September</b>	<b>-</b>	<b>-</b>
	=====	=====

*Expense recognised in income and expenditure statements*

	<b>2011</b>	2010
	<b>€'000</b>	€'000
Current service cost	<b>33,368</b>	30,790
Interest cost	<b>59,835</b>	56,887
Expected return on plan assets	-	(16,061)
	-----	-----
<b>Total pension expense recognised in income and expenditure statement before movement on pension receivable</b>	<b>93,203</b>	71,616
	=====	=====

# University College Dublin

## National University of Ireland, Dublin

Notes *(continued)*

### 32 Retirement benefits *(continued)*

The total expense above is recognised in the following line items in the income and expenditure statement:

	2011 €'000	2010 €'000
Staff costs	33,368	30,790
Other finance expense	59,835	40,826
	<hr/>	<hr/>
Movement on pension receivable	93,203 (67,834)	71,616 (41,706)
	<hr/>	<hr/>
<b>Total pension expense recognised in income and expenditure account</b>	<b>25,369</b>	<b>29,910</b>
	<hr/> <hr/>	<hr/> <hr/>

The total gain recognised in the statement of total recognised gains and losses in respect of actuarial gains and losses is €148,816,000 (2010: loss €269,382,000). This has been offset by a movement in the matching pension scheme asset.

The scheme assets were transferred to the National Pension Reserve Fund on the 31 March 2010. At the beginning of 2010, the expected rate of return on plan assets was based on market expectations for investment returns over the entire life of the related obligation. The overall expected rate of return was calculated by weighting the individual rates in accordance with the anticipated balance in the plan's investment portfolio.

Principal actuarial assumptions (expressed as weighted averages) used in valuing the schemes' obligations at the year end were as follows:

	2011 %	2010 %
Discount rate	5.20	4.70
Rate of compensation increase	3.50	3.50
Pension increases	2.50	2.50
Inflation	2.00	2.00
	<hr/> <hr/>	<hr/> <hr/>

In valuing the liabilities of the pension fund at 30 September 2011, certain mortality assumptions have been made as indicated below. If life expectancy had been changed to assume that all members of the fund lived for one year longer, the value of reported liabilities at 30 September 2011 would have increased by €26,290,000.

# University College Dublin National University of Ireland, Dublin

Notes (continued)

## 32 Retirement benefits (continued)

The assumptions relating to longevity underlying the pension liabilities at the balance sheet date are based on standard actuarial mortality tables. The assumptions are equivalent to expecting a 65 year old to live for a number of years as follows:

	<b>2011</b>	2010
	<b>Years</b>	Years
Male member age 65 (current life expectancy)	<b>23.0</b>	22.8
Female member age 65 (current life expectancy)	<b>24.5</b>	24.4
Male member age 45 (life expectancy at age 65)	<b>25.7</b>	25.6
Female member age 45 (life expectancy age 65)	<b>26.7</b>	26.6

### History of plan

The history of the plan for the current and prior years is as follows:

	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>
Defined benefit obligation	<b>(1,163,779)</b>	(1,253,233)	(930,605)	(997,417)	(998,943)
Fair value of plan assets	-	-	488,192	506,722	711,228
<b>Deficit</b>	<b>(1,163,779)</b>	(1,253,233)	(442,413)	(490,695)	(287,715)

Difference between expected and actual return on plan assets:

	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>
Amount	-	1,376	(49,821)	(254,950)	9,953
% of plan assets	N/A*	N/A*	(10%)	(50%)	1 %

\* Scheme assets were transferred to the National Pension Reserve Fund at 31 March 2010.

