

University College Dublin
National University of Ireland,
Dublin

Annual report, consolidated financial statements
and funding statement

Year ended 30 September 2013

University College Dublin
National University of Ireland, Dublin

President's report and financial statements

<i>Contents</i>	<i>Page</i>
President's report	1 - 3
Statement of Governing Authority's responsibilities	4
Statement on Governance and Internal Control	5 - 8
Independent auditor's report	9 - 10
Statement of accounting policies	11 - 15
Consolidated income and expenditure account	16
Consolidated statement of total recognised gains and losses	17
Consolidated and University balance sheet	18
Consolidated cash flow statement	19
Notes to the financial statements	20 - 47
Additional information	48
HEA funding statement	49 - 66
Reconciliation with HEA funding statement	67

University College Dublin National University of Ireland, Dublin

President's Report

Scope of the Financial Statements

The financial statements consolidate the results of University College Dublin National University of Ireland, Dublin (the "University" of "UCD") and its wholly owned subsidiary companies.

The financial statements of UCD Foundation, Trust Funds, and Student's Union are prepared and audited 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 11 to 47 have been prepared in accordance with generally accepted accounting standards.

The Funding Statement as set out on pages 49 to 66 is prepared in a format as agreed with the Higher Education Authority (HEA) 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 67.

Results for the Year

The University's consolidated income and expenditure account and net surplus for the year to 30 September 2013 are shown on page 16 of the financial statements. Total income increased by 1% during the year from €491.1m to €497.2m. Student fees showed an increase of €4.5m to €180.3m. State grant funding decreased during the year by 8% to €79m as a result of cuts in funding made available to the University by the HEA due to the continuing poor economic climate.

Total expenditure increased by €15.1m to €485.2m (3.2%) in comparison to the expenditure in 2012 largely due to additional pension costs which are funded by the State.

The overall result reported is a surplus after taxation of €12.2m for the year compared to a surplus position in the previous year of €20.9m.

Treasury Management

The University's bank and cash balances decreased during the year from €168.1m to €140.5m. 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 €94.1m to €87.1m during the year.

Strategic Plan

The UCD Strategic Plan to 2014 Forming Global Minds has provided a solid foundation on which the University has continued to build. During 2012/13, there has been success in many areas across the University, nowhere more so than in the internationalisation, research and campus development arenas.

The Strategic Plan is founded on the three pillars of education, research and innovation, and the University is advancing these through the quality of its academic staff, the strength of programmes and the minds, efforts and talents of the students. The University is working to combine the knowledge and expertise for the benefit of UCD, as well as Ireland's economy, culture and society.

University College Dublin

National University of Ireland, Dublin

President's Report (*continued*)

Capital Expenditure

The University including its subsidiary companies incurred expenditure of €74.4m on land and buildings and a further €7.9m on equipment and fittings, bringing total capital expenditure to €82.3m for 2012/13.

The UCD Student Learning, Leisure and Sports Centre ('the Centre') was opened formally by An Taoiseach Enda Kenny TD, in November 2012. The Centre has greatly enhanced the Belfield campus with world-class facilities that are available to students, staff and the local community. This is now a focus for social, creative and sporting activity on the Belfield campus.

The second phase of the UCD O'Brien Centre for Science was almost complete at year-end and was officially opened by the Minister for Education and Skills, Ruairi Quinn TD, in October 2013. It includes new and refurbished facilities, supporting the lifecycle of the scientist from school children to university to the entrepreneurs of tomorrow, driving our economy forward.

The UCD Sutherland School of Law was ready for autumn 2013 and was officially opened by the Minister for Education and Skills, Ruairi Quinn TD, in December 2013. Innovation in design and construction ensured that it was built to the highest standards and in line with good sustainability practices.

Student Population

In the ongoing global and national economic conditions, it is positive news to report a student population growth of 2.4%. Student numbers on campus grew from 24,933 in 2012 to 25,533 in 2013. Under the Strategic Plan a key focus in education is to increase the share of graduate and international students. This was achieved during the year with graduate student numbers rising by almost 4% and international numbers rising by 9.3%. In terms of how these student cohorts contribute to the overall student population, graduate and international students make up 29.3% and 21.9% respectively. Non-traditional student numbers also continued to increase and account for 23% of the student population at undergraduate level.

Internationalisation

UCD remains the most successful Irish university in internationalisation, outperforming all other Irish universities in the number of students on exchange programmes, international students studying in Ireland and students abroad taking UCD accredited programmes of study.

The University's relationship with and focus on China remains. The Beijing-Dublin International College (BDIC) introduced its first degree programme in 2012. BDIC is a joint initiative between UCD and Beijing University of Technology, and this new institution for higher education was approved by the Chinese Minister of Education in 2012. Staff from UCD continued to visit China during the year to attract new students, but also to deepen relationships, teach and participate in research collaborations.

Ultimately, such initiatives will enable the University to reduce reliance on Exchequer funding. It is hoped that UCD's overseas campuses will be leveraged by the likes of Enterprise Ireland, IDA and Irish cultural organisations endeavouring to strengthen links with China and other countries where the University is based.

University College Dublin National University of Ireland, Dublin

President's Report (*continued*)

Research

UCD's role as a national leader in research funding has continued with an increase of 50% in externally funded research contracts signed in 2012/13 which equates to €113.1 million in funding. This means UCD are almost back to the peak levels achieved between 2007 and 2009, which is extremely promising for the University.

Innovation

UCD is fully committed to its key role in Ireland's innovation and knowledge exchange ecosystem, both as an enabler of economic growth and as a contributor to economic and social development. The University's goal is to expand and enhance the value and quality of UCD's innovation activities. This is being achieved through developing graduates with innovation expertise and partnerships with industry, licensing agreements, patent filings and invention disclosures. The year included numerous successes, including the Nexus UCD Industry Partnership Centre, which was opened by An Taoiseach Enda Kenny TD. It is part of the ongoing evolution of UCD's innovation capabilities and offers high-quality accommodation to established innovation-led companies which collaborate with UCD's world-class research base. ICON, a global provider of outsourced development services to the pharmaceutical, biotechnology and medical devices industries, announced a strategic partnership with UCD, including the establishment of the ICON Newman Fellowship in Genomics.

Conclusion

The Governing Authority continues to offer vital guidance and experience as we pursue UCD's strategic vision. Our staff have also continued to rise to the challenges, taking on extra roles and responsibilities to ensure that our students receive the highest standard of education.

In the current economic climate, 2012/13 was another challenging year. How we responded to these challenges is indicative of our resourcefulness and determination. As such, our UCD Strategic Plan to 2014 Forming Global Minds remains the foundation as we seek to advance knowledge, pursue truth and foster learning. We are committed to pursuing excellence in education, research and innovation, and this report sets out how we are delivering on that commitment.



Andrew Deeks
President

2014

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 Financial Reporting Council 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,



Andrew Deeks
President



Gerry O'Brien
Vice-President for Finance

Date: 21/6/14

University College Dublin National University of Ireland, Dublin

Statement of Governance and Internal Control *for the financial year ended 30 September 2013*

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 **University Management Team (UMT)** 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.

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 of Governance and Internal Control *(continued)* *for the financial year ended 30 September 2013*

- 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;

(vii) 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 2013 and no issues have been identified which may require disclosure in this statement.

University College Dublin National University of Ireland, Dublin

Statement of Governance and Internal Control *(continued)*
for the financial year ended 30 September 2013

Statutory Obligations

UCD management has processes in place to enable compliance with all statutory obligations applicable to the University.

Code of Governance and Codes of Conduct

UCD adopted a Code of Governance in June 2007 based on the HEA/IUA Report “Governance of Irish Universities”. The 2012 revised “Governance of Irish Universities” was adopted by the Governing Authority in December 2012.

A Manual of the Structure, Code of Practice and Procedures of the Governing Authority which sets out the duties and responsibilities of Governing Authority members is in place.

Policies governing the conduct of staff are in place. The conduct of staff is primarily governed by the contract of employment. Employees are also required to comply with a range of policies and details of these policies are included in a starter pack issued to new employees with their contract of employment. All UCD HR policies are available on the UCD website and a web-link to these policies is included in the contract of employment issued to all new members of staff.

Financially Significant Developments

Financially significant developments affecting UCD in the past year include:

(a) The Funding Statement returned to surplus during the year ended 30 September 2013. The accumulated surplus at year end was €142,000.

(b) A number of capital development projects were at various stages of progress during the year to 30 September 2013, including:

- UCD Sutherland School of Law (opened end of 2013)
- Refurbishment of Belgrove and Merville residences

Government Policy on Pay

UCD is complying with government policy on pay and with the departures framework for remuneration agreed with the HEA under s.25 of the Universities Act, 1997.

Financial Reporting, Internal Audit, Procurement and Asset Disposals

All appropriate procedures for financial reporting, internal audit, procurement and asset disposals are being carried out.

Procedures are reviewed and updated to ensure compliance with public procurement requirements and to address any instances of non-compliance.

