

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

Annual report and consolidated financial statements

Year ended 30 September 2021

University College Dublin
National University of Ireland, Dublin

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President's Report (*continued*)

Scope of the Financial Statements

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

The financial statements of UCD Foundation and UCD Students' 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 25 to 65 have been prepared in accordance with FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Results for the Year

The University's consolidated statement of comprehensive income and net surplus of €34.8m for the year to 30 September 2021 are shown on page 25 of the financial statements. Total income increased by 10% during the year from €579.5m to €638.4m including deferred funding for pensions of €74.9m (2020: €62.7m). Academic fees showed an increase of €20.6m to €260.6m. State grant funding increased from the previous year by €3.9m to €86.1m. Other income increased by €8.9m to €106.9m.

Total expenditure increased by 5.5% to €603.9m in comparison to the expenditure in 2020 including pension service costs of €65.9m (2020: €64.0m). The overall result reported is a surplus after taxation of €34.8m for the year compared to a surplus position in the previous year of €7.8m. The improved financial performance is primarily driven by growth in student fee income of €20.6m and the recognition of non-state capital grant funding of €7.0m (2020: €0.8m). Expenditure is expected to increase in future years as additional faculty are recruited and on-campus operations return to pre Covid levels.

Impact of COVID-19 on University Operations

The University's ability to generate non-Exchequer sources of income was challenged during the year by the continued outbreak of the COVID-19 pandemic which has had a significant adverse impact on the University's ability to earn income from its student residences and from its on-campus commercial operations, due to the closure of facilities for part of the year.

While there remains a level of uncertainty due to the COVID-19 outbreak, the return to face to face teaching in September 2021 and the lifting of all remaining COVID-19 restrictions at the end of February 2022 has aided in the recovery of on-campus commercial operations. The University maintains that as a result of its healthy cash balances and continued cost control and a return to a pre Covid 19 operating environment it can sustain its operations for the foreseeable future.

Further details of the impact of the COVID-19 pandemic on the University's operations are set out in note 11 to the financial statements.

Treasury Management

The University group's bank and cash balances increased during the year from €107.1m to €130.0m. In accordance with the University's treasury management policy, the University's investment objective is to achieve the best possible return while minimising risk. Borrowings decreased from €143.1m to €135.4m during the year.

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President's Report (*continued*)

Principal Risks and Uncertainties

UCD implements a risk management system which identifies and reports key risks and the management actions being taken to address and, to the extent possible, to mitigate these risks. Some of the principal risks and uncertainties are:

- The risk that inadequate levels of Government funding will impact on the medium to long-term finances of the University and on the delivery of the University's strategy;
- The risk that the University fails to deliver a balanced portfolio of excellent programmes attracting the best students;
- The risk that the University is unable to provide and maintain high quality research infrastructure and equipment, or is unable to grow research funding and expertise;
- The risk that campus development will occur in an unbalanced and unstructured format or will not be completed due to funding issues and significant construction inflation.
- The risk that a failure in technology infrastructure or cyber security could cause significant disruption to the University's operations;
- The risk that volatility in the global environment will impact negatively on international student recruitment, international partnerships, and staff and student mobility; and
- The risk that a resurgence of the COVID-19 pandemic will have on the University's ability to generate non-Exchequer income.
- The risk that geopolitical uncertainty will have an adverse impact on the University's ability to meet its goals for student, faculty, research or non-Exchequer income, create difficulties with supply chains or give rise to an increase in cost inflation particularly on utilities.

These risks are being actively managed and addressed by the University's Management Team.

Strategic Plan

UCD launched its Strategy 2020-2024: Rising to the Future in December 2019. Our strategic vision is guided by the four themes of Rising to the Future: Creating a Sustainable Global Society; Transforming through Digital Technology; Building a Healthy World; and Empowering Humanity. Steering groups for each theme have been established and are operational.

There are six key enablers which provide the foundations to deliver on our Strategy. The recruitment of additional excellent faculty members, increasing our student population, enhancing quality and diversity, building work-class academic facilities and student amenities, implementing advanced systems and services to support our operations, development of our faculty and staff and the generation of non-exchequer income.

Global UCD

UCD's International student recruitment engagement defied expectations in 2021, bolstered by strong regional engagement through our Global Centres in China, Malaysia, India, UAE and USA. UCD proved incredibly resilient in attracting international students with virtual engagement and digitised materials used to connect with prospective students.

The opening of two new joint international colleges in China in the 2020 financial year was a significant achievement for UCD in transnational education. With these two new ventures, the Chang'an-Dublin International College for Transportation at Chang'an University (CDIC) in Xi'an and the Guangzhou-Dublin international College for Life Sciences and Technology at South China Agricultural University (GDIC) in Guangzhou, coupled with the Beijing-Dublin International College at Beijing University of Technology (BDIC) established in 2012, UCD is now unique internationally in operating three joint

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President's Report (*continued*)

international colleges in China. This is testimony to UCD's standing as a truly Global University and our acknowledged expertise in transnational education.

International student numbers totalled 7,239 representing 24% of all students on UCD's Dublin campuses and bringing diversity to our community with students from 139 different countries.

Equality, Diversity and Inclusion

The pandemic has been challenging for everyone and those in the groups protected in legislation and under our policies on equality grounds are liable to have experienced particular difficulties. An inclusive and flexible approach has enabled our Schools and Units to support students and employees during this time. Strategy and policy reviews during the year ensured that EDI policies contributed to the objectives of the University's strategy.

Education

Despite a disrupted Leaving Certificate experience, a new approach to calculated grades and uncertainty in relation to returning to campus, we nevertheless witnessed a 16% increase in CAO first preferences and higher points for all UCD degrees. We worked successfully with the Higher Education Authority to provide additional places to meet demand and we witnessed a significant increase in taught graduate recruitment. Our numbers of EU applicants doubled, and they were provided with excellent supports through the application process.

UCD has again topped the list as the number one ranked university in Ireland, according to the US News & World Report's Best Global University Rankings. For the second year in a row, UCD has seen an improvement in its position in the QS World University Rankings with an upward movement of eight places to 177. In addition, UCD was named among the best universities globally in 38 subjects in the QS World University Rankings by Subject.

When we reflect on our education provision and student experience during the past year and the challenges posed by the pandemic for everyone both personally and professionally, we can be truly proud of our achievements. We delivered an educational experience for our students that allowed them to progress in their studies and graduate with their degrees at a time when many sectors were unable to provide a service.

Capital Expenditure

The University including its subsidiary companies incurred expenditure of €35.7m on land and buildings and a further €11.3m on equipment and fittings, bringing total capital expenditure to €47.0m for 2020/21.

Covid-19 had a significant impact on campus development and the operation of the estate over the academic year 2020/21. Despite these challenges the University has maintained and continues to progress on its delivery of the vision for the UCD Estates Strategy and UCD Strategic Campus Development Plan (SCDP) 2016-2021-2026:

- (1) An ambitious Residential Masterplan has been developed by Reddy Architecture + Urbanism in conjunction with stakeholders which outlines the potential for an additional 3,000 beds being delivered on the Belfield Campus over the lifetime of the masterplan. This has the potential to bring the total on-campus residential population to 6,000. Significant progress was made in achieving this goal with the handover of the residential accommodation within Phase 1 of the Residential Masterplan. This provided an additional 924 en-suite bedrooms for the start of the academic year 2021/22. Final completion and occupation of the UCD Village occurred in January 2022. The UCD Village includes retail and international food offerings, as well as a gym and a variety of informal and bookable spaces for student activities;

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President's Report (*continued*)

Capital Expenditure (*continued*)

- (2) The Future Campus Masterplan presents a vision for the development of a significant portion of the Education, Research and Innovation Character Area adjacent to the main entrance of the Belfield Campus. The project involves the delivery of two new buildings, the Centre for Creativity and the Centre for Future Learning, as well as significant landscaping, commuting infrastructure and public realm improvements. Significantly during the past year, UCD secured all planning consents for the project and enabling works have commenced to clear and prepare the sites for the future buildings, relocating parking, changes to the road layouts and underground services, including a connection to the Belfield district heating system;
- (3) Work commenced on UCD's new International Association of Athletics Federations (IAAF) certified running track in 2019/20. As a result of lockdowns associated with Covid-19 there were some delays to the construction schedule however significant progress was made over the year, with completion planned in early Summer 2022;
- (4) Future developments will include a new multi-purpose sports hall as well as an expanded Student Centre to facilitate an enhanced Astra Hall and additional performance space;
Further design work for Science Phase 3 progressed over the year, with the objective of completing the refurbishment of the UCD O'Brien Centre for Science and facilitating continued growth in Science teaching and research. Full planning consent for this project were received in January 2022, and the project has proceeded to detailed design;
- (5) Due to the significant construction inflation in the market, the University has sought final pricing of main works for Residence Phase 2 which will deliver an additional 1,254 beds constructed over a single level underground car park (providing replacement car parking for circa 600 car spaces). It is expected that approval to appoint a main contractor will be sought from the Governing Authority in early Summer 2022 subject to the outcome of the project affordability assessment.

Research, Innovation and Impact

Despite the difficulties imposed by the Covid-19 pandemic, the value of externally funded research awards registered during 2020/21 amounted to €131.9m, an increase of €9.6m on last year's performance and the second highest value of annual research funding achieved by the University. This is an excellent performance, particularly in light of the pandemic.

Science Foundation Ireland (SFI) is the main source for this research funding, with the value of SFI awards in the year up 50%, largely due to the second-phase funding for the iCRAG SFI Research Centre. While the level of awards from the European Commission is lower than 2019/20, there were some notable achievements in European funding, including ERC grants and major awards in the area of clinical trials and psoriatic arthritis.

Strategic Partnerships

Major strategic partnerships continued to thrive in a year of unprecedented challenge, achieving significant successes. Nurturing current and prospective partnerships in Ireland and internationally, those relationships are crucial in enabling UCD to maximise our relevance and impact on society. UCD's position as Ireland's Number 1 in QS World University Graduate Employability Rankings reflects the fact that 'UCD is doing most to cultivate relationships with employers'.

Philanthropic Giving

Philanthropic support for UCD remained strong during 2020/21 and I am deeply grateful for the ongoing generosity of our alumni, corporate partners and friends despite the uncertainties caused by the pandemic. With their tremendous support and commitment, we were able to advance our work as an academic community and maintain our standards of excellence in education and research.

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President's Report (*continued*)

Events after the reporting period

The University negotiated a new loan financing facility of €350m with the European Investment Bank to part fund planned capital developments. The loan agreement was signed on 20 October 2020 and the associated security agreement on 14 December 2021. To date none of this loan facility has been drawn down.

Prof. Andrew J. Deeks will leave the role of President of the University on the 25 March 2022 and Prof. Mark Rogers will subsequently become acting President. There are no other significant events after the reporting period.

On behalf of the Governing Authority,

A handwritten signature in black ink, appearing to read 'A Deeks', written over a horizontal line.

Andrew Deeks
President

Date: 24 March 2022

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Statement of Governance and Internal Control *for year ended 30 September 2021*

(1) Responsibility for the System of Internal Control

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

(2) Reasonable Assurance Against Material Error

The system of internal control is designed to manage risk to an acceptable level rather than to eliminate it. The system can therefore only provide reasonable and not absolute assurance that assets are safeguarded, transactions are authorised and properly recorded, and that material errors or irregularities are either prevented or detected in a timely way.

(3) Review of the Statement of Internal Control

The Statement on the System of Internal Control was reviewed at the Audit and Risk Management Committee and Governing Authority meetings in March 2022 to ensure it accurately reflects the control system in operation during the reporting period.

The Statement on the System of Internal Control is published with the University's consolidated financial statements and was reviewed by the external auditors to confirm that it is consistent with the information of which they are aware from their audit work on the financial statements. Where this is not the case the external auditor reports on this in the audit report on the relevant financial statements

(4) Governance and Internal Control Environment

The Governing Authority is the principal University governance and decision-making body in accordance with the Universities Act, 1997. The Governing Authority is chaired by an independent Chair appointed in accordance with s.17(3), Universities Act, 1997. The Sixth Governing Authority of UCD took office on 1 February 2019 representing a gender balanced Authority. The first female Chair of the University was appointed on 21 February 2019. The composition of the Sixth Governing Authority was finalised with the appointment of the Minister's Nominees in September 2020.

The Governing Authority has determined schedules of matters reserved for decision by the Governing Authority and those matters which are delegated. Reserved matters for Governing Authority decision include certain financial matters such as the approval of annual reports and budgets; the establishment of subsidiaries and joint ventures; capital expenditure in excess of delegated thresholds; the disposal of assets including land; the granting of access to property or infrastructure for commercial arrangements; the making of statutes, policies and regulations; the approval of senior appointments; the approval and monitoring of the strategic plan; the establishment of committees; certain matters relating to staff and students of the University; the approval of quality assurance procedures; and the receipt of an annual report relating to equality matters. Authority for certain matters relating to finance, capital expenditure, internal audit and internal control, academic related decisions, staff, students, appointments to committees and the Irish Language is delegated to committees, the Academic Council or officers of the University. The full schedules were updated on 9 September 2021 and are published on the UCD website. www.ucd.ie/governance/t4media/ga_schedules_reserved_decision.pdf

There are two permanently constituted standing committees of the Governing Authority: the Finance, Remuneration and Asset Management Committee (FRAMC) and the Audit and Risk Management Committee (ARMC). Both standing committees are chaired by external members of the Governing Authority who are not employees and are not members of the student body.

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Statement of Governance and Internal Control *for year ended 30 September 2021*

(4) Governance and Internal Control Environment *(continued)*

The Finance, Remuneration and Asset Management Committee (FRAMC) is responsible for supervising the financial affairs of UCD and for advising the Governing Authority on matters relating to the financial management of UCD. Membership of the committee comprises a number of members of the Governing Authority and the Bursar and may include external members. The President of the UCD Students' Union was an ex-officio member of this committee during the financial year.