University College Dublin  
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Notes (continued)

**32 Retirement benefits (continued)**

Experience (gains)/losses on plan liabilities:

	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>
Amount	<b>(36,920)</b>	15,910	(23,021)	49,067	19,124
% of plan liabilities	<b>(3%)</b>	1%	(2%)	5%	2%

Changes in actuarial assumptions:

	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>
Amount	<b>111,896</b>	(254,848)	100,376	107,339	98,012
% of plan liabilities	<b>10%</b>	(20%)	11%	11%	10%

*Analysis of movement in pension receivable during the year*

	<b>2011</b>	2010
	<b>€'000</b>	€'000
Pension receivable at beginning of year	<b>1,253,233</b>	442,413
Actuarial (gain)/loss	<b>(148,816)</b>	269,382
State funded underwritten pension cost (note 7)	<b>7,999</b>	880
State underwritten finance charge (note 10)	<b>59,835</b>	40,826
Transfer from pension scheme to National Pension Reserve Fund	-	501,176
Employer contributions	<b>25,369</b>	14,666
Member contributions	<b>7,162</b>	4,463
Benefits paid post	<b>(41,003)</b>	(20,573)
	<hr/>	<hr/>
<b>Pension receivable at end of year</b>	<b>1,163,779</b>	1,253,233
	<hr/> <hr/>	<hr/> <hr/>

University College Dublin  
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Notes *(continued)*

**33 Approval of financial statements**

The financial statements were approved by the Governing Authority on 9 October 2012.

# University College Dublin

## National University of Ireland, Dublin

Additional information not forming part of the consolidated financial statements

### 1 Deferred income

	2011 €'000	2010 €'000
State recurrent grant:		
- received in respect of current year	96,105	115,653
- deferred in prior accounting year	9,636	11,549
- deferred to subsequent accounting years	<b>(11,666)</b>	<b>(9,636)</b>
	<hr/>	<hr/>
State recurrent grant per financial statements (Note 1)	<b>94,075</b>	117,566
	<hr/> <hr/>	<hr/> <hr/>

State funding is received 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 Student services charge

	2011 €'000	2010 €'000
<i>Income</i>		
Income from student services charge	22,229	22,244
Less reduction in state grant	<b>(13,430)</b>	<b>(13,248)</b>
	<hr/>	<hr/>
	<b>8,799</b>	8,996
	<hr/>	<hr/>
<i>Expenditure</i>		
Student services costs	5,683	5,663
Examination costs	2,165	2,348
Space costs associated with student facilities	1,166	1,627
Costs relating to registration, admissions and records	<b>4,395</b>	4,768
	<hr/>	<hr/>
Total expenditure	<b>13,409</b>	14,406
	<hr/>	<hr/>
Shortfall	<b>(4,610)</b>	<b>(5,410)</b>
	<hr/> <hr/>	<hr/> <hr/>

University College Dublin  
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HEA Funding Statement and Reconciliation

*(not forming part of the financial statements)*

**Year ended 30 September 2011**



# University College Dublin National University of Ireland, Dublin

## Funding statement

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# University College Dublin National University of Ireland, Dublin

## Funding statement

## Statement of accounting policies

### **Scope of funding statement**

The funding statement reflects the teaching, research and related service activities of the University. The net results of ancillary services (as defined below) are included in the Revenue account and shown as a movement on the General reserve, reflecting the most recent “Harmonisation of Accounts” agreement as adopted by all Irish universities. The financial statements of the University’s Pension Fund, Trust Funds, Foundations and of financially independent ancillary activities (incorporated subsidiary undertakings) are prepared and audited separately.

### **Accounting convention**

The funding statements are prepared under the historical cost convention. They are presented in accordance with the existing Harmonisation of Accounts Agreement as adopted for all Irish universities, except for capital grants, which are recognised on an accruals basis rather than on a cash receipts basis.

### **Ancillary services**

The ancillary services are activities which do not receive direct HEA funding. Such activities support core services on a cost recovery basis or are operated on a commercial basis. The net results for such activities are shown in the Revenue account with a matching amount shown in debtors and creditors.

### **State grants for recurrent expenditure**

The recurrent grant has been recognised on an accruals basis. The recurrent grant, which has been used for the purchase of fixed assets, is transferred to the General reserve.

### **State grants for capital expenditure**

State grants approved by the HEA for capital expenditure are included in the funding statement in the period on an accruals basis.

### **Approved allocations and departmental funds**

The revenue account is charged with approved allocations within particular headings. The amounts unspent at the year end are recorded as departmental funds within creditors. Departmental fund debit balances are recorded within debtors.

### **General reserve**

The General reserve represents the value of funding, after amortisation, applied for capital purposes together with the results from 1 October 1996 on ancillary services.