University College Dublin National University of Ireland, Dublin

Statement of Governance and Internal Control *(continued)*
for the financial year ended 30 September 2013

Guidelines for the Appraisal and Management of Capital Proposals

UCD is adhering to the Guidelines for the Appraisal and Management of Capital Proposals where appropriate.

Travel Policy

UCD has a travel policy and associated procedures in place. The policy and procedures are made available to all staff on the university website. The policy and procedures have been developed having regard to the requirements of Department of Finance travel circulars and the requirements of the Revenue Commissioners in relation to employee expenses.

Value for Money

UCD is following the guidelines on Achieving Value for Money in Public Expenditure.

Tax Compliance

UCD is complying with tax laws and has processes in place to identify tax liabilities and ensure these liabilities are paid as they fall due.

Child Protection

UCD has procedures and guidelines in place in relation to child protection. These procedures and guidelines are being consolidated in a Child Protection Policy.

Governing Authority Fees and Expenses

No fees are paid to members of the Governing Authority. The aggregate expenses payable to external members of the Governing Authority in the year ended 30 September 2013 was €34,838.

Subsidiary Companies

The UCD Code of Governance applies to subsidiary companies. Each subsidiary company produces financial statements which are independently audited and are included in the UCD Consolidated Financial Statements. The subsidiary companies' audited statutory financial statements are presented to the Finance, Remuneration and Asset Management Committee and to the Audit and Risk Management Committee.



Andrew Deeks,
President

Date :

21/4/14

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

We have audited the consolidated and University financial statements ("financial statements") of University College Dublin, National University of Ireland, Dublin for the year ended 30 September 2013 which comprise the consolidated income and expenditure account, consolidated statement of total recognised gains and losses, consolidated balance sheet and University balance sheet, consolidated cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is Irish law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

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 Governing Authority and auditor

As explained more fully in the Statement of Governing Authority's Responsibilities set out on page 4, the Governing Authority is responsible for the preparation of the financial statements giving a true and fair view and the preparation of the HEA funding statement in accordance with the most recent Harmonisation of Accounts Agreement. Our responsibility is to audit and express an opinion on the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and University's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Governing Authority; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course or performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Basis for qualified opinion on financial statements

As more fully explained in Note 30 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, gains matching the increase 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

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

Basis for qualified opinion on financial statements (*continued*)

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, in our view, appropriate to recognise the pension receivable pertaining to these deficits on the University's balance sheet at 30 September 2013.

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 2013 should be reduced by €530 million (ii) the pension receivable asset, net assets and revenue reserves at 30 September 2012 should be reduced by €463 million. The opening net assets as at 30 September 2011 should be reduced by €358 million.

Qualified opinion on financial statements

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 11 to 47 give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the group's and University's affairs as at 30 September 2013 and of the group's surplus for the year then ended.

Matters on which we are required to report by exception

Under the Code of Governance for Irish Universities, we are required to report to you if the statement regarding governance and the system of internal financial control, as included in the Statement of Governance and Internal Control on pages 5 to 8, is not consistent with the information of which we are aware from our audit work on the financial statements, and we report if it does not.

Matters on which we are required to report under the terms of our engagement

In our opinion the HEA funding statement on pages 49 to 66, which has been prepared in accordance with the most recent Harmonisation of Accounts Agreement, except for the treatment capital grants as outlined on page 49, has been properly extracted from the books and records of the University.

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

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



Eamonn Russell

**For and on behalf of
KPMG**

Chartered Accountants, Statutory Audit Firm

*1 Stokes Place
St. Stephen's Green
Dublin 2*

21 October 2014

University College Dublin

National University of Ireland, Dublin

Statement of accounting policies

for the year ended 30 September 2013

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 Financial Reporting Council, as promulgated by the Institute of Chartered Accountants in Ireland and the Statement of Recommended Practice: Accounting for Further and Higher Education Institutions.

The financial statements have been prepared on a going concern basis as the Governing Authority is satisfied that the University will have adequate resources to meet its obligations as they fall due for the foreseeable future.

Basis of consolidation

The financial statements consolidate the financial statements of the University and all of its subsidiary undertakings, made up to 30 September 2013.

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 interests that are not material have not been consolidated.

Recognition of income

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

Academic fees are recognised in the period to which they relate.

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.

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.

University College Dublin

National University of Ireland, Dublin

Statement of accounting policies *(continued)*
for the year ended 30 September 2013

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 the buildings 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 Governing Authority 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.

(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 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.

University College Dublin

National University of Ireland, Dublin

Statement of accounting policies *(continued)*
for the year ended 30 September 2013

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.

Heritage assets

The University has acquired many assets of unqualified historic and cultural importance to the State. The UCD collection includes period houses, artworks and other paintings and artefacts.

The period houses are part of the working infrastructure of the University campus and as such are capitalised in the balance sheet in line with FRS 15. Artwork purchased for the benefit of the University is capitalised in the balance sheet at original cost and is not depreciated.

Stocks

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

Taxation

As an exempt charity, the University is not liable for corporation tax or income tax on any of its charitable activities. It is registered for value added tax, but since the supply of education is an exempt activity on which no output tax is charged it is unable to recover input tax on the majority of its purchases. 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 and joint ventures, 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.

University College Dublin National University of Ireland, Dublin

Statement of accounting policies *(continued)*
for the year ended 30 September 2013

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 pension 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.

The present value of the schemes' liabilities is disclosed as an asset/liability on the balance sheet. Any changes in the liabilities over the year due to changes in assumptions or experience within the schemes, are recognised in the statement of total recognised gains and losses.

Pension Asset Receivable

As more fully referred to in note 30, 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.

Joint venture undertakings

Joint venture undertakings are those undertakings over which the University exercises control jointly with another party.

Joint ventures are accounted for using the gross equity method. The University's share of the profits less losses of joint venture are included in the consolidated income and expenditure account. The University's interest in the net assets or liabilities are included as financial assets in the consolidated balance sheet at the amount representing the University's share of post acquisition retained profits or losses. Goodwill arising on acquisition of joint venture is dealt with as stated below.

The amounts included in the consolidated financial statements in respect of the post acquisition profits of joint ventures are taken from their latest audited financial statements made up to the balance sheet date.

University College Dublin
National University of Ireland, Dublin

Statement of accounting policies *(continued)*
for the year ended 30 September 2013

Joint Venture Undertakings (continued)

University

Investments in joint ventures are shown in the University balance sheet as financial fixed assets and are valued at cost less provision for impairment in value.

Goodwill

Goodwill arising on the acquisition of joint ventures is included in the consolidated balance sheet at its fair value at the date of acquisition and is amortised over the estimated useful economic life, which in the case of the University's Penang joint venture, has been determined to be five years.

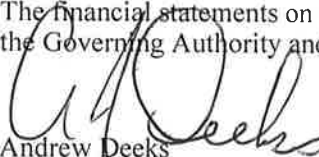
University College Dublin
National University of Ireland, Dublin


Consolidated income and expenditure account
for the year ended 30 September 2013

	Note	2013 €'000	2012 €'000
Income			
State grants	1	78,954	85,902
Academic fees	2	180,251	175,734
Research grants and contracts	3	80,589	84,361
Amortisation of deferred capital grants	19	13,340	14,755
Other income	4	66,846	62,042
Interest income	5	1,051	1,059
Deferred funding for pensions	30	76,133	67,238
Total income		497,164	491,091
Expenditure			
Staff costs	6	265,979	264,558
FRS 17 additional service cost	6, 30	15,599	5,922
Other operating expenses	7	115,287	108,690
Interest payable	8	2,711	1,853
FRS 17 interest cost	30	60,534	61,316
Depreciation	11	25,067	27,721
Total expenditure		485,177	470,060
Surplus on continuing operations after depreciation of fixed assets and before joint venture		11,987	21,031
Share of operating profit/(loss) of joint venture	12(b)	349	(181)
Surplus on continuing operations before taxation		12,336	20,850
Taxation (charge)/credit	9	(136)	36
Surplus for the financial year	10	12,200	20,886

There is no difference between the surplus stated above and its historical cost equivalent.
The income and expenditure account of the Group relates wholly to continuing operations.