The Audit and Risk Management Committee (ARMC) is responsible for advising the Governing Authority on audit and risk management matters in UCD. Membership of the committee comprises a number of members of the Governing Authority and additional external members. Employees and/or students of UCD are not eligible to be members of this committee.

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 UCD including the curriculum of, and instruction and education provided by, the University.

The President is the Chief Officer of UCD and is appointed by the Governing Authority. The President is responsible for managing and directing the academic, administrative, financial, personnel and other activities of UCD. The University Management Team (UMT) comprises the President and other officers and senior managers in UCD. A number of UMT sub-groups support the work of the University Management Team (Research, Innovation and Impact Group; Education Group; Student Experience Group; Global Engagement Group; Capital Projects Group; Communications and Branding Group; Equality, Diversity and Inclusion Group; IT Strategy Group; Library Strategy Group; and GDPR and Data Group. (See www.ucd.ie/governanceandmanagementcommittees/universitymanagementteam/ for details of each).

Within a devolved management structure, Senior Officers, College Principals and Heads of Schools/Units are responsible for ensuring that internal controls are operating effectively for their respective areas of responsibility.

The internal control environment includes the following elements:

- Formal policies, procedures, regulations and guidelines which are in place for the principal activities and major systems within the University;
- Segregation of duties in financial, operational and compliance processes;
- Delegated authorities for the approval of expenditure;
- Planning and budgeting processes including the approval of the annual budget by the Governing Authority;
- Regular monitoring and reporting against budget during the financial year;
- Financial reporting processes including the preparation of audited financial statements for all legal entities under the control of the University;
- The risk management framework;
- Professional staff employed in specialist areas;
- Review of internal controls by Internal Audit whose reports are provided to management and the Audit and Risk Management Committee and include recommendations for improvements to the system of internal control where necessary.

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Statement of Governance and Internal Control *for year ended 30 September 2021*

(5) Processes used to identify business risks and to evaluate their financial implications

UCD's Risk Management Framework was reviewed by the Audit and Risk Management Committee (ARMC) and approved by the Governing Authority on 12 December 2019. In accordance with the *Code of Governance for Irish Universities*, external consultants were engaged in 2021 by the University to carry out a review of the effectiveness of UCD's Risk Management Framework in 2022.

The Framework includes the University's Risk Management Policy, Statement of Risk Appetite, and the processes, tools and reporting structures necessary for effective risk management. UCD's Risk Management processes are lead centrally, by the Director of Strategic Planning to ensure common taxonomy, uniform language, tools and reporting.

Risk Management is a key component of the University's strategic and operational planning processes. Institutionally, Risk Management supports delivery of the University Strategic Plan. The University's High-Level Risk Register aligns with the University's high-level strategic objectives and institutional key performance indicators.

The Framework applies to all areas and units of the institution, including UCD Senior Management, Schools, Colleges and Support Units. The University uses a distributed system of risk management. This means that the risks relevant to a particular area of the University are managed locally with a minimal central team to coordinate and support the process. In order that a distributed system of risk management can work effectively, it is critical that key personnel at many levels across UCD are engaged with and supportive of the process. This includes all of the members of the University Management Team (UMT) but also Heads of School, Heads of Units/sub-Units and other key staff such as College Finance Managers.

The Governing Authority has overarching University risk management responsibility.

The Audit and Risk Management Committee (ARMC), a committee of the Governing Authority, reviews key risk registers on a scheduled basis. The key risk registers include the University High Level Risk Register which is reported periodically to the Governing Authority following review by the ARMC and the University Management Team (UMT). College and key support unit risk registers aggregated from schools and sub-units are also reported to the ARMC, and Path to Green Risk Action Plans are developed where risks have exceeded the University's risk appetite to ensure controls are enacted and monitoring occurs.

Risk registers are also developed relating to projects and major initiatives and are considered as part of the planning and implementation processes relating to each project and major initiative

(6) Details of the major information systems in place such as budgets and means of comparing actual results with budgets during the year

UCD has a system in place for agreeing annual budgets as part of an annual financial planning cycle. Budgets for each College, administrative unit and for the institution are approved by the Finance, Remuneration and Asset Management Committee and by the Governing Authority in the context of rolling five-year plans. Real-time management information is available throughout the year and monthly reports are issued to budget-holders. Each unit is assigned a Finance Manager or accountant to provide financial support and advice. Quarterly management accounts / out-turns and updated estimates are prepared for each unit and are reviewed by the Finance, Remuneration and Asset Management Committee

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(7) Best practice procedures for addressing the financial implications of major business risks

UCD operates a system of delegated authorities for the approval of expenditure by budget-holders within agreed budgets. Detailed financial policies and procedures have been produced and are updated as required. Finance training sessions are available for Heads of Schools/Units and other budget-holders. The Finance Office and a network of Finance Managers across Colleges and Support Units provide ongoing support to senior managers and budget-holders.

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

Monitoring and review of the system of internal control is conducted through 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 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, and the annual report of the Finance, Remuneration and Asset Management Committee which summarises the work of the Committee in the areas of University Budget, Treasury, Borrowings, Research Finance, Capital Expenditure, Human Resources and the Management Accounts;
- (v) Reports from Academic Council meetings which are placed before meetings of the Governing Authority;
- (vi) Reports from the Audit and Risk Management Committee which are placed before meetings of the Governing Authority, and the annual report of the Audit and Risk Management Committee which summarises the work of the committee in the areas of risk management, governance, internal audit and external audit during the year;
- (vii) Reports and other work performed by the Internal Audit function during the year;
- (viii) Management letters and reports from the University's external auditors and the Comptroller and Auditor General are reviewed by the Audit and Risk Management Committee and their remedial actions are also monitored;
- (ix) Quality Assurance reports; and
- (x) Communication of the results of other periodic reviews.

Due to the public health measures implemented since March 2020 in response to the Covid-19 pandemic, UCD has continued to operate with most staff working remotely from home with only essential personnel being present on campus. This has necessitated some changes to operating procedures although most online processes have been uninterrupted as most electronic business systems can be accessed remotely. Updated advice has been provided to staff by relevant units within the University (Finance, HR, IT Services, Safety, Insurance, Operational Risk and Compliance (SIRC) and the Data Protection Office (DPO).

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**Statement of Governance and Internal Control
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(9) Confirmation of Review of the Effectiveness of the System of Internal Control

UCD confirms that the above monitoring and review processes (in Section (8)) have been in place throughout the financial year ended 30 September 2021. Internal Audit prepared a report on the effectiveness of the system of internal control which was considered by the Audit and Risk Management Committee on 14 March 2022 as part of its review of the Annual Governance Statement and the Statement of Governance and Internal Control. The Audit and Risk Management Committee communicated the results of this process to the Governing Authority meeting on 24 March 2022.

(10) Weaknesses in Internal Control

(i) Procurement Compliance

The level of expenditure that has been assessed by the Finance Office as non-compliant with public sector procurement requirements for the financial year ending 30 September 2021 is €6.6m and relates to expenditure with 61 suppliers. This figure is subject to audit by the Comptroller and Auditor General as part of the 2021 audit.

Of this non-compliant expenditure, €0.9m is now compliant with contracts in place. The remaining contracts are either in the course of being tendered or tender competitions are planned during 2022.

(ii) Data Breaches

There were six personal data breaches reported to the Data Protection Commission (DPC) in the year ended 30 September 2021. Two of these breaches relate to a lost unencrypted USB stick that held personal data and the granting of a fraudulent third party temporary remote access to their UCD computer during a scam call. The DPC subsequently closed these cases but provided a list of recommendations to UCD to consider.

(11) Description of Action Taken to Correct Weaknesses in Internal Control

Area of non-compliance or weaknesses in internal control	Actions to be taken to attain compliance or correct weaknesses	Due date
<p><u>Procurement compliance</u></p> <p>As noted in Section 10(i) and detailed more fully in Section 18, UCD has assessed expenditure of €6.6m as having been non-compliant with public procurement regulations during the financial year ended 30 September 2021.</p>	<p>New compliant procurement arrangements have already been put in place in respect of contracts relating to €0.9m of the non-compliant expenditure. The reasons for non-compliance included a spend of €0.3m where a tender process was the subject of a legal challenge which meant the University had to re-tender and this resulted in the existing contract continuing past its expiry date. Procurement competitions are currently in progress for a further €2.9m. Some expenditure related to one-off procurements. The remaining non-compliant spend will be tendered during 2022 by UCD or by the Education Procurement Service (EPS).</p> <p>Action is being taken to highlight spend approaching the €25k threshold so that if a tender process is required there is sufficient time to run the process before the spend breaches the threshold.</p>	<p>Q3 2022</p> <p>Q3 2022</p>

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	This is an interim measure until the compliance framework encompassing contract management, spend analytics, marketplace and rationalisation of the buyer structure can be implemented.	Q3 2022
<u>Data Breaches</u>		
As noted in Section 10(ii), six data breaches were reported by UCD to the Data Protection Commission (DPC) during the year.	UCD is considering the recommendations of the Data Protection Commissioner	Q3 2022

(12) Statutory Obligations

The Governing Authority acknowledges its responsibility to ensure compliance with statutory obligations set out in the Universities Act, 1997, and other relevant legislation

(13) Code of Governance and Codes of Conduct

UCD adopted the *Code of Governance for Irish Universities 2019* in February 2019.

The Code of Conduct for members of the Governing Authority and its committees was approved by the Governing Authority at its meeting of 26 March 2020. It and its supporting policies and Standing Orders have been implemented and include clear requirements in respect of the declaration of interests, conflicts of interests and the requirements of ethics in public office.

In particular, Section 1.1 makes clear that this Code of Conduct takes account of the implications of the Ethics of Public Office Acts, 1995, and the Standards in Public Office Act, 2001, as well as the Universities Act, 1997. Section 4.1 requires that members comply with the UCD Conflict of Interest Policy and disclose outside employment/business or personal interests.

In compliance with the Code of Governance for Irish Universities 2019, the Code of Conduct, Schedules of Reserved Decision Making and Delegated Authority, Governing Authority Manual of the Structure, Code of Practice and Procedures of the Sixth UCD Governing Authority and Governing Authority Standing Orders are reviewed annually by the members of the Governing Authority and updated where necessary. This review was noted in the minutes and appropriate changes made at its meeting on 10 September 2020, and again on 9 September 2021.

UCD does not have a single “Code of Conduct” document for employees, however a range of UCD policies (which are accessible on UCD’s website) cover the necessary subject matter and direct activity relating to ethics in public office and conflict of interest issues. A Conflict of Interest Policy is among those published policies. This document provides a statement of policy and guidance on situations of potential, actual or perceived Conflicts of Interest having regard to the Ethics in Public Office Act, 1995, the Standards in Public Office Act, 2001, the Universities Act, 1997, and the Statutes and policies of UCD.

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(14) Financially Significant Developments

1. The COVID-19 pandemic has adversely affected the University's ability to generate non-Exchequer commercial income since March 2020. However, UCD's senior management, under the active oversight of the Governing Authority, has mitigated this impact by directing the reduction of non-essential expenditure and by safeguarding other income streams in so far as is possible. The non-Exchequer income position is forecast to recover as the Covid-19 restrictions are relaxed. The University maintained a strong consolidated cash position during the year with cash held by the University at 30 September 2021 of €130m.
2. A number of capital development projects were in progress during the year. The largest project was Phase 1 of the Residential Master Plan which was approved by the Governing Authority in February 2018. Due to the Covid-19 pandemic and the resulting campus closures, completion of this project was delayed, however all 924 bed spaces have now been delivered. Full statutory consents were granted for Future Campus Phase 1 in March 2021. The contractor on this project has submitted notification of claims to recover their excess costs, which UCD has not agreed. The project is expected, subject to satisfactory resolution of the claims, to be completed within budget. The project comprises the delivery of the Centre for Creativity, the Centre for Future Learning and associated site infrastructure and landscaping. The HEA granted approval to issue main contract works tenders in early December 2021. Planning consents were also received for Science Phase 3 in November 2021, this project will complete the refurbishment of the O'Brien Centre for Science, including the refurbishment of Science West and North and the provision of additional floor area.
3. Despite the disruptions caused by Covid-19, the University negotiated a new loan financing facility of €350m with the European Investment Bank (EIB) to part fund future capital developments. In particular, this money is now available to fund the five-year plan aimed at increasing faculty and student numbers by building world-class academic and student amenities including: the new Centre for Creativity, the Centre for Future Learning, a new extension to the O'Brien Centre for Science, the refurbishment of the Newman Building and new and improved sporting facilities. The loan agreement was signed on 20 October 2020 and the associated security agreement on 14 December 2021. None of this facility has been drawn down to date.
4. As part of its drive to make UCD a safe, accessible and inclusive space for all staff and students, UCD had led the sector in launching its new Bullying and Harassment and Sexual Misconduct policies and has established related support services. It is anticipated that this will yield a greater number of formal complaints.

(15) Government Policy on Pay

The University affirms that it is in compliance with Government Policy on pay as per legislation and directives. Directives are sent through the HEA to UCD for implementation. Where required, clarifications are sought from the Department of Further and Higher Education, Research, Innovation and Science to ensure accurate interpretation and implementation.

(16) Financial Reporting

Appropriate procedures for financial reporting are being carried out in line with the *Code of Governance for Irish Universities*, and audited financial statements are prepared for all legal entities under the control of the University.