### **Amortisation of capital funding and reserves**

Capital funding and reserves included in the General reserve are amortised at the same level as the related fixed assets are depreciated.

# University College Dublin National University of Ireland, Dublin

## Funding statement

### Statement of accounting policies *(continued)*

#### Fee income

Fee income is accounted for on an accruals basis and reported at EU fee levels. Non EU Fee income is included up to the EU level with any excess (up to the 2010/2011 related unit cost) being reported under other income. The unit cost is the average unit cost per student in each subject grouping across the University sector, as communicated by the HEA.

#### Stocks

Expenditure on books and consumable stocks financed by recurrent grants are charged in full to the Revenue account as incurred. Farm, horticulture and restaurant stocks are shown in the balance sheet and are valued as follows:

Livestock - Cattle	Market value less 40%
- Other	Market value less 25%
Farm and horticulture stock	Lower of cost or market value
Restaurant stock	Lower of cost or market value

#### Investments

Quoted and unquoted investments are shown in the balance sheet using the following valuation basis: lower of cost and net realisable value.

#### Foreign currency

Income and expenditure 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 rate of exchange ruling at the balance sheet date. The resulting profits or losses are dealt with in the revenue account.

#### Fixed assets and depreciation

All fixed assets are stated at cost and depreciation is charged on all fixed assets excluding land. The estimated useful lives of fixed assets by reference to which depreciation has been calculated on a straight-line basis are as follows:

Buildings	50 years
Minor works	10 years
Equipment	5 years
Computer equipment	3 years
Leased assets	20 years or primary lease period, if shorter

# University College Dublin

## National University of Ireland, Dublin

### Funding statements

#### Statement of accounting policies *(continued)*

##### **Research grants**

Income from contract research grants is included in the revenue account to the extent that the related expenditure has been incurred in the period. Expenditure is shown net of the contribution to indirect costs which is included in other income.

From 1 October 1997 fixed assets financed from research grants are capitalised in the balance sheet.

##### **Finance leases**

Assets held under finance leases are capitalised in the balance sheet and depreciated over the life of the primary lease. Finance lease payments are met from recurrent income.

##### **Pensions**

The basic retirement benefits of staff are funded by contributions from the University to the Pension Fund at a pre-determined rate of pensionable pay and are included under the various salary and wage headings of the revenue account.

Increases to the initial pension of staff are charged as pension supplementation in the revenue account as incurred.

##### **Taxation**

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

##### **Restricted reserves**

Restricted reserves comprise the unused portion of funds made available to the University for specified purposes.

##### **University residences**

University residences and the related financing are accounted for in accordance with the legal form rather than the commercial substance of these transactions.

University College Dublin  
National University of Ireland, Dublin

Funding statement

Revenue account

Year ended 30 September 2011

	Notes	2011 €'000	2010 €'000
<b>Income</b>			
State grants	1	92,462	116,287
Academic fees	2	143,243	142,151
Other income	3	23,483	18,900
		<hr/>	<hr/>
Contract research	4	259,188 73,115	277,338 84,816
		<hr/>	<hr/>
Total income		332,303	362,154
<b>Expenditure</b>			
Academic faculties and departments	5	163,096	165,456
Academic and other services	6	20,681	23,002
Premises	7	20,974	23,266
Amount allocated for capital purposes	8	1,772	5,041
Central administration and services	9	25,563	25,578
General educational expenditure	10	9,711	12,387
Student services	11	5,217	5,618
Pension supplementation		10,176	11,949
Term loan interest		734	891
		<hr/>	<hr/>
Contract research	4	257,924 73,115	273,188 84,816
		<hr/>	<hr/>
Total expenditure	12	331,039	358,004
<b>Surplus for year before amortisation of capital reserves and grants, ancillary services and depreciation of fixed assets (after transfer to strategic initiative)</b>		<hr/>	<hr/>
		1,264	4,150