The financial statements on pages 16 to 47 and the accounting policies on pages 11 to 15 were approved by the Governing Authority and were signed on its behalf by:


Andrew Deeks
President


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 2013

	<i>Note</i>	2013 €'000	2012 €'000
Surplus for the financial year		12,200	20,886
Experience gains and losses on liabilities	<i>30</i>	119,665	36,849
Changes in actuarial assumptions	<i>30</i>	(65,847)	(301,744)
Movement on pension receivable	<i>30</i>	(53,818)	264,895
Total recognised gains and losses in the financial year		12,200	20,886

Reconciliation of movement in revenue reserves
for the year ended 30 September 2013

	2013 €'000	2012 €'000
Total recognised gains and losses in the financial year	12,200	20,886
Opening revenue reserves	194,004	173,118
Closing revenue reserves	206,204	194,004

University College Dublin
National University of Ireland, Dublin

Consolidated and University balance sheet
at 30 September 2013

	Note	Consolidated		University	
		2013 €'000	2012 €'000 <i>(as restated Note 12)</i>	2013 €'000	2012 €'000 <i>(as restated Note 12)</i>
Fixed assets					
Tangible assets	11	721,999	664,996	710,614	645,081
Financial and heritage assets	12	12,876	12,734	19,876	19,734
Investment in joint ventures:	12	-	-	2,608	2,608
Share of gross assets		2,710	3,082	-	-
Share of gross liabilities		(962)	(1,414)	-	-
Goodwill		500	667	-	-
		<u>737,123</u>	<u>680,065</u>	<u>733,098</u>	<u>667,423</u>
Current assets					
Stocks	13	2,441	2,344	2,441	2,344
Debtors	14	153,905	105,343	158,168	115,566
Cash at bank and in hand	15	140,454	168,108	139,852	166,877
		<u>296,800</u>	<u>275,795</u>	<u>300,461</u>	<u>284,787</u>
Creditors: amounts falling due within one year	16	(315,500)	(299,070)	(310,308)	(291,244)
Net current liabilities		(18,700)	(23,275)	(9,847)	(6,457)
Total assets less current liabilities		718,423	656,790	723,251	660,966
Creditors: amounts falling due after more than one year	17	(123,319)	(131,952)	(123,319)	(131,952)
Provisions for liabilities and charges	20	(3,033)	(3,151)	(3,033)	(3,151)
Net assets excl. pension (liability)/receivable		592,071	521,687	596,899	525,863
Pension liability		(1,499,599)	(1,482,774)	(1,499,599)	(1,482,774)
Pension receivable		1,499,599	1,482,774	1,499,599	1,482,774
Net assets incl. pension (liability)/receivable		592,071	521,687	596,899	525,863
Deferred capital grants	19	385,867	327,683	404,321	345,797
Revenue reserves	21	206,204	194,004	192,578	180,066
Total		592,071	521,687	596,899	525,863

The financial statements on pages 16 to 47 and the accounting policies on pages 11 to 15 were approved by the Governing Authority on and were signed on its behalf by:

Andrew Deeks
President

Gerry O'Brien
Vice-President for Finance

University College Dublin
National University of Ireland, Dublin

Consolidated cash flow statement
for the year ended 30 September 2013

	<i>Note</i>	2013 €'000	2012 €'000 <i>(as restated note 27)</i>
Net cash (outflow)/inflow from operating activities	23	(9,066)	27,417
Returns on investments and servicing of finance	24	(1,660)	(794)
Taxation paid		(136)	36
Capital expenditure and financial investment	25	(7,000)	(42,045)
		<hr/>	<hr/>
Net cash outflow before use of liquid resources and financing		(17,862)	(15,386)
Net cash (outflow)/inflow from financing activities	26	(9,528)	84,718
		<hr/>	<hr/>
(Decrease)/increase in cash in the year		(27,390)	69,332
		<hr/> <hr/>	<hr/> <hr/>

Reconciliation of net cash flow to movement in net debt
for the year ended 30 September 2013

	<i>Note</i>	2013 €'000	2012 €'000 <i>(as restated note 27)</i>
(Decrease)/increase in cash in the year		(27,390)	69,332
Cash outflow/(inflow) from decrease in debt and lease financing		9,528	(84,718)
		<hr/>	<hr/>
Movement in net debt in year		(17,862)	(15,386)
Net debt at 1 October	27	(13,832)	1,554
		<hr/>	<hr/>
Net debt at 30 September	27	(31,694)	(13,832)
		<hr/> <hr/>	<hr/> <hr/>

University College Dublin

National University of Ireland, Dublin

Notes

forming part of the financial statements

1 State grants

	2013	2012
	€'000	€'000
State grants allocated for recurrent purposes	78,954	85,902

Grant income of €3,157,423 (2012 €3,324,150) was received from the Health Service Executive in 2013. All other grant income was received from the Higher Education Authority (HEA).

2 Academic fees

	2013	2012
	€'000	€'000
Academic fee income	180,251	175,734

A total of €51,720,190 (2012:€53,652,709) included in academic fee income was received directly from the HEA.

3 Research grants and contracts

	2013	2012
	€'000	€'000
State and semi-state	55,932	56,843
European Union	10,670	10,763
Industry	2,467	4,595
SFI Overheads grant	5,164	6,073
Other	6,356	6,087
	80,589	84,361

University College Dublin
National University of Ireland, Dublin

Notes *(continued)*

4 Other income

	2013	2012
	€'000	€'000
Catering and conferences	1,986	2,701
Residences	14,802	15,952
Other rental income	2,306	2,388
Medical testing income	14,402	14,646
Academic facilities and departments	24,232	20,457
Other operating income	9,118	5,898
	66,846	62,042

5 Interest income

	2013	2012
	€'000	€'000
Interest income	1,051	1,059

6 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:

	2013	2012
	No. of	No. of
	employees	employees
Teaching and research	2,902	2,682
Technical	268	348
Central administration and services	995	1,170
	4,165	4,200

University College Dublin
National University of Ireland, Dublin

Notes (continued)

6 Staff costs (continued)

	2013 €'000	2012 €'000
Salaries and wages	222,626	222,598
Social welfare costs	16,764	16,470
Employer pension costs*	26,589	25,490
	<u>265,979</u>	<u>264,558</u>

Pension related costs	2013 €'000	2012 €'000
*Employer pension costs	26,589	25,490
Incremental pension costs underwritten by the State	15,599	5,922

Current service cost (note 30)	<u>42,188</u>	<u>31,412</u>
--------------------------------	---------------	---------------

7 Other operating expenses

	2013 €'000	2012 €'000**
Research (non-pay)	21,440	17,536
Maintenance and security	18,812	16,295
Lab supplies	7,381	8,651
Professional fees	4,695	4,976
External contract costs	6,355	7,774
Travel and hospitality	8,044	6,994
Computer supplies	3,454	4,245
Printing, stationery and audio visual	2,950	3,216
Books and periodicals	3,028	2,442
Light and heat	8,331	7,508
Student facilities	2,257	3,678
Rates and insurance	5,077	4,393
Equipment	3,264	3,250
Training and development	10,663	8,458
Communications	930	941
Advertising and promotions	2,417	2,496
Other expenses	6,189	5,837
	<u>115,287</u>	<u>108,690</u>

**The prior year computer supplies and other expenses have both been restated by €1,401,000 with no impact on total other operating expenses, so as to ensure consistent presentation with the current year.

University College Dublin
National University of Ireland, Dublin

Notes *(continued)*

7 Other operating expenses *(continued)*

	2013	2012
	€'000	€'000
Other operating expenses include:		
Auditors' remuneration:		
- External audit of University Group	184	181
- External audit of Pension Funds	7	8
- Taxation and secretarial	14	14
- Other services	22	20
	<u><u>227</u></u>	<u><u>223</u></u>

Auditor's remuneration disclosed above excludes VAT. The University has an Internal Audit function and the associated payroll costs have been included as part of staff costs for the year.

8 Interest payable

	2013	2012
	€'000	€'000
On bank loans, overdrafts and other loans repayable wholly or partly in more than 5 years	2,711	1,853
	<u><u>2,711</u></u>	<u><u>1,853</u></u>

Interest is payable on loans drawn down to fund residential accommodation for students and other capital investment programmes.

University College Dublin
National University of Ireland, Dublin

Notes (continued)

9 Taxation

	2013 €'000	2012 €'000
<i>Current taxation:</i>		
Irish corporation tax on profits of subsidiaries for the year	34	8
Current tax charge for the year	34	8
<i>Deferred tax:</i>		
Origination and reversal of timing differences	-	-
	34	8
Share of joint venture tax	102	(44)
	136	(36)

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:

	2013 €'000	2012 €'000
Surplus for year before taxation	12,336	20,850
Surplus before taxation at the corporation tax rate for the year of 12.5%	1,542	2,606
<i>Effects of:</i>		
Amounts not subject to Irish corporation tax	(1,508)	(2,598)
Current tax charge for the year	34	8

University College Dublin
National University of Ireland, Dublin

Notes *(continued)*

10 Surplus on continuing operations for the year

	2013	2012
	€'000	€'000
The surplus for the year on continuing operations is made up as follows:		
University's surplus for the year	12,512	19,727
(Deficit)/surplus generated by subsidiary and other undertakings	(312)	1,159
	<hr/>	<hr/>
Surplus on continuing operations for the year	12,200	20,886
	<hr/> <hr/>	<hr/> <hr/>

University College Dublin National University of Ireland, Dublin

11 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
Consolidated							
Cost							
At 1 October 2012	770,159	48,851	5,680	18,932	140,960	1,185	985,767
Less amounts reclassified to heritage assets (note 12)	(11,523)	-	-	-	-	-	(11,523)
Restated cost at 1 October 2012*	758,636	48,851	5,680	18,932	140,960	1,185	974,244
Additions in year	11,415	63,007	-	135	7,740	20	82,317
Transfers from assets in course of construction	24,079	(24,079)	-	-	-	-	-
Disposals in year	-	-	-	(2,579)	(5,101)	-	(7,680)
At 30 September 2013	794,130	87,779	5,680	16,488	143,599	1,205	1,048,881
Depreciation							
At 1 October 2012	158,451	-	5,680	18,853	125,109	1,155	309,248
Charge for year	16,054	-	-	46	8,967	-	25,067
Eliminated on disposals	-	-	-	(2,548)	(4,885)	-	(7,433)
At 30 September 2013	174,505	-	5,680	16,351	129,191	1,155	326,882
Net book value							
At 30 September 2013	619,625	87,779	-	137	14,408	50	721,999
At 1 October 2012	600,185	48,851	-	79	15,851	30	664,996

Details of capital grant funding received in respect of tangible fixed assets are detailed in note 19.