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(17) Internal Audit

An independent Internal Audit function is in place which reports to the Audit and Risk Management Committee (functionally) and to the President (administratively). The comprehensive Internal Audit plan for the year ended 30 September 2021 was approved at the 23 September 2020 meeting of the Audit and Risk Management Committee. The Audit and Risk Management Committee also receives reports at each meeting on the progress of the Internal Audit plan. Recognising the expanding scope of the Internal Audit function, an advisory project was undertaken by an external professional services firm during Summer 2021 which helped delimit a changed Internal Audit Universe and a resourcing plan to expand the work programme. This includes the appointment of a co-sourcing partner to assist in the delivery of specialist internal audit reviews to augment the existing in-house resources. The implementation of these recommendations is being progressed during 2021/22 and a procurement process utilising the OGP framework for audit services is being undertaken in Q1 2022 in order to put in place a contract with a co-sourcing partner.

(18) Procurement

(i) Procurement Procedures

UCD has in place procurement policies and procedures and all non-pay expenditure is required to be procured in accordance with these policies and procedures. These policies and procedures have been communicated to the faculty and staff of UCD and are published on the UCD website. UCD actively works with the Office of Government Procurement (OGP) and with the Education Procurement Services (EPS) to ensure that procurement activities are taking place in accordance with the operating model put in place by the OGP. In Q3 2021, the new policy was approved by the University Management Team (UMT).

The UCD Procurement Office runs tenders on behalf of UCD and provides support and training to staff across the University. UCD has a centralised online purchasing system with trained buyers with the aim of enhancing the co-ordination of buyer activity across UCD and of improving levels of compliance generally.

(ii) Procurement Non-Compliance

UCD reviews cumulative non-pay expenditure during the financial year and follows up in instances where non-compliance with procurement procedures is identified. To further minimise non-compliant spend the Procurement function plans to replace the current manual contract database with an online tool which will generate notifications, in a timely manner, of contracts due to expire; allowing sufficient time for tender processes to be run.

(iii) Corporate Procurement Plan

The current Corporate Procurement Plan was submitted to the Education Procurement Services (EPS) in May 2019. A multi-annual procurement plan detailing expected major procurement tenders is provided annually to the Education Procurement Services (EPS) and the Higher Education Authority with most recent versions having been submitted in November 2020 and again in November 2021.

(iv) Details of Non-Compliant Procurement

Total addressable non-pay expenditure in the year amounted to €128m. This figure comprises expenditure with 560 suppliers where the amount paid to each supplier exceeded €25,000. Of the total expenditure of €128m, the amount that has been assessed as being non-compliant with public procurement requirements is €6.6m and relates to expenditure incurred with 61 suppliers. The University is taking steps to address these instances of non-compliance. New compliant procurement arrangements have already been put in place in respect of contracts relating to €0.9m of the non-compliant expenditure. The reasons for non-compliance included a spend of €0.3m where a tender process was the subject of a legal challenge which meant that the University had to re-tender and this resulted in the existing contract continuing past its expiry date.

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Statement of Governance and Internal Control *for year ended 30 September 2021*

Procurement competitions are currently in progress for a further €2.9m. A portion of the expenditure related to one-off procurements. The remaining non-compliant spend will be tender during 2022 by UCD or by the Education Procurement Services (EPS).

In addition to the above expenditure was incurred during the year on two contracts which were extended while procurement competitions were being completed. The expenditure on these contract amount to €1.5m. UCD was requested by the OGP to be a pilot public sector body to run the self-serve mini-competition for security services under a centralised arrangement. The centralised arrangement was delayed which also delayed the running of the mini-competition. The pilot process was successful and UCD is now running the largest number and value of self-serve mini-competitions. A new compliant contract for security services had been put in place before 30 September 2021.

(19) Asset Disposals

There were no asset disposals during the financial year ended 30 September 2021 other than obsolete equipment which was fully depreciated and had reached the end of its useful life.

(20) Guidelines for the Appraisal and Management of Capital Proposals

UCD affirms it is adhering to the relevant principles, requirements and guidelines of the Public Spending Code, relevant circulars and Capital Works Management Framework. UCD has updated its procedures in light of the revised Public Spending Code published in December 2019.

(21) Travel Policy

UCD confirms that it 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 / Department of Public Expenditure and Reform travel circulars and the requirements of the Revenue Commissioners in relation to employee expenses. There are also clear provisions in relation to health and safety, which provisions have been amended to account for the impact of Covid-19.

(22) Value for Money

The University is following all appropriate procedures as detailed in the Guidelines on Achieving Value for Money as set out in the Public Spending Code.

(23) 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.

(24) Child Protection

UCD has a Child Protection Policy and a Child Safeguarding Statement in place and is compliant with Children First legislation and rules.

(25) 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 2021 were €180 and these were paid in accordance with Department of Finance / Department of Public Expenditure and Reform guidelines and related to expenses incurred in the previous reporting period.

(26) Subsidiary Companies

Subsidiaries of UCD (and any subsidiaries thereof) continue to operate at the financial year end for the purposes approved by the Governing Authority, remain and will continue to remain in full compliance

University College Dublin National University of Ireland, Dublin

Statement of Governance and Internal Control for year ended 30 September 2021

with the terms and conditions of the consent under which they were approved. Foster Residences Limited was granted an application for voluntary strike off during the year; the company had been dormant since 2015.

A draft code of governance in respect of trading subsidiaries, *Code of Governance for University Subsidiary Companies* (i.e. subsidiaries with annual turnover and employees) has been developed at a sectoral level through the IUA Secretaries Group and is currently progressing to be endorsed by the IUA Council.

UCD's governance of its subsidiaries is appropriate. 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 Audit and Risk Management Committee, which is a Standing Committee of the Governing Authority. A copy of the signed subsidiary financial statements is provided to the Finance Remuneration and Asset Management Committee and the Governing Authority.

(27) Confidential Disclosure Reporting – Protected Disclosures Act 2014

University College Dublin has put in place a Protected Disclosures Policy in line with the Protected Disclosures Act, 2014, and the annual report required under section 22(1) of the Act has been published. One protected disclosure has been received during the year and is under investigation.

(28) Governing Authority Meetings

The Governing Authority held seven ordinary meetings during the financial year ended 30 September 2021. As per section 4.1.1 of the Standing Orders of the Governing Authority, the Governing Authority also held an additional meeting in January 2021 to discuss the University Strategy. The attendance record details both the number of meetings attended by each member and the number of meetings each member was eligible to attend. Where there was a change in membership during the period, the end date for outgoing members and the commencement date for incoming members is noted.

	<u>Meetings attended</u>
<i>Chairperson</i>	
Marie O'Connor	8/8
<i>The President</i>	
Professor Andrew J. Deeks	8/8
<i>Senior Academic Officer (The Registrar)</i>	
Professor Mark Rogers	8/8
<i>Elected by the Professorial Academic Staff</i>	
Professor Emma Teeling	8/8
Professor Alex Evans	8/8
Professor Dympna Devine	8/8
Professor Patrick Paul Walsh	8/8
Professor Geraldine Butler	8/8
Professor Pat Guiry	8/8

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**Statement of Governance and Internal Control
for year ended 30 September 2021**

	<u>Meetings attended</u>
<i>Elected by the Non-Professorial Academic Staff</i>	
Associate Professor Emma Sokell	8/8
Associate Professor Wolfgang Marx	7/8
Associate Professor John Dunnion	8/8
Dr Kelly Fitzgerald	8/8
Dr Regina Joye	8/8
(28) Governing Authority Meetings (continued)	
<i>Elected by the Non-Academic Staff</i>	
Claire Nolan	8/8
Helen Kenny	8/8
Hugo O'Donnell	8/8
<i>Elected Officers of the UCD Student's Union</i>	
Conor Anderson (to June 2021)	6/6
Hannah Byrson (to June 2021)	4/6
Ruairi Power (from June 2020)	8/8
Aoife Bracken (from June 2021)	2/2
Molly Greenough (from June 2021)	2/2
<i>Elected by the Postgraduate Students</i>	
Carla Gummerson (from 20 June 2020)	8/8
<i>Nominations from Organisations</i>	
Charles Coase	7/8
Isabel Foley	8/8
Mary O'Dea	6/8
<i>Nominated by the Minister for Education</i>	
Noeline Blackwell	8/8
Dermot Lacey	8/8
Anne Marie Taylor	8/8
<i>Elected by the UCD Graduates of NUI</i>	
Cliona de Bháldraithe Marsh	8/8
Eoghan Murphy	6/8
<i>The Lord Mayor of the City of Dublin</i>	
Hazel Chu (to June 2021)	7/7
Alison Gilliland (from June 2021)	0/1
<i>Nominated by the National University of Ireland</i>	
Julie O'Neill	7/8
Liam McLoughlin	8/8
<i>Elected by the Association of Irish Local Government</i>	
John Paul Feeley	7/8
Christy Curtin	8/8
Rosaleen O'Grady	7/8
Sinéad Guckian	8/8

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Statement of Governance and Internal Control
for year ended 30 September 2021

Emer Higgins	7/8
Peggy Nolan	3/8
Pat Daly	7/8
Pádraig Conneely	7/8

(29) Audit and Risk Management Committee Meetings

The Audit and Risk Management Committee held six ordinary meetings during the financial year ended 30 September 2021. The committee held an additional special meeting on 4 November 2020 to evaluate the proposals received as part of the procurement process for the external auditor contract and to make a recommendation to the Governing Authority on the appointment of the external auditor. The attendance record for these meetings is set out below. The attendance record details both the number of meetings attended by each member and the number of meetings each member was eligible to attend.

	<u>Meetings attended</u>
Isabel Foley (Chair)	7/7
Pádraig Conneely	5/7
Catherine Ghose	6/7
Liam McLoughlin	7/7
Eoghan Murphy	7/7
Noreen O'Kelly	6/7

(30) Finance, Remuneration and Asset Management Committee Meetings

The Finance, Remuneration and Asset Management Committee held six ordinary meetings and one special meeting during the financial year ended 30 September 2021 and the attendance record for these meetings is set out below. The attendance record details both the number of meetings attended by each member and the number of meetings each member was eligible to attend.

	<u>Meetings attended</u>
Charles Coase (Chair)	7/7
Professor Andrew Deeks	7/7
Professor Mark Rogers	7/7
David Kelly	7/7
Assoc. Prof. Emma Sokell	7/7
Professor Patrick Guiry	6/7
Mary O'Dea	5/7
John Paul Feeley	6/7
Clíona de Bháldraithe Marsh	7/7
Julie O'Neill	6/7
Conor Anderson	(to June 2021) 5/6
Ruairí Power	(from June 2021) 1/1

(31) Review of Governing Authority Performance

An internal review of the effectiveness of the Governing Authority was carried out between June and August 2021. The 2021 survey questions, based on the sample Governing Authority self-assessment evaluation questionnaire contained in the *Code of Governance for Irish Universities (2019)*, were agreed at a meeting of the Governing Authority on 24 June 2021. The Governing Authority approved the ensuing Self-Assessment report at their meeting of 9 September 2021. An External Effectiveness Review of the Governing Authority is scheduled to take place in 2022. Consideration is being given to the impact

University College Dublin National University of Ireland, Dublin

Statement of Governance and Internal Control for year ended 30 September 2021

of pending changes to legislation governing the size and structure of university governing bodies. The last external review of UCD's Governing Authority occurred in 2018.

(32) Salary of President

The salary of the President, Professor Andrew J. Deeks, was €211,742 per annum during the reporting period.

(33) General Governance and Accountability Issues

(i) HEA Oversight Agreement

The University has accepted the terms of the Oversight Agreement with the HEA and will abide by the terms set out therein.

(ii) Award of Appointed External Auditor Contract

Following a public procurement process from the OGP framework, Mazars has been appointed as the external auditors for a period of four years commencing with the audit of the financial year ended 30 September 2021.

(iii) Resignation of President

Professor Andrew Deeks has resigned his office and leaves UCD on 25 March 2022. In accordance with the University's Statute 25, the Registrar and Deputy President immediately assumes the office of President. An Acting Registrar has been appointed to fulfil the Registrar's duties. The Governing Authority has commenced the process whereby it will identify and appoint a suitable candidate to the office of President in accordance with its powers and duties under the Universities Act, 1997 and the University's Statutes.

(34) Termination/Severance Payments and Agreements

All voluntary redundancy and severance payments received sanction from the Department of Further and Higher Education, Research, Innovation and Science. UCD adheres to the notice dated 7 November 2018 from the Department of Education and Skills in relation to the Consolidation of Arrangement for the Offer of Severance Terms in the Civil and Public Service.

(35) External Consultancy / Advisory Fees

The external advisory fees, including external consultancy fees costs for the financial year ended 30 September 2021, were as follows:

Category	€'000
Marketing / PR	1,818
HR	273
Pensions	120
Legal Fees	96
Tax / Financial	48
Other	13
Total Recurrent	2,368
Capital Projects	825
Total (Recurrent & Capital)	3,193

University College Dublin
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Statement of Governance and Internal Control
for year ended 30 September 2021

(36) Overtime and Allowances included in Employee Compensation

Details of staff costs are disclosed in Note 7 to the financial statements. Included in these staff costs are amounts of €640,157 in respect of overtime and €1,202,327 in respect of allowances.

(37) Nature of post-employment benefits for key management personnel

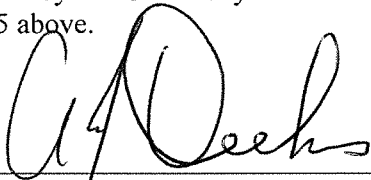
Details of the total compensation for key management personnel are disclosed in the note on Staff Costs (Note 7) in the financial statements. All key management personnel are members of one of the standard UCD pension schemes and their entitlements in that regard do not extend beyond the terms of those schemes.

(38) Expenditure on Travel & Subsistence and Hospitality

Expenditure on Travel and Hospitality is disclosed in Note 8 (Other operating expenses) in the financial statements. Of this figure, €1.629m relates to travel and €0.068m (€68,000) relates to hospitality.