University College Dublin  
National University of Ireland, Dublin

Funding statement

Revenue account (*continued*)  
Year ended 30 September 2011

	<i>Notes</i>	<b>2011</b> €'000	2010 €'000
<b>Surplus for year before amortisation of capital reserves and grants, ancillary services and depreciation of fixed assets (after transfer to strategic initiative)</b>		<b>1,264</b>	4,150
Surplus on ancillary services	<i>13</i>	<b>57</b>	1,885
Depreciation of fixed assets	<i>15</i>	<b>(27,893)</b>	(28,337)
General reserve movement	<i>14</i>	<b>27,836</b>	26,452
		<hr/>	<hr/>
Net surplus for the year		<b>1,264</b>	4,150
Revenue reserves at start of year	<i>20</i>	<b>(7,750)</b>	(45,066)
Adjustment to opening revenue reserves	<i>20</i>	<b>0</b>	33,166
		<hr/>	<hr/>
Revenue reserves at end of year	<i>20</i>	<b>(6,486)</b>	(7,750)
		<hr/> <hr/>	<hr/> <hr/>

The statement of accounting policies on pages 46 to 48 and the cash flow statement and notes from page 53 to page 63 form part of the funding statement.



Hugh Brady  
President



Gerry O'Brien  
Vice-President for Finance 9/10/2012

University College Dublin  
National University of Ireland, Dublin

Funding statement


Balance sheet

as at 30 September 2011

	<i>Notes</i>	<b>2011</b> €'000	2010 €'000
<b>Fixed assets</b>	15	<b>604,096</b>	572,074
<b>Investments</b>		<b>8,022</b>	7,819
<b>Current assets</b>			
Bank balances and cash		<b>59,308</b>	69,768
Debtors and prepayments	16	<b>71,332</b>	57,840
Stocks	17	<b>1,212</b>	974
		<b>131,852</b>	128,582
<b>Current liabilities</b>			
Creditors and accrued expenditure	18	<b>(240,784)</b>	(220,488)
<b>Net current liabilities</b>		<b>(108,932)</b>	(91,906)
Total assets less net current liabilities		<b>503,186</b>	487,987
<b>Long term liabilities</b>			
Creditors due after one year			
Long term loans		<b>(12,892)</b>	(16,218)
		<b>490,294</b>	471,769
<b>Represented by:</b>			
General reserve	19	<b>496,780</b>	479,519
Revenue reserves	20	<b>(6,486)</b>	(7,750)
		<b>490,294</b>	471,769

The statement of accounting policies, on pages 46 to 48 and the cash flow statement and notes from page 53 to page 63 form part of the funding statement.

  
Hugh Brady  
President

  
Gerry O'Brien  
Vice-President for Finance

9/10/2012

University College Dublin  
National University of Ireland, Dublin

Funding statement

Cash flow statement

Year ended 30 September 2011

	<i>Notes</i>	<b>2011</b> <b>€'000</b>	2010 €'000
<b>Net cash inflow from operating activities</b>	21	<b>9,536</b>	24,968
<b>Returns on investments and services of finance</b>			
Interest received		1,508	1,315
Interest paid		(734)	(891)
<b>Capital expenditure</b>			
Payments to acquire tangible fixed assets		(59,915)	(49,254)
Payments to acquire investments		(203)	(44)
		-----	-----
<b>Net cash outflow before financing</b>		<b>(49,808)</b>	(23,906)
		-----	-----
<b>Financing</b>			
HEA capital grants		8,879	12,451
Non HEA capital funding		27,184	13,816
Recurrent funding transfer		6,611	5,368
Decrease in long term loans		(3,326)	(3,673)
		-----	-----
Net cash inflow from financing		<b>39,348</b>	27,962
		-----	-----
<b>Net cash (outflow)/inflow after financing</b>		<b>(10,460)</b>	4,056
		=====	=====
<b>(Decrease)/increase in cash and cash equivalents</b>	22	<b>(10,460)</b>	4,056
		=====	=====

The notes on pages 53 to 63 form part of the funding statement.