Land and buildings includes €11.6 million (2012: €11.6 million) in respect of freehold land which is not depreciated. This category also includes €87 million (2012: €87 million) in relation to land and buildings which have been accounted for in accordance with Financial Reporting Standard 5 - Reporting the Substance of Transactions, issued by the Financial Reporting Council. 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**

11 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
Cost						
At 1 October 2012	766,442	32,846	5,680	18,907	139,547	963,422
Less amounts reclassified to heritage assets (note 12)	(11,523)	-	-	-	-	(11,523)
Restated cost at 1 October 2012*	754,919	32,846	5,680	18,907	139,547	951,899
Additions in year	11,692	71,066	-	135	7,281	90,174
Transfers from assets in course of construction	24,079	(24,079)	-	-	-	-
Disposals in year	-	-	-	(2,548)	(4,216)	(6,764)
At 30 September 2013	790,690	79,833	5,680	16,494	142,612	1,035,309
Depreciation						
At 1 October 2012	157,191	-	5,680	18,826	125,121	306,818
Charge for year	15,937	-	-	46	8,658	24,641
Eliminated on disposals	-	-	-	(2,548)	(4,216)	(6,764)
At 30 September 2013	173,128	-	5,680	16,324	129,563	324,695
Net book value						
At 30 September 2013	617,562	79,833	-	170	13,049	710,614
At 1 October 2012	597,728	32,846	-	81	14,426	645,081

*The opening cost of land and buildings has been restated at 1 October 2012 to exclude €11.523 million of buildings, comprising principally of period houses, which the University has determined would be more appropriately presented within heritage assets.

University College Dublin

National University of Ireland, Dublin

Notes *(continued)*

11 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 Financial Reporting Council.

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 2014, 2016 and 2016 respectively. These properties have been reflected in the balance sheet at 30 September 2013 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 of €36.261m (2012: €37.856m) included in the balance sheet relating to the obligations associated with these residences is included in note 17 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 passed to the University under option agreements in April 2014. These properties have been reflected in the balance sheet at 30 September 2013, 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 of €40.755m (2012: €40.751m) is included in note 16 to the financial statements.

In connection with this arrangement, the University has restricted bank balances of €37.009 million (2012: €37.009m) on deposit with a financial institution and this is included in note 15 of the financial statements. 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.

University College Dublin National University of Ireland, Dublin

Notes (continued)

12 Financial and heritage assets

	Consolidated		University	
	2013 €'000	2012 €'000	2013 €'000	2012 €'000
	<i>(as restated)***</i>		<i>(as restated)***</i>	
<i>Investments held are as follows:</i>				
Investment in subsidiaries	-	-	7,000	7,000
Other investments	13	13	13	13
Heritage assets (a)	12,863	12,721	12,863	12,721
	12,876	12,734	19,876	19,734
Investment in joint venture (b)	2,248**	2,335	2,608*	2,608
	15,124	15,069	22,484	22,342

*The University has accounted for its investment in joint ventures at cost in accordance with FRS 9.

**The joint venture has been accounted for in accordance with FRS 9 at cost adjusted for the group's share of profits or losses and goodwill amortisation.

*** The 2012 heritage assets have been restated to include €11.523 million of buildings, comprising principally of period houses, which had been previously classified within tangible fixed assets as the University has determined that these are more appropriately presented within heritage assets.

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

Subsidiary undertakings	Principal activity	Interest	Retained surplus
Mapleview Ltd	Accommodation rental	100%	-
UCD O'Reilly Hall Ltd	Management of O'Reilly Hall	100%	€36,253
UCD Student Centre Ltd	Management of Student Centre	100%	€164,524
UCD Property Development Company Ltd	Property Development	100%	€77,452
UCD Nova Ltd	Development of Nova Building	100%	(€37,794)
Foster Residences Ltd	Accommodation rental	100%	€220,070
UCD Educational Services Ltd	Dormant	100%	-
Campus Trust Ltd	Dormant	100%	-
UCD Global Limited	Dormant	100%	-
UCD Campus Sport and Leisure Ltd	Leisure and Educational Facilities	100%	€58,111

All of the above listed subsidiary undertakings have their registered offices and place of business in Belfield, Dublin 4.

Joint Ventures			Place of business
Penang Medical College	Education	50%	Penang, Malaysia

University College Dublin

National University of Ireland, Dublin

Notes (continued)

12 Financial and heritage assets (continued)

Associated undertakings	Principal activity	Interest	Place of business
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
Belfield Emergency Veterinary Hospital Ltd	Veterinary Services	49%	Belfield, Dublin 4

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

(a) Heritage assets

As an educational institution since 1854 University College Dublin has acquired many assets of unqualified historic and cultural importance to the State. The UCD collections include Georgian houses complete with outstanding artistic stucco plasterwork; print material from the 1830's stored in specific library conditions and multiple examples of historic and contemporary artworks. UCD has a clear duty of care for these assets and aims to make them available for the enjoyment and education of the public as far as is possible, commensurate with their long term care and preservation. The highest possible standards of collection management are applied, and the assets are made available as widely as possible to facilitate all enquiries and requests for information, subject to appropriate security and data protection guidelines. For example, appointments can be made to view printed and archival library materials held under specialist conditions and guided tours are available in limited circumstances of heritage buildings such as Newman House.

Period houses

The most significant element of these assets comprises the University's period houses which date from the 1730's onwards. UCD has acquired these houses over a significant period of time, and throughout various incarnations of the university itself. It is the policy of UCD to capitalise those heritage assets which constitute capital assets and are part of the working infrastructure of the university campus. As such, the period houses and subsequent refurbishments are included in the balance sheet in line with FRS15. 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.

As at 30 September 2013 costs associated with heritage buildings captured and capitalised on the balance sheet since 1997 were €11.5m.

Artworks

Since 2006 UCD's policy has been to capitalise all artworks purchased for the benefit of the University. Invoices are coded to one specific account which is then reported under financial assets in the balance sheet. As at 30 September 2013 the historic costs of artworks amounted to €1.3m.

Other paintings and artefacts

Additional assets and collections belonging to the University have not been capitalised as these are, in effect, inalienable, held in perpetuity, and are mostly irreplaceable. They are neither disposed of for financial gain nor encumbered in any manner. A valuation from Adam's Auctioneers and Valuers in 2005 valued these assets at €2.7m. There were very few transactions across collections during the periods. In the University's view, the value of these transactions is not material and obtaining a current valuation would involve disproportionate cost.

University College Dublin
National University of Ireland, Dublin

Notes (continued)

12 Financial and heritage assets (continued)

	Buildings €'000	Other paintings €'000	Art works €'000	Total €'000
Cost				
At 1 October 2012	-	-*	1,198	1,198
Amounts reclassified from tangible fixed assets (note 11)	11,523	-	-	11,523
Restated cost at 1 October 2012	11,523	-	1,198	12,721
Additions	-	-	142	142
At 30 September 2013	11,523	-	1,340	12,863

*Other paintings and artefacts are valued at €2.724m, as per the 2005 valuation provided by Adam's Valuers & Auctioneers and as already stated are not capitalised on the balance sheet.

Five year summary of heritage asset

	2009 €'000	2010 €'000	2011 €'000	2012 €'000	2013 €'000
Cost					
At 1 October	10,591	11,761	11,855	12,225	12,721
Additions					
- Purchases	139	44	201	177	142
- Refurbishment	1,031	50	169	319	-
Cost at 30 September	11,761	11,855	12,225	12,721	12,863
Valuation of other paintings and artefacts	2,724	2,724	2,724	2,724	2,724
Total at 30 September	14,485	14,579	14,949	15,445	15,587

University College Dublin National University of Ireland, Dublin

Notes (continued)

12 Financial and heritage assets (continued)

(b) Joint venture undertakings

UCD holds a 50% interest in Penang Medical College, with RCSI holding the remaining 50% interest. The carrying value of this joint venture of €2.2 million is included on UCD's consolidated balance sheet and consists of the purchase cost incurred, UCD's share of Penang's profits and losses and a goodwill amortisation charge for the relevant periods.