(39) Legal Costs / Settlements

Legal costs relating to settlements did not exceed €50,000 in the reporting period. Details of legal fees paid by the University are included in the schedule of External Consultancy / Advisory Fees in section 35 above.



Andrew Deeks
President

Date: 24 March 2022

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 that give a true and fair view of the state of the affairs of the University and the University group and for the surplus or deficit of the University group for the year.


In preparing those accounts, the Governing Authority is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and surplus or deficit for the University and which enable it to ensure that its financial statements comply with the Universities Act, 1997, the Statement of Recommended Practice on Accounting for Further and Higher Education Institutions and are prepared in accordance with FRS102 "*The Financial Reporting standard applicable in the UK and Republic of 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

Date: 24 March 2022

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF
UNIVERSITY COLLEGE DUBLIN, NATIONAL UNIVERSITY OF IRELAND, DUBLIN**

Report on the audit of the financial statements

Opinion

We have audited the financial statements of University College Dublin, National University of Ireland, Dublin (“the University”) and its consolidated undertakings (“the Group”) for the year ended 30 September 2021, which comprise the consolidated statement of comprehensive income, consolidated and University statement of changes in reserves, consolidated and University statement of financial position, consolidated statement of cash flows and the related notes, including the summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is Irish law and FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* and the Statement of Recommended Practice (“SORP”) - Accounting for Further and Higher Education (2019), issued by the HE/FE SORP Board in the UK.

In our opinion, except for the effects of the matters described in the Basis for qualified opinion section of our report:

- the financial statements give a true and fair view of the assets, liabilities and financial position of the Group and University as at 30 September 2021 and of the Group’s surplus for the year then ended;
- the financial statements have been properly prepared in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* and the Statement of Recommended Practice (“SORP”) - Accounting for Further and Higher Education (2019), issued by the HE/FE SORP Board in the UK.

Basis for qualified opinion

As more fully explained in Note 28 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 (excluding €0.952m relating to certain pension supplementation liabilities), has been recognised in the financial statements (and an equivalent amount recognised in revenue reserves) on the basis that the Governing Authority considers these pension liabilities to have always been guaranteed by the State. In addition, gains matching the increase in these pension liabilities during the year have been recorded in the consolidated statement of comprehensive income.

While the enactment in June 2009 of the Financial Measures (Miscellaneous Provisions) Act, 2009 and the resulting Transfer Order dated 31 March 2010, and the enactment of the Public Service Pensions (Single Scheme and Other Provisions) Act 2012, caused the State to assume responsibility for any shortfall in funding arising in the University College Dublin, National University of Ireland, Dublin (Closed) Pension Scheme 2010 (formerly the UCD 1995 Contributory Pension Scheme) operated by the University and in the Single Public Service Pension Scheme, such legislation does not specifically cover other defined benefit pension arrangements operated by the University. In the absence of the State’s formal acceptance of the obligation to fund deficits associated with the University’s other defined benefit pension arrangements, it is not, in our view, appropriate to recognise the pension receivable pertaining to these deficits on the consolidated and University’s balance sheet at 30 September 2021.

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF
UNIVERSITY COLLEGE DUBLIN, NATIONAL UNIVERSITY OF IRELAND, DUBLIN**

(continued)

The treatment adopted for the deficits associated with the University's other defined benefit arrangements is not in accordance with the requirements of FRS 102 Section 21 "Provisions and Contingencies" as the receivable remains contingent in nature until the State formally accepts the obligation.

Accordingly: in respect of the Consolidated and University statement of financial position:

- (i) the pension receivable asset, net assets and income and expenditure reserves at 30 September 2021 should be reduced by €882 million and;
- (ii) the pension receivable asset, net assets and income and expenditure reserves at 30 September 2020 should be reduced by €716 million and;
- (iii) the consolidated total comprehensive income for the year ended 30 September 2021 should be reduced to a consolidated total comprehensive loss of €131.2 million and the consolidated total comprehensive income for the year ended 30 September 2020 should be reduced to a consolidated total comprehensive loss of €128.2 million.

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

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Governing Authority's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and the University's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Governing Authority with respect to going concern are described in the relevant sections of this report.

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF
UNIVERSITY COLLEGE DUBLIN, NATIONAL UNIVERSITY OF IRELAND, DUBLIN**

(continued)

Other information

The members of the Governing Authority are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the President's Report, the Statement of Governance and Internal Control and Statement of Governing Authority's Responsibilities other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Based solely on our work on the other information:

- in our opinion the information given in the President's Report, the Statement of Governance and Internal Control and Statement of Governing Authority's Responsibilities is consistent with the financial statements;
- except for the matter described in the basis for qualified opinion paragraph, we have not identified material misstatements in the other information.

Opinions on other matters on which we are required to report under the terms of our engagement

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

In our opinion, the accounting records of the University were sufficient to permit the financial statements to be readily and properly audited and except for the matters described in the basis for qualified opinion, the financial statements are in agreement with the accounting records.

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 6 to 18, 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. We have nothing to report in this regard.

Matters on which we are required to report by exception

ISAs (Ireland) require that we report to you if, based on the knowledge we acquired during our audit, we have identified information in the annual report that contains a material inconsistency with either that knowledge or the financial statements, a material misstatement of fact, or that is otherwise misleading. We have nothing to report in this regard.

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF
UNIVERSITY COLLEGE DUBLIN, NATIONAL UNIVERSITY OF IRELAND, DUBLIN**

(continued)

Respective responsibilities

Responsibilities of Governing Authority for the financial statements

As explained more fully in Statement of Governing Authority's responsibilities set out on page 20 the members of the Governing Authority are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members of the Governing Authority are responsible for assessing the University's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the University or the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: [http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description of auditors responsibilities for audit.pdf](http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf) . This description forms part of our auditor's report.

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

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 work has been undertaken so that we might state to the Governing Authority those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the University and the members of the Governing Authority members as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Bernard Barron

24 March 2022

For and on behalf of

**Mazars
Chartered Accountants & Statutory Audit Firm
Dublin 2**

University College Dublin
National University of Ireland, Dublin

Consolidated Statement of Comprehensive Income
Year ended 30 September 2021

	Note	2021 €'000	2020 €'000
Income			
State grants	3	86,135	82,266
Academic fees	4	260,564	239,923
Research grants and contracts	5	99,438	86,328
Other income	6	106,935	98,043
Amortisation of deferred capital grants	22	10,424	10,303
Deferred funding for pensions	28	74,898	62,675
Total income		638,394	579,538
Expenditure			
Staff costs	7	356,390	337,901
Pension service costs	7, 28	45,868	40,233
Other operating expenses	8	136,999	139,668
Depreciation	12	33,128	29,718
Interest payable	9	2,573	2,100
Pension interest cost	28	29,030	22,442
Total expenditure		603,988	572,062
Surplus before share of surplus in joint venture		34,406	7,476
Share of operating surplus in joint venture	15	523	458
Surplus before tax		34,929	7,934
Taxation	10	(165)	(120)
Surplus for the year	11	34,764	7,814
Actuarial loss in respect of pension schemes	28	(140,982)	(43,611)
Increase in movement on pension receivable from the State	28	140,982	43,611
Total comprehensive income for the year		34,764	7,814
Represented by:			
Endowment comprehensive income for the year		-	-
Restricted comprehensive income for the year		-	-
Unrestricted comprehensive income for the year		34,764	7,814
		34,764	7,814

All items of income and expenditure relate to continuing activities.

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Consolidated and University Statement of Changes in Reserves
Year ended 30 September 2021

Consolidated	Income and expenditure reserve			Total €'000
	Endowment €'000	Restricted €'000	Unrestricted €'000	
Balance at 1 October 2019	-	-	496,298	496,298
Surplus from income and expenditure	-	-	7,814	7,814
Balance at 30 September 2020	-	-	504,112	504,112
Surplus from income and expenditure	-	-	34,764	34,764
Total comprehensive income for the year	-	-	34,764	34,764
Balance at 30 September 2021	-	-	538,876	538,876

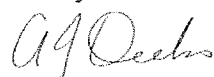
University	Income and expenditure reserve			Total €'000
	Endowment €'000	Restricted €'000	Unrestricted €'000	
Balance at 1 October 2019	-	-	499,910	499,910
Surplus from income and expenditure	-	-	9,701	9,701
Balance at 30 September 2020	-	-	509,611	509,611
Surplus from income and expenditure	-	-	33,295	33,295
Total comprehensive income for the year	-	-	33,295	33,295
Balance at 30 September 2021	-	-	542,906	542,906

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Consolidated and University Statement of Financial Position
As at 30 September 2021

	Note	Consolidated		University	
		2021 €'000	2020 €'000	2021 €'000	2020 €'000
Non-current assets					
Fixed assets	12	885,954	872,065	862,221	861,581
Heritage assets	13	27,542	27,832	27,542	27,832
Investments	14	53	53	7,053	7,053
Investments in joint venture	15	3,694	3,299	2,608	2,608
		<u>917,243</u>	<u>903,249</u>	<u>899,424</u>	<u>899,074</u>
Current assets					
Stocks	16	5,630	5,850	5,630	5,850
Debtors	17	156,153	124,971	174,682	134,117
Cash at bank and in hand	18	130,010	107,098	125,329	103,520
		<u>291,793</u>	<u>237,919</u>	<u>305,641</u>	<u>243,487</u>
Creditors:					
amounts falling due within one year	19	(309,433)	(268,698)	(301,432)	(264,585)
Net current assets/(liabilities)		<u>(17,640)</u>	<u>(30,779)</u>	<u>4,209</u>	<u>(21,098)</u>
Total assets less current liabilities		<u>899,603</u>	<u>872,470</u>	<u>903,633</u>	<u>877,976</u>
Creditors:					
amounts falling due after more than one year	20	(359,775)	(368,358)	(359,775)	(368,365)
Net assets excl. pension (liability)/receivable		<u>539,828</u>	<u>504,112</u>	<u>543,858</u>	<u>509,611</u>
Pension liability	28	(2,434,422)	(2,233,067)	(2,434,422)	(2,233,067)
Pension receivable	28	2,433,470	2,233,067	2,433,470	2,233,067
Net assets incl. pension (liability)/receivable		<u>538,876</u>	<u>504,112</u>	<u>542,906</u>	<u>509,611</u>
Unrestricted reserves					
Income and expenditure reserve – unrestricted		538,876	504,112	542,906	509,611
Total reserves		<u>538,876</u>	<u>504,112</u>	<u>542,906</u>	<u>509,611</u>

The financial statements were approved by the Governing Authority and signed on its behalf on 24 March 2022 by:



Andrew Deeks
 President



David Kelly
 Chief Financial Officer / Bursar

University College Dublin
National University of Ireland, Dublin

Consolidated Statement of Cash Flows
Year ended 30 September 2021

	2021	2020
	€'000	€'000
Cash flow from operating activities		
Surplus for year	34,764	7,814
Adjustment for non-cash items		
Depreciation	33,128	29,718
Amortisation of deferred capital grants	(10,424)	(10,303)
Interest payable	2,573	2,100
Operating cashflow before movement in working capital	<u>60,041</u>	<u>29,329</u>
Decrease/(Increase) in stock	220	(2,130)
Increase in debtors	(31,182)	(31,043)
Increase in creditors	36,818	13,745
Other movements		
Non-government capital grants recognised	(7,081)	(801)
Net cash inflow from operating activities	<u>58,816</u>	<u>9,100</u>
Cash flows from investing activities		
Capital grants received	16,503	5,412
Movement in investments	(395)	(179)
Movement in heritage assets	290	(5,722)
Additions to fixed assets	(42,017)	(73,329)
Net cash outflow from investing activities	<u>(25,619)</u>	<u>(73,818)</u>
Cash flows from financing activities		
New loans drawn down	-	90,000
Repayment of Loans	(7,028)	(5,153)
Interest paid	(2,573)	(2,100)
Net cash inflow from financing activities	<u>(9,601)</u>	<u>82,747</u>
Increase in cash and cash equivalents in the year	<u>23,596</u>	<u>18,029</u>
Cash and cash equivalents at beginning of year	106,345	88,316
Cash and cash equivalents at end of year	<u>129,941</u>	<u>106,345</u>

Note 25

University College Dublin

National University of Ireland, Dublin

Notes to the financial statements

For the year ended 30 September 2021

1. Significant accounting policies

The accounting policies which are considered material in relation to the financial statements are summarised below. They have all been applied consistently throughout the year and to the preceding year.

a. General information and basis of accounting

University College Dublin was originally constituted in 1908 by a Charter under the Irish Universities Act, 1908 as a constituent college of the National University of Ireland. It was reconstituted as a University under the Universities Act, 1997 with the name National University of Ireland, Dublin. The name was then changed to University College Dublin, National University of Ireland, Dublin by Statutory Instrument number 447 of 1998, National University of Ireland, Dublin (Change of Name of University) Order, 1998.

The consolidated and University financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council and the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education, issued by the Higher Education Further Education SORP Board in the UK, which has been voluntarily adopted by the University.

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

b. Basis of consolidation

The Group financial statements consolidate the financial statements of the University and its subsidiary undertakings made up to 30 September 2021.

The results of subsidiaries acquired or sold are consolidated for the periods from or to the date on which control passed.

Business combinations are accounted for under the purchase method. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

The activities of the UCD Students' Union have not been consolidated because the University does not control those activities. The financial statements of UCD Foundation (the "Foundation") are also excluded as it is not controlled by the University. The University will continue to review on an annual basis its relationship with the Foundation and the provisions of FRS 102. Other undertakings in which the University has interests that are not material have not been consolidated.

Transfers to the University are treated as expenditure by the Foundation in the period in which the payment is due. The expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. The University receives funds from the Foundation in respect of capital, revenue and research projects. Grants for these projects are recognised as income when performance related conditions have been met. Any amounts received but unrecognised are deferred until such time as any related performance conditions are met. The timing of the recognition therefore results in differing amounts being recognised in the University and the Foundation respective financial statements.