University College Dublin  
National University of Ireland, Dublin

Funding statement

Notes

*forming part of the funding statement*

<b>1 State grants</b>	<b>2011</b> <b>€'000</b>	<b>2010</b> <b>€'000</b>
Recurrent grant	90,720	111,593
Minor works grant	1,742	4,694
	<hr/>	<hr/>
Total	<b>92,462</b>	<b>116,287</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>2 Academic fees</b>	<b>2011</b> <b>€'000</b>	<b>2010</b> <b>€'000</b>
Academic fees	143,206	142,118
Miscellaneous fee income	37	33
	<hr/>	<hr/>
Total	<b>143,243</b>	<b>142,151</b>
	<hr/> <hr/>	<hr/> <hr/>
<p>A total of €57.6m (2010:€57.2m) included in academic fee income was paid directly by the Higher Education Authority.</p>		
<b>3 Other income</b>	<b>2011</b> <b>€'000</b>	<b>2010</b> <b>€'000</b>
Interest receivable (net)	1,508	1,315
Funded posts	5,213	1,392
Rent, concessions and other charges	342	390
Non-EU fees	6,774	6,299
Contract research contribution	8,918	8,652
Contribution from subsidiary companies	728	852
	<hr/>	<hr/>
Total	<b>23,483</b>	<b>18,900</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>4 Contract research</b>	<b>2011</b> <b>€'000</b>	<b>2010</b> <b>€'000</b>
Research grants income	73,115	84,816
Research grant expenditure	(73,115)	(84,816)
	<hr/>	<hr/>
Deficit	-	-
	<hr/> <hr/>	<hr/> <hr/>

University College Dublin  
National University of Ireland, Dublin

Funding statements

Notes (continued)

**4 Contract research (continued)**

Income from contract research grants is included in the revenue account to the extent that the related expenditure has been incurred in the period.

Expenditure is shown net of University contribution. Contract research contribution to the University's indirect costs is included in other income.

**5 Academic faculties and departments**

	2011 Staff costs €'000	2011 Non pay €'000	2011 Total €'000	2010 Total €'000
Academic staff	111,966	-	111,966	116,523
Technical staff	11,964	-	11,964	12,640
Administration support staff	25,743	-	25,743	25,998
Departmental materials, equipment and travel	-	12,435	12,435	8,597
Devolved Grant	-	-	-	1,342
Miscellaneous	-	988	988	356
	<hr/>	<hr/>	<hr/>	<hr/>
Total	149,673	13,423	163,096	165,456

**6 Academic and other services**

	2011 Staff costs €'000	2011 Non pay €'000	2011 Total €'000	2010 Total €'000
Computer services incl Audio Visual	6,634	2,913	9,547	9,501
Library	5,950	2,460	8,410	10,522
Electron microscopy unit	121	14	135	152
Biomedical facility	684	(119)	565	639
Archives	309	27	336	405
University industry programme	-	900	900	945
Lyons Estate field station	902	(114)	788	838
	<hr/>	<hr/>	<hr/>	<hr/>
Total	14,600	6,081	20,681	23,002

University College Dublin  
National University of Ireland, Dublin

Funding statement

Notes (continued)

**7 Premises**

	2011 Staff costs €'000	2011 Non pay €'000	2011 Total €'000	2010 Total €'000
Premises maintenance	2,311	1,422	3,733	3,328
General services	2,543	6,398	8,941	10,543
Devolved Grant & Minor works	-	1,742	1,742	3,352
Insurance	-	1,028	1,028	834
Energy costs	-	5,530	5,530	5,209
	<hr/>	<hr/>	<hr/>	<hr/>
Total	4,854	16,120	20,974	23,266
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**8 Amount allocated for capital purposes**

	2011 Staff costs €'000	2011 Non pay €'000	2011 Total €'000	2010 Total €'000
Capital projects	-	950	950	1,597
Equipment	-	822	822	3,444
	<hr/>	<hr/>	<hr/>	<hr/>
Total	-	1,772	1,772	5,041
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**9 Central administration and services**

	2011 Staff costs €'000	2011 Non pay €'000	2011 Total €'000	2010 Total €'000
Administration staff	20,380	-	20,380	20,521
Expenses	-	2,470	2,470	1,754
Professional charges	-	2,023	2,023	2,003
Miscellaneous	498	192	690	1,300
	<hr/>	<hr/>	<hr/>	<hr/>
Total	20,878	4,685	25,563	25,578
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