Name	Country of incorporation	Details of investment	Proportion held	Principal activity
Penang Medical College	Malaysia	1,700,000 ordinary share of RMI	50%	Education
			2013	2012
			€'000	€'000
Share of net assets at fair value:				
At beginning of year			1,668	-
Acquired in year			-	1,805
Share in joint venture profit/(loss) in year (before tax €349k)			247	(137)
Movement on currency translation			(167)	-
			1,748	1,668
The group's share of the investment in net assets of this joint venture comprises:				
			2013	2012
			€'000	€'000
Share of fixed assets			1,748	2,011
Share of current assets			962	1,071
Share of current liabilities			(696)	(1,155)
Share of non-current liabilities			(266)	(259)
			1,748	1,668
Share of net assets at end of year			1,748	1,668
Goodwill				
At beginning of year			667	-
Arising on acquisition			-	803
Amortisation in year			(167)	(136)
			500	667
At end of year			500	667
Total investment in joint venture			2,248	2,335

University College Dublin
National University of Ireland, Dublin

Notes (continued)

13 Stocks

	Consolidated		University	
	2013 €'000	2012 €'000	2013 €'000	2012 €'000
Raw materials and consumables	1,627	1,563	1,627	1,563
Finished goods for resale	814	781	814	781
	<u>2,441</u>	<u>2,344</u>	<u>2,441</u>	<u>2,344</u>

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

14 Debtors

	Consolidated		University	
	2013 €'000	2012 €'000	2013 €'000	2012 €'000
Trade debtors	12,266	9,574	11,230	9,221
Research grants and contracts receivable	56,158	50,245	56,158	50,245
State grant receivable	17,975	1,778	17,975	1,778
Other capital funding receivable	2,431	-	2,431	-
Academic fees receivable	6,274	4,708	6,274	4,708
Prepayments	207	205	155	145
Amounts due from subsidiary undertakings	-	-	5,867	11,321
Other debtors	58,594	38,833	58,078	38,148
	<u>153,905</u>	<u>105,343</u>	<u>158,168</u>	<u>115,566</u>

University College Dublin
National University of Ireland, Dublin

Notes (continued)

15 Cash at bank and in hand

	Consolidated		University	
	2013 €'000	2012 €'000	2013 €'000	2012 €'000
Cash at bank including balances held on short term deposit	103,445	131,099	102,843	129,868
Restricted bank balances	37,009	37,009	37,009	37,009
	140,454	168,108	139,852	166,877

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 11 to the financial statements.

16 Creditors: amounts falling due within one year

	Consolidated		University	
	2013 €'000	2012 €'000	2013 €'000	2012 €'000
Trade creditors	11,689	3,800	11,566	3,345
Research grants and contracts in advance	95,339	79,030	95,339	79,030
Academic fees received in advance	52,543	47,499	52,543	47,499
State grant received in advance	10,480	23,368	10,480	23,368
Other capital funding received in advance	11,430	23,489	11,430	23,489
Accruals	16,228	16,198	15,308	15,582
Bank overdrafts (note 18)	869	1,133	869	1,133
Bank loans (note 18)	7,205	8,104	7,205	8,104
Amounts owed to subsidiary undertakings	-	-	3,252	4,181
Other taxation and social security	7,970	7,888	7,789	7,866
Other creditors	56,837	43,335	49,616	32,421
Other lease obligations – FRS 5 (note 11)	40,755	40,751	40,755	40,751
Other amounts received in advance	4,155	4,475	4,156	4,475
	315,500	299,070	310,308	291,244

University College Dublin
National University of Ireland, Dublin

Notes (continued)

17 Creditors: amounts falling due after one year

	Consolidated		University	
	2013	2012	2013	2012
	€'000	€'000	€'000	€'000
Bank loans (note 18)	87,058	94,096	87,058	94,096
Other lease obligations – FRS 5 (note 11)	36,261	37,856	36,261	37,856
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	123,319	131,952	123,319	131,952
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

18 Borrowings

	Consolidated		University	
	2013	2012	2013	2012
	€'000	€'000	€'000	€'000
Bank loans and overdrafts				
Bank loans and overdrafts are repayable as follows;				
In one year or less - Bank overdrafts	869	1,133	869	1,133
- Bank loans	7,205	8,104	7,205	8,104
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	8,074	9,237	8,074	9,237
Amounts falling due after more than one year				
Between one and two years – bank loans	6,704	7,801	6,704	7,801
Between two and five years – bank loans	18,314	20,102	18,314	20,102
In five years or more – bank loans	62,040	66,193	62,040	66,193
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	87,058	94,096	87,058	94,096
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	95,132	103,333	95,132	103,333
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The European Investment Bank ('EIB') provided part of the funding necessary for the University's capital expenditure programme. This funding is secured against two of UCD's student residences, Merville Student Residences and Belgrove Student Residences, together with the UCD Sports and Leisure building. Security over certain bank accounts attaching to these properties was also granted in favour of the bank. The facility is repayable over a maximum of 20 years (2032) and currently incurs interest at Euribor plus a margin.

University College Dublin
National University of Ireland, Dublin

Notes (continued)

19 Deferred capital grants

	State €'000	Other grants and benefactors €'000	Total €'000
Consolidated			
At 1 October 2012			
Buildings	216,251	102,497	318,748
Equipment	3,145	5,790	8,935
	<hr/>	<hr/>	<hr/>
Total	219,396	108,287	327,683
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Cash received in year			
Buildings	47,678	20,551	68,229
Equipment	903	2,392	3,295
	<hr/>	<hr/>	<hr/>
Total	48,581	22,943	71,524
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Amortised to income and expenditure in year			
Buildings	5,919	2,789	8,708
Equipment	787	3,845	4,632
	<hr/>	<hr/>	<hr/>
Total	6,706	6,634	13,340
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At September 2013			
Buildings	258,010	120,259	378,269
Equipment	3,261	4,337	7,598
	<hr/>	<hr/>	<hr/>
Total	261,271	124,596	385,867
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

University College Dublin
National University of Ireland, Dublin

Notes (continued)

19 Deferred capital grants (continued)

	State €'000	Other grants and benefactors €'000	Total €'000
University			
At 1 October 2012			
Buildings	216,251	120,611	336,862
Equipment	3,145	5,790	8,935
	<hr/>	<hr/>	<hr/>
Total	219,396	126,401	345,797
	<hr/>	<hr/>	<hr/>
Cash received in year			
Buildings	47,678	21,322	69,000
Equipment	903	2,392	3,295
	<hr/>	<hr/>	<hr/>
Total	48,581	23,714	72,295
	<hr/>	<hr/>	<hr/>
Amortised to income and expenditure in year			
Buildings	5,919	3,220	9,139
Equipment	787	3,845	4,632
	<hr/>	<hr/>	<hr/>
Total	6,706	7,065	13,771
	<hr/>	<hr/>	<hr/>
At 30 September 2013			
Buildings	258,010	138,713	396,723
Equipment	3,261	4,337	7,598
	<hr/>	<hr/>	<hr/>
Total	261,271	143,050	404,321
	<hr/>	<hr/>	<hr/>

In addition, amounts received in advance and not yet spent are included in creditors (note 16). 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 2013, are as follows:

	State €'000	Other grants and benefactors €'000	Total €'000
Buildings	4,582	11,430	16,012
	<hr/>	<hr/>	<hr/>

University College Dublin National University of Ireland, Dublin

Notes *(continued)*

20 Provisions for liabilities and charges

	2013	2012
	€'000	€'000
Consolidated and University		
At 1 October 2012	3,151	2,639
Provided during the year	(118)	512
	<hr/>	<hr/>
At 30 September 2013	3,033	3,151
	<hr/>	<hr/>

The provision of €3 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 funding sources.

21 Reconciliation of movement of revenue reserves

	2013	2012
	€'000	€'000
Consolidated		
At beginning of year	194,004	173,118
Surplus in year	12,200	20,886
	<hr/>	<hr/>
At end of year	206,204	194,004
	<hr/>	<hr/>
University		
At beginning of year	180,066	160,339
Surplus in year	12,512	19,727
	<hr/>	<hr/>
At end of year	192,578	180,066
	<hr/>	<hr/>

University College Dublin
National University of Ireland, Dublin

Notes (continued)

22 Capital commitments

	Consolidated		University	
	2013 €'000	2012 €'000	2013 €'000	2012 €'000
Contracted for but not provided	65,076	179,060	68,704	174,178
Authorised but not contracted	24,531	17,084	30,174	39,289
	<u>89,607</u>	<u>196,144</u>	<u>98,878</u>	<u>213,467</u>

23 Reconciliation of operating surplus to net cash (outflows)/inflow from operating activities

	2013 €'000	2012 €'000 <i>(as restated note 27)</i>
Surplus on continuing operations	12,336	20,850
Depreciation of tangible fixed assets	25,067	27,721
Amortisation of deferred capital grants	(13,340)	(14,755)
(Increase)/decrease in stocks	(97)	45
(Increase) in debtors	(48,562)	(9,802)
Increase in creditors	13,988	2,052
(Decrease)/increase in provisions	(118)	512
Interest income	(1,051)	(1,059)
Interest payable	2,711	1,853
	<u>(9,066)</u>	<u>27,417</u>

University College Dublin
National University of Ireland, Dublin

Notes (continued)