During the period, the University provided the Foundation with office accommodation, use of office equipment and administration services. In addition, the University incurred expenditure of €2.97 million payable to the Foundation in respect of other administration expenses incurred by the Foundation from third parties. At 30 September 2021, an amount of €0.096 million was due to the Foundation in this regard.

During the same period, the University received €8.97 million for the furtherance of education and research from the Foundation. Furthermore, the University has recognised under "Other capital funding received in advance" within Creditors an amount of €2.1 million in respect of capital projects.

A set of the 2021 financial statements for the UCD Foundation can be found at their website at <https://ucdfoundation.ie/annual-reports/>

University College Dublin

National University of Ireland, Dublin

Notes to the financial statements *(continued)*

For the year ended 30 September 2021

1. Significant accounting policies *(continued)*

c. Going concern

The University's ability to generate non-Exchequer sources of income was challenged during the year by the continued outbreak of the COVID-19 pandemic which had a significant adverse impact on the University's ability to earn income. In 2021, the University observed a material reduction in student residences income, income from on-campus commercial operations and advance income for its Summer 2021 business but the University is taking cost reduction and other mitigating measures, in addition to increased State funding, to reduce the financial impact arising from the loss of non-Exchequer sourced income. While there remains a level of uncertainty due to the COVID-19 outbreak, the return to face to face teaching in September 2021 and the lifting of all remaining COVID-19 restrictions at the end of February 2022 has enabled the recovery of on-campus commercial operations. The University maintains that as a result of its healthy cash balances and continued cost control, a return to a pre COVID-19 operating environment and its ability to continue to generate EU and Non-EU student fee income, it can sustain its operations for the foreseeable future.

The University has prepared cash flow forecasts based on its anticipated capital expenditure and annual recurrent budget outturns for the financial years 2021/22 and 2022/23 and based on these forecasts, the Governing Authority is satisfied that the University group has adequate resources to meet its obligations as they fall due for the foreseeable future. Thus, the Governing Authority continues to adopt the going concern basis of accounting in preparing the annual financial statements.

d. Tangible fixed assets

(i) Land and buildings

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Freehold buildings	50 years
Leasehold land and buildings	term of lease

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

Where land and buildings are acquired with the aid of specific grants they are capitalised and depreciated as above. The related grants are credited to a deferred capital grant account and are released to the income and expenditure account as follows:

- (1) State capital grants are released over the expected useful economic life of the related asset on a basis consistent with the depreciation policy and
- (2) Non-government grants are released when the University is entitled to the income subject to any performance related conditions being met.

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 and are classified as Assets Under Construction (AUC). They are not depreciated until they are brought into use.

(ii) 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

University College Dublin

National University of Ireland, Dublin

Notes to the financial statements *(continued)*

For the year ended 30 September 2021

1. Significant accounting policies *(continued)*

d. Tangible fixed assets *(continued)*

(ii) Equipment and minor works (continued)

Where equipment is acquired with the aid of specific State grants it is capitalised and depreciated in accordance with the above policy, with the related grants 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. Where the related grant is from non-government sources it is released when the University is entitled to the income subject to any performance related conditions being met.

(iii) 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 recognition of income is accounted for in accordance with the accounting policy set out below (see note 1(k)).

e. 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 statement of financial position in line with FRS 102. Artwork purchased for the benefit of the University is capitalised in the statement of financial position at original cost and is not depreciated.

f. Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities)

(i) Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. Subsequent to initial recognition, these are measured at amortised cost using the effective interest method. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Non-current debt instruments which meet the following conditions, are subsequently measured at amortised cost using the effective interest method:

- (a) Returns to the holder are (i) a fixed amount; or (ii) a fixed rate of return over the life of the instrument; or (iii) a variable return that, throughout the life of the instrument, is equal to a single referenced quoted or observable interest rate; or (iv) some combination of such fixed rate and variable rates, providing that both rates are positive.
- (b) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior period
- (c) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in relevant taxation or law.
- (d) There are no conditional returns or repayment provisions except for the variable rate return described in (a) and prepayment provisions described in (c).

University College Dublin

National University of Ireland, Dublin

Notes to the financial statements (*continued*)

For the year ended 30 September 2021

1. Significant accounting policies (*continued*)

f. Financial instruments (*continued*)

(i) Financial assets and liabilities (*continued*)

Debt instruments that are classified as payable or receivable within one year and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Group transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Group, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

(ii) Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, an entity estimates the fair value by using a valuation technique.

g. Joint venture undertakings

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

Group

In the Group financial statements, joint venture undertakings are accounted for using the equity method. Investments in joint venture undertakings are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the Group's share of the profit or loss and other comprehensive income of the associate.

University

In the University financial statements, investments in joint venture undertakings are accounted for at cost less impairment.

Goodwill

Goodwill arising on the acquisition of joint venture undertakings, representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired, is capitalised and written off on a straight-line basis over its useful economic life, which is determined to be five years. Any unamortised balance of goodwill is included in the carrying value of the investment in joint venture undertakings.

University College Dublin

National University of Ireland, Dublin

Notes to the financial statements *(continued)*

For the year ended 30 September 2021

1. Significant accounting policies *(continued)*

h. Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to the net realisable value. Cost is calculated using the FIFO (first-in, first-out) method.

Provision is made for obsolete, slow-moving or defective items where appropriate.

Expenditure incurred by the University on books and consumable stocks financed from recurrent grants is charged to the consolidated statements of comprehensive income.

i. Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each statement of financial position date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Non-financial assets

An asset is impaired where there is objective evidence that, because of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

The recoverable amount of goodwill is derived from measurement of the present value of the future cash flows of the cash-generating units ("CGU") of which the goodwill is a part. Any impairment loss in respect of a CGU is allocated first to the goodwill attached to that CGU, and then to other assets within that CGU on a pro-rata basis.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised. Where a reversal of impairment occurs in respect of a CGU, the reversal is applied first to the assets (other than goodwill) of the CGU on a pro-rata basis and then to any goodwill allocated to that CGU.

Financial assets

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

University College Dublin

National University of Ireland, Dublin

Notes to the financial statements *(continued)*

For the year ended 30 September 2021

1. Significant accounting policies *(continued)*

j. Taxation

(i) Corporate tax and Value Added Tax

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

(ii) Deferred taxation

In subsidiary companies, which do not hold a charitable status and are therefore liable to corporation tax, deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position 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 difference can be deducted.

k. Recognition of income

State grants

Grants from the Higher Education Authority and other government bodies are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Recurrent and non-recurrent grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants from the Higher Education Authority or other government bodies received in respect of the acquisition or construction of fixed assets are recognised over the useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Academic fees

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

Research grants and contracts

Income from research grants and contracts from non-government sources is recognised based on the performance model i.e. income is recognised to the extent that performance-related conditions have been met. The most common classes of such transactions

(i) Donations with no restrictions

Donations with no restrictions include amounts given to the University by way of cash or asset with no restriction as to how the donation should be used. Such donations are recorded in the Statement of Comprehensive Income on entitlement to the income.

University College Dublin National University of Ireland, Dublin

Notes to the financial statements *(continued)* For the year ended 30 September 2021

1. Significant accounting policies *(continued)*

k. Recognition of income *(continued)*

(ii) Research grants from non-government sources

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

Grants with unfulfilled performance related conditions are held as deferred income until such time as the conditions are met, at which point the income is recorded in the Statement of Comprehensive Income.

Income from short-term deposits

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

Rental income

Rental income from licence fees is recognised on a straight-line basis over the lease term.

l. Retirement benefits

For defined benefit schemes the amounts charged to operating surplus are the costs arising from employee services rendered during the period and the cost of plan instructions, benefit changes, settlements and curtailments. There are three distinct elements charged to the operating surplus. The employer contributions, included as part of staff costs, and separate line items showing the pension service cost underwritten by the State and the pension interest cost on the net defined benefit liability underwritten by the State. Re-measurement comprising actuarial gains and losses are recognised immediately in other comprehensive income.

For defined benefit schemes, the difference between the market value of the scheme's assets (if any) and the actuarially assessed present value of the scheme's liabilities, is calculated using the projected unit credit method. The actuarial valuations are obtained at least triennially and are updated at each statement of financial position date.

Other long-term employee benefits are measured at the present value of the benefit obligation at the reporting date.

Pension Asset Receivable

As more fully referred to in note 28, the University considers that its statutory pension liabilities are guaranteed by the State. As a consequence, the liability associated with the statutory liabilities 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 statement of comprehensive income in order to equal the underlying movement in the pension liability. The financial statements reflect the actual pension costs to the University.

University College Dublin

National University of Ireland, Dublin

Notes to the financial statements *(continued)*

For the year ended 30 September 2021

1. Significant accounting policies *(continued)*

m. Foreign currency

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

The results of overseas operations are translated at the average rates of exchange during the period and their statement of financial positions at the rates ruling at the statement of financial position date. Exchange differences arising on retranslation at the closing rate of the opening net assets and results of overseas operations are reported in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

Other exchange differences are recognised in the operating surplus in the period in which they arise except for:

- Exchange differences on transactions entered into to hedge certain foreign currency risks;
- Exchange differences arising on gains or losses on non-monetary items which are recognised in other comprehensive income; and
- In the case of the consolidated financial statements, exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned or likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reported under equity.

n. Leases

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

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

University College Dublin National University of Ireland, Dublin

Notes to the financial statements *(continued)* For the year ended 30 September 2021

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in note 1, the members of the Governing Authority are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Critical judgements in applying the Group's accounting policies

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the Governing Authority has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements

- (1) As more fully referred to in note 28, the University considers that its statutory pension liabilities of €2.4 billion are guaranteed by the State. As a consequence, the liability of the statutory pension schemes is matched by an equivalent amount receivable by the University from the State.
- (2) An analysis performed by the University indicates that there is no legal obligation to meet performance criteria with private donors and that capital funding received meets the definition of donations with no terms and conditions imposed by the donor in relation to the funds provided. Once a building is in use, the performance criteria can be deemed to be met.
- (3) The University recognises research income only to the extent that relevant qualifying expenditure, which is fully refundable by the research funding agency, is incurred. This accounting methodology is based on historical practice and has always fairly reflected the performance obligations required under the contract and is the agreed funding mechanism with the research funding bodies.
- (4) The University calculates a provision for doubtful student accounts based on an ongoing review of individual student accounts, analysis of the ageing of the student debt, as well as other factors including current economic conditions.
- (5) Depreciation on fixed assets is calculated based on estimates and assumptions on the useful economic life and expected residual value of the asset.

Key sources of estimation uncertainty

The pension liability is calculated annually, based on actuarial assumptions provided by a qualified independent actuary. The actuarial assumptions include discount rates, salary increases, pension increases, inflation rates and mortality assumptions.

Where tangible fixed assets are recognised and claims have been submitted from the contractor to recover excess costs, relevant amounts are capitalised, based on legal advice, which represents the best estimate of probable financial outflow required to settle these claims.

University College Dublin
National University of Ireland, Dublin

Notes to the financial statements (continued)
For the year ended 30 September 2021

3. State grants

	2021	2020
	€'000	€'000
State grants allocated for recurrent purposes	<u>86,135</u>	<u>82,266</u>
Reconciliation of grant received to income recognised		
Received in respect of calendar year	82,089	82,681
Deferred from prior accounting year	6,183	5,768
Deferred to subsequent accounting years	<u>(2,137)</u>	<u>(6,183)</u>
Total	<u>86,135</u>	<u>82,266</u>

State funding is received from the Higher Education Authority (HEA), funded by the Department of Education and Skills, 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. Core grant no longer includes an award for Pension Supplementation (2020: €6.9m). This is now funded via a separate pension vote and the income is now captured directly against the pension debtor on the balance sheet. UCD received €5.5m from the HEA in October 2021 in respect of COVID-19 funding. The University has accrued income of €2.5m to match the expenditure incurred up to 30 September 2021.

4. Academic fees

	2021	2020
	€'000	€'000
Academic fee income	<u>260,564</u>	<u>239,923</u>

A total of €46.264m (2020: €44.134m) recognised in academic fee income was received directly from the HEA in the financial year.

5. Research grants and contracts

	2021	2020
	€'000	€'000
State and semi-state	59,156	50,443
European Union	13,077	11,709
Industry	5,080	5,201
Science Foundation Ireland overheads grant	9,234	8,083
Other	<u>12,891</u>	<u>10,892</u>
	99,438	86,328

6. Other income

	2021	2020
	€'000	€'000
Catering and conferences	1,133	2,905
Rental income from residences on campus	13,966	20,098
Other rental income	1,712	1,473
Medical testing income	27,296	26,723
Academic facilities and departments	34,372	27,448
Other operating income	21,375	18,595
Non-government capital grants recognised	7,081	801
	<u>106,935</u>	<u>98,043</u>

University College Dublin
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Notes to the financial statements (continued)
For the year ended 30 September 2021

7. Staff costs

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

	2021 No. of Employees	2020 No. of Employees
Teaching and research	3,415	3,617
Technical	301	262
Central administration and services	1,369	1,399
	<u>5,085</u>	<u>5,278</u>
	2021 €'000	2020 €'000
Salaries and wages	308,907	288,928
Social welfare costs	27,395	25,212
Retirement benefit costs-Employer contributions	20,088	23,762
	<u>356,390</u>	<u>337,901</u>

Included in staff costs are severance/termination payments to 95 staff members (including statutory redundancy) amounting to €832,000 (2020: €517,000). Payments with an aggregate value in excess of €10,000 amounted to €472,000 (2020: €212,000). Also included are amounts of €640,157 (2020: €347,050) in respect of overtime and €1,202,327 (2020: €1,309,211) in respect of allowances. Included in 2020 pay costs is an amount for pension supplementation of €6.9m. As referenced in Note 1 State Grants, pension supplementation is now treated as a separate pension funding vote, meaning no charge is required to the Income and Expenditure.