University College Dublin  
National University of Ireland, Dublin

Funding statement

Notes (continued)

**10 General educational expenditure**

	2011 Staff costs €'000	2011 Non pay €'000	2011 Total €'000	2010 Total €'000
Examination expenses	2,266	1,201	3,467	3,391
Scholarships/prizes/fellowships	-	2,941	2,941	6,036
NUI capitation	-	570	570	541
Miscellaneous expenses	1,103	1,630	2,733	2,419
	<hr/>	<hr/>	<hr/>	<hr/>
Total	3,369	6,342	9,711	12,387
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**11 Student services**

	2011 Staff costs €'000	2011 Non pay €'000	2011 Total €'000	2010 Total €'000
Capitation and other grants	-	1,741	1,741	1,768
Student services	1,592	148	1,740	1,835
Careers office	524	(27)	497	469
Health and counselling	1,077	(224)	853	963
Sports facilities and recreation	1,076	(690)	386	583
Restaurant	1,292	(1,292)	-	
	<hr/>	<hr/>	<hr/>	<hr/>
Total	5,561	(344)	5,217	5,618
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**12 Composition of total expenditure**

	2011 Staff costs €'000	2011 Non pay €'000	2011 Total €'000	2010 Total €'000
Academic and related services	198,935	58,989	257,924	273,188
Research grants	50,685	22,430	73,115	84,816
	<hr/>	<hr/>	<hr/>	<hr/>
	249,620	81,419	331,039	358,004
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

A contribution from subsidiary companies of €728,000 (2010: €852,000) is included in other income (note 3) to cover interest arising on term loans of €734,000 (2010: €891,000) included above. Included above are pension supplementation costs of €10,176,000 (2010: €11,949,000).

## National University of Ireland, Dublin

## Funding statements

Notes (continued)

**13 Ancillary services summary**

	2011	2011	2011	2010
	Income	Expenditure	Surplus/ (Deficit)	Surplus (Deficit)
	€'000	€'000	€'000	€'000
Catering	1,345	1,490	(145)	(40)
Student residences	12,255	11,962	293	(352)
Other activities (including property development)	62,442	62,533	(91)	2,277
	<u>76,042</u>	<u>75,985</u>	<u>57</u>	<u>1,885</u>
Surplus – ancillary services for the year			<u>57</u>	<u>1,885</u>

**14 General reserve movement**

	2011	2010
	€'000	€'000
Amortisation in line with depreciation	27,893	28,337
Surplus on ancillary services from revenue account to general revenue account	(57)	(1,885)
Movement in general reserves in year	<u>27,836</u>	<u>26,452</u>

University College Dublin  
National University of Ireland, Dublin

Funding statement

Notes (continued)

15 Fixed assets	Land and Buildings €'000	Assets under construction €'000	Minor works €'000	Computer equipment €'000	Equipment €'000	Total €'000
<b>Cost</b>						
At beginning of year	609,950	57,673	5,325	18,284	132,398	823,630
Additions in year	46,677	9,092	-	675	3,471	59,915
At end of year	656,627	66,765	5,325	18,959	135,869	883,545
<b>Depreciation</b>						
At beginning of year	126,034	-	5,325	17,409	102,788	251,556
Charge for year	13,167	-	-	581	14,145	27,893
At end of year	139,201	-	5,325	17,990	116,933	279,449
<b>Net book value</b>						
At 30 September 2011	517,426	66,765	-	969	18,936	604,096
At 30 September 2010	483,916	57,673	-	875	29,610	572,074

Fixed assets have been stated at historical cost.