24 Returns on investments and servicing of finance

	2013 €'000	2012 €'000
Other interest received	1,051	1,059
Interest paid	(2,711)	(1,853)
	<hr/>	<hr/>
Net cash outflow from returns on investments and servicing of finance	(1,660)	(794)
	<hr/> <hr/>	<hr/> <hr/>

25 Capital expenditure and financial investment

	2013 €'000	2012 €'000
Purchase of tangible fixed assets	(78,469)	(67,901)
Purchase of investments	(55)	(2,481)
Capital grants received	71,524	28,337
	<hr/>	<hr/>
Net cash outflow from capital expenditure and financial investment	(7,000)	(42,045)
	<hr/> <hr/>	<hr/> <hr/>

26 Net cash flow from financing activities

	2013 €'000	2012 €'000
<i>Debt due within one year:</i>		
(Decrease)/increase in short term borrowings	(899)	4,803
Increase in short term lease liabilities	4	200
<i>Debt due after one year:</i>		
(Decrease)/increase in long term borrowings	(7,038)	81,205
Decrease in long term lease liabilities	(1,595)	(1,490)
	<hr/>	<hr/>
	(9,528)	84,718
	<hr/> <hr/>	<hr/> <hr/>

University College Dublin
National University of Ireland, Dublin

Notes (continued)

27 Analysis of changes in net debt

	At 1 Oct 2012 €'000 (as restated*)	Cashflows €'000	At 30 Sept 2013 €'000
Cash at bank (including restricted cash)	168,108	(27,654)	140,454
Bank overdrafts	(1,133)	264	(869)
	<u>166,975</u>	<u>(27,390)</u>	<u>139,585</u>
Bank debt due within 1 year	(8,104)	899	(7,205)
Bank debt due after 1 year	(94,096)	7,038	(87,058)
Lease liabilities due within 1 year	(40,751)	(4)	(40,755)
Lease liabilities due after 1 year	(37,856)	1,595	(36,261)
	<u>(13,832)</u>	<u>(17,862)</u>	<u>(31,694)</u>
Net debt (including restricted cash)	(13,832)	(17,862)	(31,694)

*The net debt position at 1 October 2012 has been restated to include lease liabilities due within one year and after one year.

28 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 undertaken by MMI and €0.093m was received by the University from MMI for rental of premises. At 30 September 2013, €0.093m was due from MMI to the University.

Belfield Emergency Veterinary Hospital Ltd (BEVH)

During the period, UCD advanced a loan to BEVH in the amount of €24,490. This remains outstanding at the year end.

National Institute for Bioprocessing Research and Training (NIBRT)

There were no related party transactions between the University and NIBRT during the year. At 30 September 2013, there were no amounts due to the University by NIBRT.

University College Dublin National University of Ireland, Dublin

Notes *(continued)*

28 Related parties *(continued)*

National Digital Research Centre (NDRC)

During the period, the University carried out research projects which were funded by the NDRC for which €0.007m was recognised as research expenditure for the year. At 30 September 2013, €0.058m was due to the University by NDRC and €0.005m was owed by the University to the NDRC.

29 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.

30 Retirement benefits

Background

The University operates two defined benefit pension schemes, the University College Dublin, National University of Ireland, Dublin (Closed) Pension Scheme 2010, 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 formerly 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 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)*

30 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 2013, 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 €530 million (2012: €463 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. The FRS 17 valuation was prepared by a qualified independent actuary in order to assess the liabilities as at 30 September 2013 for both schemes, details of which are provided below.

University College Dublin
National University of Ireland, Dublin

Notes *(continued)*

30 Retirement benefits *(continued)*

The University has reported a net pension liability at 30 September 2013 and 2012 as follows:

	2013 €'000	2012 €'000
Present value of the defined benefit obligations	(1,499,599)	(1,482,774)
Total market value of assets	-	-
	<hr/>	<hr/>
Pension liability	(1,499,599)	(1,482,774)
	<hr/> <hr/>	<hr/> <hr/>

The pension receivable and net deficit at 30 September 2013 and 2012 is as follows:

	2013 €'000	2012 €'000
Pension receivable from Irish State	1,499,599	1,482,774
	<hr/>	<hr/>
Net pension deficit	-	-
	<hr/> <hr/>	<hr/> <hr/>

Movement in present value of defined benefit obligation

	2013 €'000	2012 €'000
At 1 October	1,482,774	1,163,779
Current service cost	42,188	31,412
Interest cost	60,534	61,316
Plan members' contributions	8,864	6,539
Actuarial (gain)/loss	(53,818)	264,895
Benefits paid	(40,943)	(45,167)
	<hr/>	<hr/>
At 30 September	1,499,599	1,482,774
	<hr/> <hr/>	<hr/> <hr/>

University College Dublin

National University of Ireland, Dublin

Notes (continued)

30 Retirement benefits (continued)

The total gain recognised in the statement of total recognised gains and losses in respect of actuarial gains and losses is €53.8m (2012: loss €264.9m). 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.

Analysis of movement in pension receivable during the year

	2013	2012
	€'000	€'000
Pension receivable at beginning of year	1,482,774	1,163,779
Actuarial (gain)/loss	(53,818)	264,895
Incremental pension cost underwritten by the State (note 6)	15,599	5,922
State underwritten finance charge	60,534	61,316
Employer contributions	26,589	25,490
Member contributions	8,864	6,539
Benefits paid	(40,943)	(45,167)
	<hr/>	<hr/>
Pension receivable at end of year	1,499,599	1,482,774
	<hr/> <hr/>	<hr/> <hr/>

Principal actuarial assumptions (expressed as weighted averages) at the year end were as follows:

	2013	2012
	%	%
Discount rate	3.75	4.00
Rate of compensation increase	3.50	3.50
Pension increases	2.50	2.50
Inflation	2.00	2.00
Expected return on plan assets	-	-

In valuing the liabilities of the pension funds at 30 September 2013, 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 2013 would have increased by €43.9m.

University College Dublin National University of Ireland, Dublin

Notes (continued)

30 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:

	2013 Years	2012 Years
Male member age 65 (current life expectancy)	23.3	23.2
Female member age 65 (current life expectancy)	24.7	24.6
Male member age 45 (life expectancy at age 65)	25.9	25.8
Female member age 45 (life expectancy age 65)	26.9	26.8

History of plan

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

	2013 €'000	2012 €'000	2011 €'000	2010 €'000	2009 €'000
Defined benefit obligation	(1,499,599)	(1,482,774)	(1,163,779)	(1,253,233)	(930,605)
Fair value of plan assets	-	-	-	-	488,192
Deficit	(1,499,599)	(1,482,774)	(1,163,779)	(1,253,233)	(442,413)

Difference between expected and actual return on plan assets:

	2013 €'000	2012 €'000	2011 €'000	2010 €'000	2009 €'000
Amount	-	-	-	1,376	(49,821)
% of plan assets	N/A*	N/A*	N/A*	N/A*	(10%)

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

Experience (gains)/ losses on plan liabilities:

	2013 €'000	2012 €'000	2011 €'000	2010 €'000	2009 €'000
Amount	(119,665)	(36,849)	(36,920)	15,910	(23,021)
% of plan liabilities	8%	2%	3%	1%	2%

University College Dublin
National University of Ireland, Dublin

Notes (continued)

30 Retirement benefits (continued)

Losses/(gains) resulting from changes in actuarial assumptions:

	2013	2012	2011	2010	2009
	€000	€000	€000	€000	€000
Amount	65,847	301,744	(111,869)	254,848	(100,376)
% of plan liabilities	4%	20%	10%	20%	11%

31 Post balance sheet events

There were no significant events since the balance sheet date which could have implications for these financial statements.

32 Approval of financial statements

The financial statements were approved by the Governing Authority on ~~DATE~~.

24 October 2014

University College Dublin
National University of Ireland, Dublin

Additional information not forming part
of the consolidated financial statements

Year ended 30 September 2013

University College Dublin
National University of Ireland, Dublin

Additional information not forming part of the consolidated financial statements

1 Deferred income

	2013	2012
	€'000	€'000
State recurrent grant:		
- received in respect of current year	70,093	88,992
- deferred in prior accounting year	14,756	11,666
- deferred to subsequent accounting years	(5,895)	(14,756)
	<hr/>	<hr/>
State recurrent grant per financial statements (Note 1)	78,954	85,902
	<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.

University College Dublin
National University of Ireland, Dublin

HEA Funding Statement and Reconciliation

(not forming part of the financial statements)

Year ended 30 September 2013

University College Dublin National University of Ireland, Dublin

Funding statement

<i>Contents</i>	<i>Page</i>
Statement of funding statement accounting policies	49 - 51
Revenue account	52 - 53
Balance sheet	54
Cash flow statement	55
Notes to the funding statement	56 – 66
Reconciliation of HEA Funding Statement with Consolidated Financial Statements	67

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 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.