Pension related costs	2021 €'000	2020 €'000
Retirement benefit costs-Employer contributions	20,088	23,762
Incremental pension costs underwritten by the State	45,868	40,233
Current service cost (note 28)	<u>65,956</u>	<u>63,995</u>

Key management compensation

Key management personnel are represented by those persons on the University Management Team (UMT). The UMT comprises of the President, the six College Principals and the Vice-presidents (Bursar, Registrar, VP Research, VP Global Engagement, and the Director of Human Resources). The compensation consists of salary and benefits including employer's pension contribution and social costs. All key management personnel are members of one of the standard UCD pension schemes and their entitlements in that regard do not extend beyond the terms of those schemes.

The total compensation for key management personnel for the year totalled €2,178,000 (2020: €2,037,000).

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 2021 was €180 and these were paid in accordance with Department of Finance / Department of Public Expenditure and Reform guidelines. This payment was in respect of arrears relating to prior financial years.

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Notes to the financial statements (continued)
For the year ended 30 September 2021

7. **Staff costs (continued)**

Salaries above €60,000

The University is required by Circular 13/2014 issued by the Department of Public Expenditure and Reform to disclose the number of staff whose remuneration fell within each band of €10,000 from €60,000 upwards. Staff numbers, whose remuneration is in salary bands of €10,000 are as follows:

Salary Bands		
€	2021	2020
60,000 – 70,000	413	337
70,001 – 80,000	268	196
80,001 – 90,000	409	409
90,001 – 100,000	224	307
100,001 – 110,000	207	69
110,001 – 120,000	101	69
120,001 – 130,000	28	23
130,001 – 140,000	19	19
140,001 – 150,000	60	67
150,001 – 160,000	89	80
160,001 – 170,000	10	3
170,001 – 180,000	4	1
180,001 – 190,000	5	4
190,001 – 200,000	4	0
200,001 – 210,000	5	4
210,001 – 220,000	2	1
220,001 – 230,000	2	2
230,001 – 240,000	2	1
260,001 – 270,000	1	3
270,001 – 280,000	3	1
290,001 – 300,000	1	0
Grand Total	1,857	1,596

Total employer pension contributions in respect of the above numbered employees amounted to €11,506,000 in the year ended 30 September 2021 (2020: €10,037,000).

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Notes to the financial statements (continued)
For the year ended 30 September 2021

8. Other operating expenses

	2021 €'000	2020 €'000
Research (non-pay)	17,685	16,533
Maintenance and security	17,615	19,095
Laboratory supplies	13,285	15,254
Professional fees	4,859	6,063
External contract costs	5,658	6,122
Travel and hospitality	1,697	5,688
Computer supplies	9,669	8,008
Printing, stationery and audio visual	3,476	2,934
Books and periodicals	3,456	3,646
Light and heat	6,424	5,014
Student facilities	5,214	4,909
Rates and insurance	2,207	2,164
Equipment	2,381	3,062
Training, development and scholarships	29,417	28,217
Communications	1,333	761
Advertising and promotions	4,870	3,729
Other expenses	7,753	8,469*
	<u>136,999</u>	<u>139,668</u>

* The prior year Other expenses has been restated by €0.518 million to include bank charges which were previously reflected in note 9 interest payable, to ensure consistent presentation with the current year.

	2021 €'000	2020 €'000
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Other operating expenses include:

Auditor's remuneration:

- External audit of University Group	137	218
- Comptroller & Auditor General	40	40
- External audit of Pension funds	7	7
- Taxation and secretarial	40	31
- Other services	82	1
	<u>206</u>	<u>297</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. Included in the figure noted above of €1.697 million for Travel and hospitality, €1.629 million relates to travel and subsistence and €0.068 million relates to hospitality.

9. Interest payable

	2021 €'000	2020 €'000
On bank loans, overdrafts and other loans	<u>2,573</u>	<u>2,100*</u>

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

*As noted above interest payable has been restated by €0.518 million to exclude bank charges which were previously reflected in note 9 interest payable, to ensure consistent presentation with the current year.

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Notes to the financial statements (continued)
For the year ended 30 September 2021

10. Taxation	2021 €'000	2020 €'000
The tax charge comprises:		
Current tax on profit on ordinary activities		
Foreign tax charge	35	33
Irish corporation tax on profits of subsidiaries for the year	1	2
Total current tax	<u>36</u>	<u>35</u>
Deferred tax		
Origination and reversal of timing differences	-	-
Total deferred tax	<u>-</u>	<u>-</u>
Share of joint venture tax	129	85
Total current tax charge on ordinary activities	<u>165</u>	<u>120</u>

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:

	2021 €'000	2020 €'000
Surplus for year before taxation	34,929	7,934
Surplus for the year before taxation at standard Irish corporation tax rate of 12.5%	4,366	992
Effects of:		
- Amounts not subject to Irish Corporation Tax	(4,330)	(957)
Total current tax charge for the year	<u>36</u>	<u>35</u>

11. Surplus for the year	2021 €'000	2020 €'000
The surplus for the year on continuing operations is made up as follows:		
University surplus for the year	33,295	9,701
Surplus/(deficit) generated by subsidiaries and other undertakings	1,469	(1,887)
Surplus on continuing operations for the year	<u>34,764</u>	<u>7,814</u>

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Notes to the financial statements (continued) For the year ended 30 September 2021

2021 Consolidated	Land and Buildings €'000	Assets in course of construction €'000	Minor works €'000	Computer equipment €'000	Equipment €'000	Fixtures & Fittings €'000	Total €'000
Cost							
At 1 October 2020	1,030,477	131,176	5,738	20,239	188,898	3,368	1,379,896
Additions in year	3,606	32,131	-	1,548	9,605	127	47,017
Transfer from assets in course of construction	126,529	(126,529)	-	-	-	-	-
Disposals in year	-	-	-	(19)	(623)	-	(642)
At 30 September 2021	1,160,612	36,778	5,738	21,768	197,880	3,495	1,426,271
Depreciation							
At 1 October 2020	308,923	-	5,716	18,873	172,032	2,287	507,831
Charge for year	22,988	-	-	1,453	8,349	338	33,128
Elimination on disposals	-	-	-	(19)	(623)	-	(642)
At 30 September 2021	331,911	-	5,716	20,307	179,758	2,625	540,317
Net book value							
At 30 September 2021	828,701	36,778	22	1,461	18,122	870	885,954
At 1 October 2020	721,554	131,176	22	1,366	16,866	1,081	872,065

Details of capital grant funding received in respect of tangible fixed assets are provided in note 22.

Land and buildings include €12.5 million (2020: €12.5 million) in respect of freehold land which is not depreciated.

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**Notes to the financial statements (continued)
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12. Tangible fixed assets (continued)

2020 Consolidated	Land and Buildings €'000	Assets in course of construction €'000	Minor works €'000	Computer equipment €'000	Equipment €'000	Fixtures & Fittings €'000	Total €'000
Cost							
At 1 October 2019	1,010,574	90,182	5,738	18,988	179,222	3,340	1,308,044
Additions in year	9,941	51,615	-	1,343	10,402	28	73,329
Transfer from assets in course of construction	9,962	(9,962)	-	-	-	-	-
Transfer to heritage assets (note 13)	-	(659)	-	-	-	-	(659)
Disposals in year	-	-	-	(92)	(726)	-	(818)
At 30 September 2020	1,030,477	131,176	5,738	20,239	188,898	3,368	1,379,896
Depreciation							
At 1 October 2019	288,439	-	5,716	17,859	164,709	2,208	478,931
Charge for year	20,484	-	-	1,106	8,049	79	29,718
Elimination on disposals	-	-	-	(92)	(726)	-	(818)
At 30 September 2020	308,923	-	5,716	18,873	172,032	2,287	507,831
Net book value							
At 30 September 2020	721,554	131,176	22	1,366	16,866	1,081	872,065
At 1 October 2019	722,135	90,182	22	1,129	14,513	1,132	829,113

Details of capital grant funding received in respect of tangible fixed assets are provided in note 22.

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Notes to the financial statements (continued)
For the year ended 30 September 2021

12. Tangible fixed assets (continued)

2021 University	Land and Buildings €'000	Assets in course of Construction €'000	Minor works €'000	Computer equipment €'000	Equipment €'000	Total €'000
Cost						
At 1 October 2020	1,026,979	122,711	5,680	20,187	188,544	1,364,101
Additions in year	3,606	18,492	-	1,544	9,602	33,244
Transfer from assets in course of construction	126,529	(126,529)	-	-	-	-
Disposals in year	-	-	-	(19)	(623)	(642)
At 30 September 2021	1,157,114	14,674	5,680	21,712	197,523	1,396,703
Depreciation						
At 1 October 2020	306,546	-	5,680	18,822	171,472	502,520
Charge for year	22,837	-	-	1,433	8,334	32,604
Elimination on disposals	-	-	-	(19)	(623)	(642)
At 30 September 2021	329,383	-	5,680	20,236	179,183	534,482
Net book value						
At 30 September 2021	827,731	14,674	-	1,476	18,340	862,221
At 1 October 2020	720,433	122,711	-	1,365	17,072	861,581

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Notes to the financial statements *(continued)* For the year ended 30 September 2021

12. Tangible fixed assets *(continued)*

2020 University	Land and Buildings €'000	Assets in course of construction €'000	Minor works €'000	Computer equipment €'000	Equipment €'000	Total €'000
Cost						
At 1 October 2019	1,007,127	70,007	5,680	18,938	178,999	1,280,751
Additions in year	9,890	63,325	-	1,341	10,271	84,827
Transfer from assets in course of construction	9,962	(9,962)	-	-	-	-
Transfer to heritage assets (note 13)	-	(659)	-	-	-	(659)
Disposals in year	-	-	-	(92)	(726)	(818)
At 30 September 2020	1,026,979	122,711	5,680	20,187	188,544	1,364,101
Depreciation						
At 1 October 2019	286,212	-	5,680	17,814	164,385	474,091
Charge for year	20,334	-	-	1,100	7,813	29,247
Elimination on disposals	-	-	-	(92)	(726)	(818)
At 30 September 2020	306,546	-	5,680	18,822	171,472	502,520
Net book value						
At 30 September 2020	720,433	122,711	-	1,365	17,072	861,581
At 1 October 2019	720,915	70,007	-	1,124	14,614	806,660

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Notes to the financial statements *(continued)*

For the year ended 30 September 2021

13. Heritage assets

As an educational institute 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 1830s 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 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.

Cost	Buildings	Art	Other	Total
	€'000	works €'000	paintings €'000	
At 1 October 2020	26,049	1,783	-	27,832
Additions	4	-	-	4
Refurbishment	31	-	-	31
Adjustment Vat Reclaim	(325)	-	-	(325)
At 30 September 2021	25,759	1,783	-	27,542

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 stages of development of the University. 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 statement of financial position.

Detailed refurbishment costs associated with many of the heritage buildings are included in UCD's statement of financial position but separately identifying the original purchase costs has not been practicable due to the timeframes involved since acquisition.

As at 30 September 2021, costs associated with heritage buildings captured and capitalised on the statement of financial position since 1997 were €25.8 million (2020: €26.1 million).

Artworks

Since 2006, UCD's policy has been to capitalise all artworks purchased for the benefit of the University. As at 30 September 2021 the historic costs of artworks amounted to €1.8 million (2020: €1.8 million).

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 2019 valued these assets along with the artworks, as noted above, purchased since 2006 at €5.3 million.

Other paintings and artworks are valued as €5.3 million, as per a 2019 valuation provided by Adam's Valuers & Auctioneers. €3.5 million of this valuation is not capitalised on the statement of financial position

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Notes to the financial statements (continued)
For the year ended 30 September 2021

13. Heritage assets – (continued)

Five year summary of heritage assets

	2017	2018	2019	2020	2021
	€'000	€'000	€'000	€'000	€'000
Cost					
At 1 October	13,224	13,293	16,452	21,451	27,832
Transfers from fixed assets	-	-	-	659	-
Additions:					
-Purchases	69	8	5	-	4
-Refurbishment	-	3,151	4,994	5,722	31
Adjustment VAT Reclaim	-	-	-	-	(325)
Cost at 30 September	<u>13,293</u>	<u>16,452</u>	<u>21,451</u>	<u>27,832</u>	<u>27,542</u>
Valuation of other paintings and artefacts	3,984	3,984	3,517	3,517	3,517
Total at 30 September	<u>17,277</u>	<u>20,436</u>	<u>24,968</u>	<u>31,349</u>	<u>31,059</u>

14. Investments

	Consolidated		University	
	2021	2020	2021	2020
	€'000	€'000	€'000	€'000
<i>Investments held as follows:</i>				
Investments in subsidiaries	-	-	7,000	7,000
Other investments	53	53	53	53
	<u>53</u>	<u>53</u>	<u>7,053</u>	<u>7,053</u>

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

Subsidiary undertakings	Principal activity	Interest	Retained surplus/(deficit) at 30 September 2021 €'000
UCD Property Development Company Limited	Property development	100%	98
UCD Nova DAC	Property management	100%	1,177
Foster Residences Limited	Dormant	100%	-
UCD Global Limited	Education	100%	(307)
UCD Campus Sport and Leisure Limited	Leisure and Educational Facilities	100%	987
UCD English Language Academy CLG	Education	100%	(809)

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

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Notes to the financial statements (continued)
For the year ended 30 September 2021

14. Investments – (continued)

Subsidiary undertakings	Principal activity	Interest	Retained surplus/(deficit) at 30 September 2021 €'000
NUI Dublin PTE Limited	Education	100%	288
IGU North America Limited	Education	100%	172
Newman House Literary Centre CLG	Education and tourism	100%	(1,435)
UCD Global FZ-LLC	Education and research	100%	79
UCD Global SDN.BHD	Education and research	100%	24

NUI Dublin PTE Limited has its registered office and place of business in Singapore, IGU North America Limited in New York and Newman House Literary Centre Company Limited by Guarantee in Newman House, St. Stephen's Green, Dublin 2.