University College Dublin  
National University of Ireland, Dublin

Funding statement

Notes (continued)

**16 Debtors and prepayments**

	2011 €'000	2010 €'000
Contract research grants and projects recoverable	27,347	26,540
State recurrent grant receivable	3,606	8,740
State capital grant receivable	4,567	-
Academic fees receivable	7,630	7,939
Other debtors and prepayments	8,742	9,167
Internal balances:		
- Pension fund	18,706	5,464
- Trust fund	734	(10)
	<hr/>	<hr/>
	<b>71,332</b>	<b>57,840</b>
	<hr/> <hr/>	<hr/> <hr/>

**17 Stocks**

	2011 €'000	2010 €'000
Livestock	258	130
Horticulture and farm stock	71	71
Restaurant stock	25	23
Virus Reference Laboratory	802	750
Chemistry Laboratory	56	-
	<hr/>	<hr/>
	<b>1,212</b>	<b>974</b>
	<hr/> <hr/>	<hr/> <hr/>

University College Dublin  
National University of Ireland, Dublin

Funding statement

Notes (continued)

**18 Creditors and accrued expenditure**

	<b>2011</b>	2010
	<b>€'000</b>	€'000
Contract research grants and projects unexpended	<b>66,732</b>	57,621
State grant for recurrent expenditure received in advance	<b>13,552</b>	12,181
State capital grant received and accruals	<b>29,863</b>	27,886
Academic fees received in advance	<b>44,235</b>	44,355
Other creditors and accruals	<b>55,749</b>	54,605
Bank loans	<b>3,301</b>	3,768
Internal balances:		
- Unexpended approved allocations	<b>5,154</b>	6,510
- Departmental Funds	<b>2,252</b>	178
- Model pension scheme creditor	<b>19,946</b>	13,384
	<hr/>	<hr/>
	<b>240,784</b>	220,488
	<hr/> <hr/>	<hr/> <hr/>

**19 General reserve**

	<b>Opening balance</b>	<b>Current year movement</b>	<b>2011</b>
	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>
State capital grants	338,163	8,879	<b>347,042</b>
Recurrent funding transfer from October 1996	95,305	6,611	<b>101,916</b>
Capital reserves	282,575	27,184	<b>309,759</b>
Student centre levy	13,279	-	<b>13,279</b>
Ancillary services	1,755	2,480	<b>4,235</b>
	<hr/>	<hr/>	<hr/>
	731,077	45,154	<b>776,231</b>
<b>Amortisation</b>			
Amortisation	(252,274)	(27,893)	<b>(280,167)</b>
Amortisation at end of year	716		<b>716</b>
	<hr/>	<hr/>	<hr/>
	479,519	17,261	<b>496,780</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Capital reserves represent capital donations, surpluses on disposal of property, recurrent grants allocated to capital expenditure up to 1 October 1996 and funding from research grants after 1 October 1997 for the purchase of equipment.



University College Dublin  
National University of Ireland, Dublin

Funding statement

Notes (continued)

**20 Revenue reserves**

	<b>2011</b>	2010
	<b>€'000</b>	€'000
At start of year	<b>(7,750)</b>	(45,066)
Adjustment to opening revenue reserves*	-	33,166
Surplus/ (deficit) for year	<b>1,264</b>	4,150
	<hr/>	<hr/>
At end of year	<b>(6,486)</b>	(7,750)
	<hr/> <hr/>	<hr/> <hr/>

\*An EU Directive, the Protection of Employee Acts 2001 and 2003, extended pension benefits to part-time and fixed term workers and was incorporated into local legislation in 2003. The Act resulted in additional obligations for the University in terms of the provision of pension and other benefits to certain categories of employees. While awaiting resolution of the related funding issue, the University estimated the potential maximum costs arising under this legislation and provided for these obligations as they arose from 2003 to 2009.

Subsequent discussions between the University sector, the HEA and certain government departments in the context of broader pension scheme cash funding discussions, led to the University being released from certain Fixed Term Workers obligations.

University College Dublin  
National University of Ireland, Dublin

Funding statement

Notes (continued)

**21 Reconciliation of revenue account deficit to net cash inflow from operating activities**

	<b>2011</b>	2010
	<b>€'000</b>	€'000
Net surplus for the year	<b>1,264</b>	4,150
Interest received	<b>(1,508)</b>	(1,315)
Interest paid	<b>734</b>	891
Depreciation of fixed assets	<b>27,893</b>	28,337
Amortisation of general reserve	<b>(27,893)</b>	(28,337)
Surplus on ancillary services	<b>57</b>	1,885
Transfer from Ancillary reserve to General reserve	<b>2,423</b>	2,196
(Increase) in debtors	<b>(13,492)</b>	(10,634)
(Increase) in stocks	<b>(238)</b>	(94)
Increase/(decrease) in creditors and accruals	<b>20,296</b>	(5,278)
Adjustment to opening revenue reserves	<b>-</b>	33,167
	<hr/>	<hr/>
<b>Net cash inflow from operating activities</b>	<b>9,536</b>	24,968
	<hr/> <hr/>	<hr/> <hr/>