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 2013

	Notes	2013 €'000	2012 €'000 <i>(as restated note 1)</i>
Income			
State grants	1a	78,588	85,008
Academic fees	2	178,261	169,327
Other income	3	21,223	18,526
		<hr/>	<hr/>
		278,072	272,861
Contract research	4	73,042	75,026
		<hr/>	<hr/>
Total income		351,114	347,887
Expenditure			
Academic faculties and departments	5	174,268	169,732
Academic and other services	6	19,907	19,104
Premises	7	21,456	21,562
Amount allocated for capital purposes	8	3,778	4,715
Central administration and services	9	30,164	29,037
General educational expenditure	10	10,932	10,029
Student services	11	4,671	4,734
Pension supplementation		8,719	10,005
Term loan interest		884	608
		<hr/>	<hr/>
		274,779	269,526
Contract research	4	73,042	75,026
		<hr/>	<hr/>
Total expenditure	12	347,821	344,552
		<hr/>	<hr/>
Surplus for year before amortisation of capital reserves and grants, ancillary services and depreciation of fixed assets (after transfer to strategic initiative)		3,293	3,335

University College Dublin
National University of Ireland, Dublin

Funding statement

Revenue account *(continued)*
Year ended 30 September 2013

	<i>Notes</i>	2013 €'000	2012 €'000
Surplus for year before amortisation of capital reserves and grants, ancillary services and depreciation of fixed assets (after transfer to strategic initiative)		3,293	3,335
Surplus on ancillary services	<i>13</i>	3,330	2,683
Depreciation of fixed assets	<i>15</i>	(18,887)	(25,044)
General reserve movement	<i>14</i>	15,557	22,361
		<hr/>	<hr/>
Net surplus for the year		3,293	3,335
Revenue reserves at start of year	<i>20</i>	(3,151)	(6,486)
		<hr/>	<hr/>
Revenue reserves at end of year	<i>20</i>	142	(3,151)
		<hr/> <hr/>	<hr/> <hr/>

The statement of accounting policies on pages 49 to 51 and the cash flow statement and notes from page 55 to page 66 form part of the funding statement.



Andrew Deeks
President



Gerry O'Brien
Vice-President for Finance

21 October 2014
[DATE]

University College Dublin
National University of Ireland, Dublin

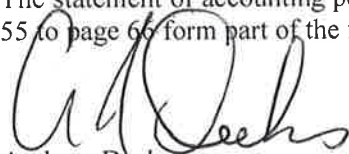
Funding statement

Balance sheet

as at 30 September 2013

	Notes	2013 €'000	2012 €'000
Fixed assets	15	722,546	656,737
Investments		9,906	10,286
Current assets			
Bank balances and cash		101,533	120,981
Debtors and prepayments	16	127,834	83,037
Stocks	17	556	1,273
		229,923	205,291
Current liabilities			
Creditors and accrued expenditure	18	(283,754)	(266,587)
Net current liabilities		(53,831)	(61,296)
Total assets less net current liabilities		678,621	605,727
Long term liabilities			
Long term loans		(87,060)	(94,098)
		591,561	511,629
Represented by:			
General reserve	19	591,419	514,780
Revenue reserves	20	142	(3,151)
		591,561	511,629

The statement of accounting policies, on pages 49 to 51 and the cash flow statement and notes from page 55 to page 66 form part of the funding statement.



Andrew Deeks
President



Gerry O'Brien
Vice-President for Finance

21 October 2014
[DATE]

University College Dublin
National University of Ireland, Dublin

Funding statement

Cash flow statement

Year ended 30 September 2013

	<i>Notes</i>	2013 €'000	2012 €'000
Net cash (outflow)/inflow from operating activities	<i>21</i>	(3,028)	1,681
Returns on investments and services of finance			
Interest received		1,151	1,438
Interest paid		(884)	(608)
Capital expenditure			
Payments to acquire tangible fixed assets		(84,696)	(77,685)
Payments to acquire investments		380	(2,264)
Net cash outflow before financing		(87,077)	(77,438)
Financing			
HEA capital grants		48,581	29,232
Non HEA capital funding		28,593	18,515
Recurrent funding transfer		(1,608)	5,355
(Decrease)/increase in long term loans		(7,937)	86,009
Net cash inflow from financing		67,629	139,111
Net cash (outflow)/inflow after financing		(19,448)	61,673
(Decrease)/increase in cash and cash equivalents	<i>22</i>	(19,448)	61,673

The notes on pages 56 to 66 form part of the funding statement.

University College Dublin National University of Ireland, Dublin

Funding statement

Notes

forming part of the funding statement

1 Restatement of prior year figures

Certain items of income and expenditure have been reclassified in the revenue account in the current year to reflect the most recent "Harmonisation of Accounts" agreement as adopted by all Irish universities. Where applicable, the previous year's figures have been restated on the same basis. The surplus of €3,335,000 for 2012 as previously reported remains unchanged.

1a State grants	2013	2012
	€'000	€'000
Recurrent grant	78,428	83,148
Minor works grant	160	1,860
	<hr/>	<hr/>
Total	78,588	85,008
	<hr/> <hr/>	<hr/> <hr/>
2 Academic fees	2013	2012
	€'000	€'000
Academic fees	178,226	169,287
Miscellaneous fee income	35	40
	<hr/>	<hr/>
Total	178,261	169,327
	<hr/> <hr/>	<hr/> <hr/>

A total of €51.720m (2012:€53.652m) included in academic fee income was paid directly by the Higher Education Authority.

3 Other income	2013	2012
	€'000	€'000
Interest receivable (net)	1,151	1,438
Funded posts	6,946	7,342
Rent, concessions and other charges	4,018	26
Contribution from subsidiary companies	335	612
Contract research contribution	8,773	9,108
	<hr/>	<hr/>
Total	21,223	18,526
	<hr/> <hr/>	<hr/> <hr/>

University College Dublin
National University of Ireland, Dublin

Funding statements

Notes (continued)

4 Contract research

	2013 €'000	2012 €'000
Research grants income	73,042	75,026
Research grant expenditure	(73,042)	(75,026)
	<u> </u>	<u> </u>
Deficit	<u> </u>	<u> </u>

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

	2013 Staff Costs €'000	2013 Non Pay €'000	2013 Total €'000	2012 Total €'000
Academic staff	111,614	-	111,614	113,579
Technical staff	10,409	-	10,409	11,326
Administration support staff	27,361	-	27,361	26,170
Departmental materials, equipment and travel	-	24,884	24,884	18,657
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	<u>149,384</u>	<u>24,884</u>	<u>174,268</u>	<u>169,732</u>

6 Academic and other services

	2013 Staff Costs €'000	2013 Non Pay €'000	2013 Total €'000	2012 Total €'000
Computer services incl Audio Visual	6,296	2,439	8,735	8,852
Library	5,284	2,835	8,119	7,621
Electron microscopy unit	224	(14)	210	160
Biomedical facility	622	(74)	548	561
Archives	303	22	325	331
University industry programme	-	1,236	1,236	837
Lyons Estate field station	854	(120)	734	742
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	<u>13,583</u>	<u>6,324</u>	<u>19,907</u>	<u>19,104</u>

University College Dublin
National University of Ireland, Dublin

Funding statement

Notes (continued)

7 Premises

	2013 Staff Costs €'000	2013 Non Pay €'000	2013 Total €'000	2012 Total €'000
Premises maintenance	2,106	5,274	7,380	5,246
General services	1,660	5,420	7,080	6,458
Devolved Grant & Minor works	-	160	160	1,860
Insurance	-	1,153	1,153	1,038
Energy costs	-	5,683	5,683	6,960
	<hr/>	<hr/>	<hr/>	<hr/>
Total	3,766	17,690	21,456	21,562
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

8 Amount allocated for capital purposes

	2013 Staff Costs €'000	2013 Non Pay €'000	2013 Total €'000	2012 Total €'000
Capital projects	-	3,317	3,317	2,963
Equipment	-	461	461	1,752
	<hr/>	<hr/>	<hr/>	<hr/>
Total	-	3,778	3,778	4,715
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

9 Central administration and services

	2013 Staff Costs €'000	2013 Non Pay €'000	2013 Total €'000	2012 Total €'000
Administration staff	20,413	-	20,413	20,415
Expenses	-	7,231	7,231	5,701
Professional charges	-	1,866	1,866	2,461
Miscellaneous	477	177	654	460
	<hr/>	<hr/>	<hr/>	<hr/>
Total	20,890	9,274	30,164	29,037
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

University College Dublin
National University of Ireland, Dublin

Funding statement

Notes (continued)

10 General educational expenditure

	2013 Staff Costs €'000	2013 Non Pay €'000	2013 Total €'000	2012 Total €'000
Examination expenses	2,312	1,217	3,529	3,414
Scholarships/prizes/fellowships	-	4,086	4,086	3,240
NUI capitation	-	553	553	542
Miscellaneous expenses	990	1,774	2,764	2,833
	<u>3,302</u>	<u>7,630</u>	<u>10,932</u>	<u>10,029</u>

11 Student services

	2013 Staff Costs €'000	2013 Non Pay €'000	2013 Total €'000	2012 Total €'000
Capitation and other grants	-	1,767	1,767	1,834
Student services	1,582	(328)	1,254	999
Careers office	671	(27)	644	566
Health and counselling	931	(88)	843	802
Sports facilities and recreation	942	(779)	163	533
	<u>4,126</u>	<u>545</u>	<u>4,671</u>	<u>4,734</u>

12 Composition of total expenditure

	2013 Staff Costs €'000	2013 Non Pay €'000	2013 Total €'000	2012 Total €'000
Academic and related services	195,051	79,728	274,779	269,526
Research grants	50,563	22,479	73,042	75,026
	<u>245,614</u>	<u>102,207</u>	<u>347,821</u>	<u>344,552</u>

A contribution from subsidiary companies of €334,679 (2012: €612,352) is included in other income (note 3) to cover interest arising on term loans of €883,534 (2012: €607,796) included above. Included above are pension supplementation costs of €8,718,825 (2012: €10,005,000).