UCD Global FZ-LLC has its registered office and place of business in Dubai, United Arab Emirates and UCD Global SDN.BHD in Kuala Lumpur, Malaysia. Both are wholly owned subsidiaries of UCD Global Limited.

Joint Ventures	Principal activity	Interest	Place of business
RCSI & UCD Malaysia Campus (formerly Penang Medical College)	Education	50%	Penang, Malaysia
Associated undertakings	Principal activity	Interest	Place of business
Clinical Research Development Ireland (formerly Molecular Medicine Ireland)	Research	20%	Belfield, Dublin 4
National Institute of Bioprocessing Research and Training Limited	Research and training	25%	Belfield, Dublin 4
National Digital Research Centre Belfield Emergency Veterinary Hospital Limited	Research Centre	20%	Crane St. Dublin 8
	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 is € Nil.

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Notes to the financial statements (continued)
For the year ended 30 September 2021

15. Investment in joint venture

UCD holds a 50% interest in RCSI & UCD Malaysia Campus (formerly known as Penang Medical College), with the Royal College of Surgeons in Ireland holding the remaining 50% interest. The interest comprises 1,700,000 ordinary shares of the company incorporated in Malaysia.

The University has accounted for its €2.6 million investment in the joint ventures at cost less impairment in accordance with FRS102. The carrying value of this joint venture of €3.7 million at 30 September 2021 is included on UCD's consolidated statement of financial position and consists of the purchase cost incurred, UCD's share of the entity's profits and losses and a goodwill amortisation charge for the relevant periods.

	2021	2020
	€'000	€'000
Share of net assets at fair value:		
At beginning of year	3,299	3,120
Share in joint venture profit in year (profit before tax €523,000 (2020: €458,000))	393	373
Movement on currency translation	2	(194)
	<u>3,694</u>	<u>3,299</u>

The group's share of the investment in net assets of this joint venture comprises:

	2021	2020
	€'000	€'000
Share of fixed assets	1,546	1,690
Share of current assets	3,684	3,113
Share of current liabilities	(907)	(943)
Share of non-current liabilities	(629)	(561)
Share of net assets at end of year	<u>3,694</u>	<u>3,299</u>
Goodwill		
At beginning of year	-	-
Amortisation in year	-	-
At end of year	<u>-</u>	<u>-</u>
Total investment in joint venture	<u>3,694</u>	<u>3,299</u>

16. Stocks

	Consolidated		University	
	2021	2020	2021	2020
	€'000	€'000	€'000	€'000
Raw materials and consumables	2,250	2,371	2,250	2,371
Finished goods for resale	3,380	3,479	3,380	3,479
	<u>5,630</u>	<u>5,850</u>	<u>5,630</u>	<u>5,850</u>

There is no material difference between the carrying value of stock in the statement of financial position and its replacement cost.

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Notes to the financial statements (continued)
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17. Debtors

	Consolidated		University	
	2021 €'000	2020 €'000	2021 €'000	2020 €'000
Trade debtors	18,931	16,116	14,615	13,847
Research grants and contracts receivable	31,430	26,024	31,430	26,024
State grant receivable	4,765	9,683	4,765	9,683
Other capital funding receivable	678	1,214	678	1,214
Academic fees receivable	14,291	9,811	14,291	9,811
Prepayments	1,092	1,013	404	600
Amounts due from subsidiary undertakings	-	-	23,835	11,974
Other debtors*	84,966	61,110	84,664	60,964
	<u>156,153</u>	<u>124,971</u>	<u>174,682</u>	<u>134,117</u>

* Included in Other debtors is an amount of €66.4m million (2020: €53.2 million) receivable from the State to fund pension contributions for pension scheme members.

18. Cash at bank and in hand

	Consolidated		University	
	2021 €'000	2020 €'000	2021 €'000	2020 €'000
Cash at bank including balances held on short term deposit	130,010	107,098	125,329	103,520

The University has provided an irrevocable standby letter of credit in favour of the U.S. Department of Education in compliance with the rules and regulations of the Federal Student Aid programme. The University has secured the letter of credit facility with a first legal charge over deposits in the amount of US\$1,301,000 held in the name of the University with the Bank of Ireland.

19. Creditors: amounts falling due within one year

	Consolidated		University	
	2021 €'000	2020 €'000	2021 €'000	2020 €'000
Trade creditors	1,628	286	810	190
Research grants and contracts in advance	101,351	74,064	101,351	74,064
Academic fees received in advance	79,496	66,871	79,496	66,871
State grant received in advance	9,279	17,231	9,279	17,231
Other capital funding received in advance	2,172	7,021	2,172	7,021
Accruals	25,965	20,757	19,440	15,216
Bank overdrafts (note 21)	69	753	69	753
Bank loans (note 21)	7,989	7,556	7,989	7,556
Amounts owed to subsidiary undertakings	-	-	4,749	5,224
Other tax and social security	10,727	9,658	10,682	9,626
Other creditors	21,203	25,260	21,078	25,043
Other amounts received in advance	32,540	22,186	27,303	18,743
Deferred income from Trust Funds	6,590	6,752	6,590	6,752
Deferred capital grants (note 22)	10,424	10,303	10,424	10,295
	<u>309,433</u>	<u>268,698</u>	<u>301,432</u>	<u>264,585</u>

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20. Creditors: amounts falling due after more than one year

	Consolidated		University	
	2021 €'000	2020 €'000	2021 €'000	2020 €'000
Bank loans (note 21)	127,372	134,832	127,372	134,832
Deferred capital grants (note 22)	232,403	233,526	232,403	233,533
	<u>359,775</u>	<u>368,358</u>	<u>359,775</u>	<u>368,365</u>

21. Borrowings

	Consolidated		University	
	2021 €'000	2020 €'000	2021 €'000	2020 €'000
Bank loans and overdrafts				
Bank loans and overdrafts are repayable as follows:				
In one year or less - Bank overdraft	69	753	69	753
- Bank loans	7,989	7,556	7,989	7,556
	<u>8,058</u>	<u>8,309</u>	<u>8,058</u>	<u>8,309</u>
Amounts falling due after more than one year:				
Between one and two years – bank loans	7,512	7,460	7,512	7,460
Between two and five years – bank loans	22,858	22,696	22,858	22,696
In five years or more – bank loans	97,002	104,676	97,002	104,676
	<u>127,372</u>	<u>134,832</u>	<u>127,372</u>	<u>134,832</u>
Total	<u>135,431</u>	<u>143,141</u>	<u>135,431</u>	<u>143,141</u>

The European Investment Bank (EIB) has provided part of the funding necessary for the University's capital expenditure programme. The amount outstanding to the EIB at the end of the financial year is €48.5 million. This funding is secured against two of UCD's student residences, Merville Student Residences and Belgrove Student Residences, together with the UCD Sport and Leisure buildings. Security over certain bank accounts attaching to these properties has been also granted in favour of the bank. The facility is repayable over a maximum of 20 years from first drawdown (2012) and incurs interest at a fixed rate of 1.535%.

The Housing Finance Agency (HFA) has provided part of the funding necessary for the Residential Masterplan. The funding is secured against these new residences. The full facility is €123 million of which €90 million was drawn down in 2020 and repayment is over 25 years with a fixed interest rate of 1.75%. The amount outstanding to the HFA at the end of the financial year is €86.8 million.

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**Notes to the financial statements (*continued*)
For the year ended 30 September 2021**

22. Deferred capital grants	2021			2020		
	Buildings €'000	Equipment €'000	Total €'000	Buildings €'000	Equipment €'000	Total €'000
Consolidated						
At 1 October	232,769	11,060	243,829	238,977	10,544	249,521
Cash receivable in year	4,332	5,090	9,422	78	4,533	4,611
Amortised to income and expenditure	(6,372)	(4,052)	(10,424)	(6,286)	(4,017)	(10,303)
At 30 September	<u>230,729</u>	<u>12,098</u>	<u>242,827</u>	<u>232,769</u>	<u>11,060</u>	<u>243,829</u>
University						
At 1 October	232,769	11,060	243,829	238,977	10,535	249,512
Cash receivable in year	4,332	5,090	9,422	78	4,533	4,611
Amortised to income and expenditure	(6,372)	(4,052)	(10,424)	(6,286)	(4,009)	(10,295)
At 30 September	<u>230,729</u>	<u>12,098</u>	<u>242,827</u>	<u>232,769</u>	<u>11,059</u>	<u>243,828</u>
The deferred capital grants can be analysed as follows:						
			2021			2020
			€'000			€'000
Consolidated						
Creditors falling due within one year (Note 19)			10,424			10,303
Creditors falling due after one year (Note 20)			232,403			233,526
At 30 September			<u>242,827</u>			<u>243,829</u>
University						
Creditors falling due within one year (Note 19)			10,424			10,295
Creditors falling due after one year (Note 20)			232,403			233,533
At 30 September			<u>242,827</u>			<u>243,828</u>

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Notes to the financial statements *(continued)*
For the year ended 30 September 2021

22. Deferred capital grants *(continued)*

In addition, amounts received in advance and not yet spent are included in creditors (note 19). 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 2021, are as follows:

	Total
	€'000
State (included in State grant received in advance)	2,804
Other grants and benefactors (included in Other capital funding received in advance)	2,172
	<u>4,976</u>

23. Capital commitments

	Consolidated		University	
	2021	2020	2021	2020
	€'000	€'000	€'000	€'000
Contracted for but not provided	2,134	6,287	2,134	6,287
Authorised but not contracted	270,926	50,392	270,926	50,392
	<u>273,060</u>	<u>56,679</u>	<u>273,060</u>	<u>56,679</u>

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Notes to the financial statements (continued)
For the year ended 30 September 2021

24. Financial instruments

The carrying values of the Group's and University's financial assets and liabilities are summarised by category below:

	Consolidated		University	
	2021 €'000	2020 €'000	2021 €'000	2020 €'000
Financial assets				
<i>Measured at amortised cost</i>				
Trade and other debtors	156,153	124,971	150,847	122,143
Amounts due from subsidiary undertakings	-	-	23,835	11,974
<i>Equity instruments measured at cost less impairment</i>				
Current asset unlisted investments	3,747	3,352	2,661	2,661
Financial liabilities				
<i>Measured at amortised cost</i>				
Loans payable	135,361	142,388	135,361	142,388
Obligations under finance leases	-	-	-	-
<i>Measured at cost less impairment</i>				
Bank overdraft	70	753	70	753
Trade and other creditors	296,379	260,389	283,628	251,052
Amounts owed to subsidiary companies	-	-	4,749	5,224

The Group's income, expense, gains and losses in respect of financial instruments are summarised below:

	2021 €'000	2020 €'000
<i>Interest income and expense</i>		
Total interest income for financial assets at amortised cost	-	-
Total interest expense for financial liabilities at amortised cost	2,573	2,100*

*As noted above interest payable has been restated by €0.518 million to exclude bank charges which were previously reflected in note 9 interest payable, to ensure consistent presentation with the current year

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Notes to the financial statements (continued)
For the year ended 30 September 2021

25. Analysis of changes in net funds	At 1 October 2020 €'000	Cashflows €'000	At 30 September 2021 €'000
Cash at bank	107,098	22,912	130,010
Bank overdrafts	(753)	684	(69)
	<hr/> 106,345	<hr/> 23,596	<hr/> 129,941
Bank debt due within 1 year	(7,556)	(433)	(7,989)
Bank debt due after 1 year	(134,832)	7,460	(127,372)
Net funds/(debt)	<hr/> <hr/> (36,043)	<hr/> <hr/> 30,623	<hr/> <hr/> (5,420)

26. Related parties

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

UCD has identified the parties outlined below as related parties under the definition in Section 33 of FRS 102, by virtue of the parties being associated undertakings and UCD having significant influence over the governing boards of these entities.

The following entities are considered to be related parties:

Clinical Research Development Ireland (CRDI) (formerly MMI)

During the period, € nil (2020: €364,002) was UCD's contribution to CRDI. At 30 September 2021, there were no amounts due (2020: € nil) to or from CRDI for the University.

Belfield Emergency Veterinary Hospital Ltd (BEVH)

During the year BEVH paid the University a dividend of €92,619. At 30 September 2021, € nil was due to the University from BEVH.

National Institute for Bioprocessing Research and Training (NIBRT)

During the period, total revenue of €40,745 (2020: €44,879) was earned by the University from NIBRT. In addition, UCD paid NIBRT €17,833 (2020: €11,700) for their share of research income earned on a joint project.

At 30 September 2021, there were no amounts due (2020: € nil) to or from NIBRT for the University.

National Digital Research Centre (NDRC)

There were no related party transactions between the University and NDRC during the year (2020: €nil). At 30 September 2021, there were no amounts payable (2020: € nil) by the University to the NDRC.

University College Dublin Foundation CLG ("the Foundation")

For further information on transactions and balances with Foundation see note 1b.

RCSI & UCD Malaysia Campus

For further information on transactions and balances with the RCSI & Malaysia Campus see note 15.

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Notes to the financial statements (*continued*) For the year ended 30 September 2021

27. 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.

28. 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 Pay-as-you-go UCD Model Pension Scheme (February 2005). The Single Public Service Pension Scheme is also in operation and applies to new public service entrants from 1 January 2013 (see below for further information).

The University's 1995 scheme was a separately administered defined pension scheme which was established under Statute XCVI and amended by Statute 4 and administered as an Exempt Approved Scheme in the terms of Chapter II of Part I 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 liability 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 the 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 obligations 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.