**22 Analysis of net debt**

	<b>At 1 Oct</b>	<b>Cashflow</b>	<b>At 30 Sept</b>
	<b>2010</b>		<b>2011</b>
	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>
Cash at bank and in hand	69,768	(10,460)	<b>59,308</b>
Debt due within one year	(3,768)	467	<b>(3,301)</b>
Debt due after one year	(16,218)	3,326	<b>(12,892)</b>
	<hr/>	<hr/>	<hr/>
Net funds	49,782	(6,667)	<b>43,115</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

University College Dublin  
National University of Ireland, Dublin

Funding statement

Notes (continued)

**23 Pensions Control Account**

	<b>2011</b>	<b>2010</b>
	<b>Funded Scheme</b>	<b>Model Scheme</b>
	<b>€'000</b>	<b>€'000</b>
Opening Balance	(5,469)	15,619
Er Contributions	12,591	2,587
EE Contributions	4,533	1,896
ER Contributions 20%	-	15
Supplementation income	10,176	-
Purchase of Added Years	733	-
	<hr/>	<hr/>
<b>Total Income</b>	<b>22,564</b>	<b>20,117</b>
	<hr/> <hr/>	<hr/> <hr/>
<i>Expenditure</i>		
Pension in payment (including supplementation)	37,160	-
Lump sum payments on Retirement	3,843	-
Administration & Other Costs	267	155
	<hr/>	<hr/>
<b>Total Expenditure</b>	<b>41,270</b>	<b>155</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>(Deficit)/Surplus in year</b>	<b>(18,706)</b>	<b>19,962</b>

Grant receivable from the HEA relating to the Funded Scheme amounting to €18.7m is included in other debtors and prepayments (see note 16).

Grant payable to the HEA relating to the Model Scheme amounting to €20.0m is included in other creditors and accruals (see note 18)

**24 Comparative amounts**

Comparative amounts have been regrouped/restated on a basis consistent with that in the current period.

**25 Approval of the funding statement**

The funding statement accounts were approved by the Governing Authority on 9 October 2012.

University College Dublin  
National University of Ireland, Dublin

Reconciliation of HEA Funding Statement  
with Consolidated Financial Statements

**Year ended 30 September 2011**

University College Dublin  
National University of Ireland, Dublin

Reconciliation of HEA Funding Statement with Consolidated Financial Statements  
for the year ended 30 September 2011

	Consolidated financial statements €'000	Subsidiary companies €'000	Unincorporated ancillary activities €'000	GAAP adjustments €'000	HEA funding statement €'000
<b>Income</b>					
State grants	94,075	-	-	(1,613)	92,462
Academic fees	163,013	-	-	(19,770)	143,243
Research grants and contracts	76,979	-	-	(3,864)	73,115
Amortisation of deferred capital grants	14,747	-	-	(14,747)	-
Other operating income	61,500	(4,615)	(21,101)	(13,792)	21,992
Interest income	915	-	-	576	1,491
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total income</b>	<b>411,229</b>	<b>(4,615)</b>	<b>(21,101)</b>	<b>(53,210)</b>	<b>332,303</b>
<b>Expenditure</b>					
Staff costs	269,419	(697)	(6,277)	(12,825)	249,620
Other operating expenses	104,739	(2,088)	(13,478)	(36,381)	52,792
Interest payable	1,195	-	-	(461)	734
Depreciation	27,763	(263)	-	393	27,893
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<b>Total expenditure</b>	<b>403,116</b>	<b>(3,048)</b>	<b>(19,755)</b>	<b>(49,274)</b>	<b>331,039</b>
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<b>Surplus for the year before taxation and disposal</b>	<b>8,113</b>	<b>(1,567)</b>	<b>(1,346)</b>	<b>(3,936)</b>	<b>1,264</b>
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