University College Dublin
National University of Ireland, Dublin

Funding statements

Notes (continued)

13 Ancillary services summary

	2013	2013	2013	2012
	Income	Expenditure	Surplus/ (Deficit)	Surplus (Deficit)
	€'000	€'000	€'000	€'000
Catering	1,498	1,568	(70)	(158)
Student residences	13,582	13,041	541	430
Other activities (including property development)	90,404	87,545	2,859	2,411
	<u>105,484</u>	<u>102,154</u>	<u>3,330</u>	<u>2,683</u>
Surplus – ancillary services for the year			<u>3,330</u>	<u>2,683</u>

14 General reserve movement

	2013	2012
	€'000	€'000
Amortisation in line with depreciation	18,887	25,044
Surplus on ancillary services from revenue account to general revenue account	(3,330)	(2,683)
	<u>15,557</u>	<u>22,361</u>
Movement in general reserves in year		

**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
Cost						
At beginning of year	748,625	47,322	5,325	18,846	141,112	961,230
Additions in year	36,201	47,788	-	(2,359)	3,066	84,696
At end of year	784,826	95,110	5,325	16,487	144,178	1,045,926
Depreciation						
At beginning of year	154,208	-	5,325	18,287	126,673	304,493
Charge for year	16,141	-	-	(1,968)	4,714	18,887
At end of year	170,349	-	5,325	16,319	131,387	323,380
Net book value At 30 September 2013	614,477	95,110	-	168	12,791	722,546
At 30 September 2012	594,417	47,322	-	559	14,439	656,737

Fixed assets have been stated at historical cost. Land and buildings include an amount of €11.523 million which principally relates to period houses which could be described as heritage assets.

University College Dublin
National University of Ireland, Dublin

Funding statement

Notes (continued)

16 Debtors and prepayments

	2013	2012
	€'000	€'000
Contract research grants and projects recoverable	31,232	26,068
State capital grant receivable	16,837	1,777
Academic fees receivable	9,864	8,800
Other debtors and prepayments	19,069	9,121
Internal balances:		
- Pension fund	50,821	37,252
- Trust fund	11	19
	<hr/>	<hr/>
	127,834	83,037
	<hr/> <hr/>	<hr/> <hr/>

17 Stocks

	2013	2012
	€'000	€'000
Livestock	187	225
Horticulture and farm stock	80	80
Restaurant stock	25	25
Virus reference laboratory	-	620
Chemistry laboratory	58	55
Gift shop	206	268
	<hr/>	<hr/>
	556	1,273
	<hr/> <hr/>	<hr/> <hr/>

University College Dublin
National University of Ireland, Dublin

Funding statement

Notes (continued)

18 Creditors and accrued expenditure

	2013 €'000	2012 €'000
Contract research grants and projects unexpended	78,467	64,391
State grant for recurrent expenditure received in advance	6,948	16,142
State capital grant received and accruals	16,012	32,098
Academic fees received in advance	53,849	48,233
Other creditors and accruals	72,760	61,543
Bank loans	7,205	8,104
Internal balances:		
- Unexpended approved allocations	7,792	6,355
- Departmental funds	6,136	4,439
- Model pension scheme creditor	34,585	25,282
	<u>283,754</u>	<u>266,587</u>

19 General reserve

	Opening balance €'000	Current year movement €'000	2013 €'000
State capital grants	376,274	48,581	424,855
Recurrent funding transfer from October 1996	107,271	(1,608)	105,663
Capital reserves	327,206	24,464	351,670
Student Centre levy	14,347	4,129	18,476
Ancillary services	(5,823)	19,960	14,137
	<u>819,275</u>	<u>95,526</u>	<u>914,801</u>
Amortisation			
Amortisation	(305,211)	-	(305,211)
Amortisation to revenue account for year	-	(18,887)	(18,887)
Amortisation - leased assets	716	-	716
	<u>514,780</u>	<u>76,639</u>	<u>591,419</u>

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

	2013 €'000	2012 €'000
At start of year	(3,151)	(6,486)
Surplus for year	3,293	3,335
At end of year	142	(3,151)

21 Reconciliation of revenue account surplus to net cash (outflow)/inflow from operating activities

	2013 €'000	2012 €'000
Net surplus for the year	3,293	3,335
Interest received	(1,151)	(1,438)
Interest paid	884	608
Depreciation of fixed assets	18,887	25,044
Amortisation of general reserve	(18,887)	(25,044)
Surplus on ancillary services	3,330	2,683
Transfer from Ancillary reserve to General reserve	16,630	(12,741)
(Increase) in debtors	(44,797)	(11,705)
Decrease/(increase) in stocks	717	(61)
Increase in creditors and accruals	18,066	21,000
Net cash (outflow)/inflow from operating activities	(3,028)	1,681

University College Dublin
National University of Ireland, Dublin

Funding statement

Notes (continued)

22 Analysis of net cash

	At 1 Oct 2012 €'000	Cashflow €'000	At 30 Sept 2013 €'000
Cash at bank and in hand	120,981	(19,448)	101,533
Debt due within one year	(8,104)	899	(7,205)
Debt due after one year	(94,098)	7,038	(87,060)
	<hr/>	<hr/>	<hr/>
Net funds	18,779	(11,511)	7,268
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

23 Pensions control account

	Funded Scheme €'000	Model Scheme €'000
Opening Balance	(37,252)	25,282
Employer contributions	11,150	4,103
Employee contributions	4,327	3,587
Employer contributions 20%	-	2,617
Supplementation income	8,719	-
Purchase of added years	846	103
Reimbursement from HEA	2,800	-
	<hr/>	<hr/>
Total income	27,842	10,410
	<hr/> <hr/>	<hr/> <hr/>
<i>Expenditure</i>		
Pension in payment (including supplementation)	38,122	300
Lump sum payments on retirement	2,455	67
Administration and other costs	834	740
	<hr/>	<hr/>
Total expenditure	41,411	1,107
	<hr/> <hr/>	<hr/> <hr/>
(Deficit)/surplus in year	(50,821)	34,585
	<hr/> <hr/>	<hr/> <hr/>

Grant receivable from the HEA relating to the Funded Scheme amounting to €50.8m is included in debtors and prepayments (see note 16).

Grant payable to the HEA relating to the Model Scheme amounting to €34.6m is included in other creditors and accruals (see note 18).

University College Dublin
National University of Ireland, Dublin

Funding statement

Notes *(continued)*

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 [DATE]. 21 October 2014

University College Dublin
National University of Ireland, Dublin

Reconciliation of Surplus in HEA Funding Statement
with Consolidated Financial Statements - unaudited

Year ended 30 September 2013

University College Dublin
National University of Ireland, Dublin

Reconciliation of Surplus in HEA Funding Statement with Consolidated Financial Statements

for the year ended 30 September 2013

	Consolidated financial statements €'000	Subsidiary companies* €'000	Unincorporated ancillary activities* €'000	GAAP adjustments** €'000	HEA funding statement €'000
Income					
State grants	78,954	-	-	(366)	78,588
Academic fees	180,251	-	-	(1,990)	178,261
Research grants and contracts	80,589	-	-	(7,547)	73,042
Amortisation of deferred capital grants	13,340	-	-	(13,340)	-
Other operating income	66,846	(5,006)	(27,136)	(14,632)	20,072
Interest income	1,051	-	-	100	1,151
Deferred funding for pensions	76,133	-	-	(76,133)	-
Total income	497,164	(5,006)	(27,136)	(113,908)	351,114
Expenditure					
Staff costs	265,979	(2,151)	(6,621)	(11,591)	245,616
Other operating expenses	115,287	(2,787)	(17,018)	(13,048)	82,434
Interest payable	2,711	-	-	(1,827)	884
Depreciation	25,067	(426)	-	(5,754)	18,887
Share of operating profit in joint venture	(349)	-	-	349	-
FRS 17 additional service cost	15,599	-	-	(15,599)	-
FRS 17 Interest cost	60,534	-	-	(60,534)	-
Total expenditure	484,828	(5,364)	(23,639)	(108,004)	347,821
Surplus for the year before taxation	12,336	358	(3,497)	(5,904)	3,293

*Results of subsidiaries and ancillaries not included in the HEA funding statement

** Adjustments required to the reconcile the consolidated financial statements to the HEA funding statement as this is not prepared in accordance with Irish GAAP.