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 recognised a pension receivable in the financial statements for the year ended 30 September 2021, and years prior to that, matching the pension liability reported.

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Notes to the financial statements *(continued)* For the year ended 30 September 2021

28. Retirement benefits – *(continued)*

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 arrangement 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 statement of financial position 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 FRS102 is estimated by the University to be €882 million (2020: €716 million).

The UCD Model Pension Scheme was set up in the 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 pension arrangement which operates on a pay-as-you-go basis from the University's core funding.

Single Public Service Pension Scheme

The Single Public Service Pension Scheme ("SPSPS") is effective for new public sector entrants from 1 January 2013. The University is responsible for the collection of pension contributions and the remittance of these to the Exchequer for those employees who are members of the scheme. This scheme falls to be accounted for as a defined benefit scheme as the legislation places the liability to pay the pension benefits with the employer. The legislation also notes that the funds required under this scheme to service the pension accrual will be provided to the employer by the Government and accordingly a pension asset receivable has been recorded by the University to match the pension liability arising under this scheme.

Retirement benefit scheme valuation – UCD Dublin (Closed) Pension Scheme 2010, UCD Model Pension Scheme and Single Public Service Pension Scheme

As noted above, the University operates two pension schemes providing benefits based on final pensionable pay and also the Single Public Services Pension Scheme. The schemes valuations were prepared by a qualified independent actuary in order to assess the liabilities as at 30 September 2021 for all the schemes, details of which are provided below.

The University has reported a net pension liability at 30 September 2021 and 2020 as follows:

	2021 €'000	2020 €'000
Present value of the schemes liabilities	(2,434,422)	(2,233,067)
Total market value of assets	-	-
Pension liability	(2,434,422)	(2,233,067)

The pension liability of €2,434 million (2020: €2,233 million) is attributed as follows: the UCD 1995 Contributory Pension Scheme €1,433 million (2020: €1,446 million), the UCD Model Pension Scheme & Supplementation €882 million (2020: €716 million) and the Single Public Service Pension Scheme €119 million (2020: €71 million).

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Notes to the financial statements (continued)
For the year ended 30 September 2021

28. Retirement benefits – (continued)

The pension receivable and net deficit at 30 September 2021 and 2020 is as follows:

	2021 €'000	2020 €'000
Pension receivable from the State	2,433,470	2,233,067
Net pension deficit	(952)	-

Movement in present value of defined benefit obligation

	2021 €'000	2020 €'000
At 1 October	2,233,067	2,137,310
Current service cost	65,956	63,995
Interest cost	29,030	22,442
Plan members – contributions	13,357	12,696
Actuarial loss	141,934	43,611
Benefits paid	(48,922)	(46,987)
At 30 September	2,434,422	2,233,067

The total loss recognised in the consolidated statement of comprehensive income in respect of actuarial losses is €141.9 million (2020: loss €43.6 million). This has been substantially offset by a movement in the matching pension scheme asset.

The assets of the 1995 scheme were transferred to the National Pension Reserve Fund on 31 March 2010.

Analysis of movement in pension receivable during the year

	2021 €'000	2020 €'000
Pension receivable at beginning of year	2,233,067	2,137,310
Increase in movement included in Statement of Comprehensive Income	140,982	43,611
Employer contributions	20,088	23,762
State funded underwritten pension service cost (note 7)	45,868	40,233
State funded underwritten finance charge	29,030	22,442
Plan members contributions	13,357	12,696
Benefits paid	(48,922)	(46,987)
Pension receivable at end of year	2,433,470	2,233,067

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Notes to the financial statements (continued)
For the year ended 30 September 2021

28. Retirement benefits – (continued)

Classification of pension presentation in the Consolidated statement of comprehensive income

The University discloses the pension interest cost and the pension service cost as line items in the consolidated statement of comprehensive income within the expenditure caption, with the matching funding in respect of statutory liabilities presented within the income caption as deferred funding for pensions.

	2021	2020
	€'000	€'000
Current service cost	65,956	63,995
Less: employer contributions included in staff costs	(20,088)	(23,762)
Incremental pension service cost underwritten by the State	45,868	40,233
Add: Pension interest cost underwritten by the State	29,030	22,442
Deferred funding for pensions	74,898	62,675
<i>Included in comprehensive income for the year:</i>		
Effect of experience on plan liabilities	(5,390)	163,820
Changes in actuarial assumptions	146,372	(120,209)
Actuarial loss in respect of pension schemes	140,982	43,611
Increase in movement on pension receivable from the State	140,982	43,611

The principal actuarial assumptions at the year-end were as follows:

	2021	2020
	%	%
Discount rate	1.50	1.30
Rate of compensation increase	3.35	2.75
Pension increases	2.35	1.75
Inflation	1.85	1.25
Expected return on plan assets	-	-

The number of members in the plan and the number of deaths has been too small to analyse and produce any meaningful plan-specific estimates of future levels of mortality. Accordingly, standard tables have been used.

The main demographic assumption impacting on the scheme liabilities and resulting accounting disclosures is the mortality assumption applied. The current best practice for mortality is the two-dimensional table S3PMA/S3PFA_M CMI 2019 [1.5%]. This is a two-dimensional table based on a year of birth. This is unchanged from last year's accounting disclosures.

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Notes to the financial statements (continued)
For the year ended 30 September 2021

28. Retirement benefits – (continued)

History of plan

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

	2021 €'000	2020 €'000	2019 €'000	2018 €'000	2017 €'000
Defined benefit obligation	(2,434,422)	(2,233,067)	(2,137,310)	(1,843,967)	(1,966,431)
Fair value of plan assets	-	-	-	-	-
Deficit	<u>(2,434,422)</u>	<u>(2,233,067)</u>	<u>(2,137,310)</u>	<u>(1,843,967)</u>	<u>(1,966,431)</u>

Difference between expected and actual return on plan assets

	2021 €'000	2020 €'000	2019 €'000	2018 €'000	2017 €'000
Amount	-	-	-	-	-
% of plan assets	N/A*	N/A*	N/A*	N/A*	N/A*

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

Experience losses/(gains) on plan liabilities:

	2021 €'000	2020 €'000	2019 €'000	2018 €'000	2017 €'000
Amount	(5,390)	163,820	(58,319)	(89,007)	(106,674)
% of plan liabilities	0.2%	7%	3%	5%	5%

(Gains)/losses resulting from changes in actuarial assumptions:

	2021 €'000	2020 €'000	2019 €'000	2018 €'000	2017 €'000
Amount	146,372	(120,209)	291,798	(101,955)	(188,919)
% of plan liabilities	6%	5%	14%	6%	10%

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Notes to the financial statements (continued) For the year ended 30 September 2021

29. Grants from Exchequer Funds

All amounts noted are in respect of the group. The University is required by Circular 13/2014 issued by the Department of Public Expenditure and Reform to disclose information about Exchequer funding.

(a) Fee Income and Recurrent Grants for period 1 October 2020 to 30 September 2021:

See notes 3 and 4 to the financial statements.

(b) Capital Grants for period 1 October 2020 to 30 September 2021:

Grantor	Grant debtor /(creditor) 1 Oct 2020 €'000	Grant received 2021 €'000	Taken to deferred capital grants as grants receivable 2021 €'000	Grant debtor /(creditor) 30 Sept 2021 €'000	Taken to Income as amortisation 2021 €'000	Balance of grant deferred to future years 2021 €'000
HEA other – 3 rd level capital programme	(2,613)	(4,431)	4,405	(2,639)	88	4,317
HEA – PRTL cycle 5	318	-	(318)	-	(64)	(254)
Fáilte Ireland	932	(594)	(73)	265	(1)	(72)
Sustainable Energy Authority of Ireland	-	-	-	-	-	-
	(1,363)	(5,025)	4,014	(2,374)	23	3,991

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Notes to the financial statements (continued)
For the year ended 30 September 2021

29. Grants from Exchequer Funds (continued)

(c) Exchequer and Non-Exchequer Funded Research:

	Government Funding Department/Office		Grant deferred/ (due) 1 Oct 2020	Cash Received 2020/21	Taken to Income 2020/21	Grant deferred/ (due) 30 Sept 2021
Science Foundation Ireland	Dept of Business, Enterprise and Innovation	€'000	24,735	€'000	37,503	€'000
Enterprise Ireland	Dept of Business, Enterprise and Innovation		(3,524)	45,336	6,045	32,568
Irish Research Council	Dept of Education and Skills		4,132	9,479	7,754	(90)
Dept of Agriculture, Food and the Marine	Dept of Agriculture, Food and the Marine		(2,943)	11,392	4,953	7,770
Health Research Board	Dept of Health		3,056	4,991	3,976	(2,905)
Teagasc	Dept of Agriculture, Food and the Marine		(10)	6,475	2,168	5,555
Sustainable Energy Authority of Ireland	Dept of Communications, Climate Action and Environment		(291)	2,212	686	34
Environmental Protection Agency	Dept of Communications, Climate Action and Environment		423	670	1,221	(307)
Higher Education Authority	Dept of Education and Skills		(364)	1,318	2,127	520
Dept of Communication, Climate Action and Environment	Dept of Communications, Climate Action and Environment		391	8,849	387	6,358
Ireland East Hospital Group	Dept of Health		(193)	347	199	351
Marine Institute	Dept of Agriculture, Food and the Marine		(69)	30	222	(362)
Geological Survey of Ireland	Dept of Communications, Climate Action and Environment		(20)	187	129	(104)
Health Service Executive	Dept of Health		437	526	451	377
Food Safety Promotion Board	Dept of Agriculture, Food and the Marine		(47)	263	52	249
Dept of Justice	Dept of Justice		33	70	2	(29)
Office of Public Works	Dept of Public Expenditure and Reform		26	5	36	36
National Roads Authority	Dept of Transport		33	-	10	(10)
Fingal County Council	Dept of Housing, Local Government and Heritage		12	10	32	33
				35		15

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Notes to the financial statements *(continued)* For the year ended 30 September 2021

29. Grants from Exchequer Funds <i>(continued)</i>		(c) Exchequer and Non-Exchequer Funded Research: <i>(continued)</i>			
Grantor	Government Funding Department/Office	Grant deferred/ (due) 1 Oct 2020 €'000	Cash Received 2020/21 €'000	Taken to Income 2020/21 €'000	Grant deferred/ (due) 30 Sept 2021 €'000
Dept of Housing, Local Government and Heritage	Dept of Housing, Local Government and Heritage	7	23	13	17
Irish Prison Service	Dept of Justice	(15)	-	-	(15)
Dept of Tourism, Culture, Arts, Gaelic Sport and Media	Dept of Tourism, Culture, Arts, Gaeltacht, Sport and Media	(11)	15	11	(7)
National Parks and Wildlife Service	Dept of Housing, Local Government and Heritage	5	13	20	(2)
The Housing Agency	Dept of Housing, Local Government and Heritage	10	43	45	8
Dept of Public Expenditure and Reform	Dept of Public Expenditure and Reform	102	83	53	132
Transport Infrastructure Ireland	Dept of Transport	15	92	11	96
Wicklow County Council	Dept of Housing, Local Government and Heritage	5	-	13	(8)
Dept of Children, Equality, Disability, Integration and Youth	Dept of Children, Equality, Disability, Integration and Youth	2	11	24	(11)
Dublin Corporation	Dept of Housing, Local Government and Heritage	36	-	36	-
Dun Laoghaire Rathdown County Council	Dept of Housing, Local Government and Heritage	7	-	10	(3)
Dept of Business, Enterprise and Innovation	Dept of Business, Enterprise and Innovation	57	-	36	21
Irish Dairy Board	Dept of Agriculture, Food and the Marine	35	-	-	35
Bord Bia	Dept of Housing, Local Government and Heritage	-	1	-	1
Cavan County Council	Dept of Housing, Local Government and Heritage	-	3	-	3
DAA	Dept of Transport	-	-	14	(14)
Dept of Defence	Dept of Defence	-	2	-	2
Dept of Education	Dept of Education	-	63	15	48
Dept of Health	Dept of Health	-	20	66	(46)

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Dublin City Council	-	(2)	8	(10)
Gas Networks Ireland	-	90	56	34
South Dublin County Council	-	-	1	(1)
Eirgrid	200	30	-	230
Dept of Foreign Affairs	15	108	21	102
Total Exchequer Research Grants	26,287	92,790	68,406	50,671

Dept of Housing, Local Government and Heritage
Dept of Communications Energy and Natural Resources
Dept of Housing, Local Government and Heritage
Dept of Communications, Climate Action and Environment
Dept of Foreign Affairs

29. Grants from Exchequer Funds (continued)

(c) Exchequer and Non-Exchequer Funded Research: (continued)

Total Exchequer Research Grants (from previous page)	26,287	92,790	68,406	50,671
Total Non-Exchequer Research Grants	21,753	34,101	36,604	19,250
Total per Research accounts	48,040	126,891	105,010	69,921
Other adjustments	-	(5,572)	(5,572)	-
Research Grants and Contracts per Financial Statements	48,040	121,319	99,438	69,921

Grant deferred/ (due) 1 Oct 2020	Cash Received 2020/21	Taken to Income 2020/21	Grant deferred/ (due) 30 Sept 2021
€'000	€'000	€'000	€'000

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Notes to the financial statements *(continued)*
For the year ended 30 September 2021

30. Events after the reporting period

The University negotiated a new loan financing facility of €350m with the European Investment Bank to part fund planned capital developments. The loan agreement was signed on 20 October 2020 and the associated security agreement on 14 December 2021. To date none of this loan facility has been drawn down. There are no other significant events after the reporting period.

Prof. Andrew J. Deeks will leave the role of President of the University on the 25 March 2022 and Prof. Mark Rogers will subsequently become acting President

31. Approval of financial statements

The financial statements were approved by the Governing Authority and signed on its behalf on 24 March 2022.